



Eureka 93 Inc. Announces Trading Date and Solidified Roadmap for Growth

OTTAWA, Canada, July 17, 2019 – Eureka 93 Inc. (CSE: ERKA), one of North America’s largest hemp-derived cannabidiol (CBD) extraction and processing companies, today announced that its common shares will commence trading on the Canadian Securities Exchange (CSE) on **July 18, 2019** under the new ticker symbol: **ERKA**.

Eureka93 is a multi-faceted CBD life sciences company with significant U.S. assets and operations, dedicated to the extraction, production, and distribution of CBD, a naturally occurring, non-psychoactive compound found in the hemp plant. With its proprietary extraction processes, the company is producing high-quality CBD products derived from American-grown hemp, including full-plant extract (oil) and CBD isolate powder.

“The **Eureka93** team is committed to driving market leadership with a solidified roadmap for the months ahead,” said David Rendimonti, Chief Executive Officer, **Eureka93**. “We are laser-focused on accelerating production to meet growing industry needs and developing research-based retail products that will allow us to increase our market share and fuel top-line growth.”

Applied to List Common Shares on the NASDAQ

In tandem with its application to the CSE, **Eureka93** has also applied to list its common shares on the NASDAQ. Further details on the status of this application will be shared at a later date.

Production Update

With a current extraction capacity of 48,000 kg (48 metric tons/105,822 lbs) of hemp biomass per month, **Eureka93** has refined its proprietary process to consistently produce up to 8,000 litres (2,113 gallons) of full-plant extract per month, subject to biomass availability. These 8,000 litres can be sold at this point in the process or be further refined and isolated to create up to 800 kg (0.8 metric tons/1,764 lbs) of high-grade CBD isolate per month, increasing to 1,000 kg (1 metric ton/2,205 lbs) per month in the coming weeks with existing working capital.

In the short-term, the company intends to double its extraction capacity to 96,000 kg (96 metric tons/211,644 lbs) per month with a modest investment (less than US\$100,000). Additionally, the company plans to deliver up to 2,000 kgs (2 metric tons/4,409 lbs) of high-quality CBD isolate powder per month this fall (subject to the availability of an estimated capital investment of US\$2 million).

While production capacity continues to grow in Montana, a retrofit of **Eureka93**’s newly acquired Las Cruces, New Mexico, facility will increase the company’s current extraction capacity by approximately 2,000,000 kg (2,000 metric tons/4,409,250 lbs) of hemp biomass per month. At full production capacity, this would generate up to an additional 70,000 kgs (70 metric tons/154,324 lbs) of CBD isolate per month. Management plans to make this a GMP facility in anticipation of FDA regulations and to better position the company to gain market

share. Subject to the completion of the engineering review for this proposed GMP extraction facility, management has preliminarily estimated a capital requirement of US\$25 million, with an estimated timeline to complete of six to nine months post breaking ground.

Growing Sales

Eureka93 is currently selling CBD wholesale products to a variety of customer segments, including distributors, pharmaceutical cannabis companies, contract manufacturers, and ingredient supply companies. It is also fulfilling contracts with buyers such as Tilray (NASDAQ: TLRY).

For the second quarter ending June 30, 2019, **Eureka93's** preliminary proforma unaudited total revenue was approximately US\$4.2 million, assuming the amalgamation of LiveWell Canada, Vitality, and Mercal had closed on April 1, 2019 rather than on April 24, 2019 (the effective date of the Amalgamation). This represents an 82% sequential growth over Q1 2019 proforma unaudited total revenue.

Eureka93 also entered into a new agreement with Global Wellness Distributors LLC on July 2, 2019, to leverage their operational support, distribution network, and sales expertise in key CBD markets across the United States. Additional partnership and contract details will be announced to the market as applicable.

While plans for future products are in development, including high demand Tetrahydrocannabinol (THC)-free* distillate and a variety of consumer brands, **Eureka93** is currently focused on the following products for wholesale:

- **CBD isolate**: A highly refined product that contains greater than 98% CBD content. All other compounds have been extracted in a highly controlled environment to ensure purity, quality, and consistency.
- **Full-Plant Extract**: A highly viscous full-plant extract contains aromatic and beneficial terpenes that work together with the cannabinoids present. This product is diluted with ethanol to produce a full-plant extract with less than 0.3% THC.

Retail Products Slated for Late 2019

Eureka93 is focused on expanding its strategic business model with a house of brands strategy directed towards the sports wellness, women's health, general health, and luxury beauty markets. Plans for an e-commerce platform are underway with a product launch slated for late 2019 (subject to a capital investment of US\$1 million).

Currently, **Eureka93** commercially produces natural health products at its Windsor, Ontario, facility with services including development, formulation, labelling and packaging for large nutraceutical companies. This facility contains 20 pharmaceutical-grade clean rooms, is certified by Health Canada, has NSF certifications for GMP and Sport, is a USDA-Certified Organic Manufacturer, and is an FDA-registered facility. Subject to obtaining the appropriate licenses from Health Canada, **Eureka93** plans to leverage the facility's infrastructure for its future CBD-based health and wellness product manufacturing as well as advanced research and development.

About Eureka93

With facilities in Eureka, Montana, Ottawa, Ontario, and Windsor, Ontario, the vertically integrated company is

dedicated to producing the highest-quality CBD products for its customers. Eureka93 is a design-driven company for creative solutions in systems, products, packages and services. For more information visit www.eureka93.com

**THC-free distillate is distillate that has been run through chromatography to remove THC to below detectable limits (less than 0.05% by weight)*

Forward-Looking Statements

Certain statements contained in this news release constitute forward-looking statements or forward-looking information under applicable securities legislation. Forward-looking statements include all disclosures regarding possible events, conditions or results of operations that are based on assumptions about future economic conditions and courses of action. Forward-looking statements may also include, without limitation, any statement relating to future events, conditions or circumstances. The Company cautions readers not to place undue reliance upon any such forward-looking statements, which speak only as of the date they are made. Often, but not always, forward-looking statements can be identified by the use of words or phrases such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, “believes” and similar expressions or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved, and may be based on management’s current assumptions and expectations related to all aspects of the Company’s business, industry and the global economy. Further, the Company cautions that this foregoing list of material factors is not exhaustive and additional information identifying risks are detailed from time to time in the Company’s other continuous disclosure filings.

The forward-looking information contained in this press release represents expectations of the Company as of the date of this press release and accordingly, is subject to change after such date. Readers should not place undue importance on forward-looking information and should not rely upon this information as of any other date. While the Company may elect to, it does not undertake to update this information at any particular time except as required in accordance with applicable securities laws.

Neither the Canadian Securities Exchange nor its Regulation Services Provider accepts responsibility for the adequacy or accuracy of this release.

SOURCE: Eureka 93 Inc.

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