



## Golden Leaf Holdings Signs Letter of Intent to Acquire Nevada and California Cannabis Cultivation Facilities

**Transaction would accelerate build-out of vertically integrated model in high-growth target markets**

TORONTO, May 17, 2018 -- Golden Leaf Holdings Ltd. ("Golden Leaf" or the "Company") (CSE:GLH) (OTCQB:GLDFF), a leading cannabis oil solutions company built around recognized brands, today announced that it has signed a letter of intent (the "LOI") to acquire two large cannabis cultivation facilities and their associated cultivation licenses, one in Northern Nevada and another in Northern California, that are owned by the same operators. The Nevada facility is currently operational and generating positive cash flow, and the California facility is provisionally licensed for cultivation.

Under the terms of the LOI, Golden Leaf would pay US\$8.5 million in cash at closing, plus an as of yet undetermined number of shares that equals 25% of the total issued and outstanding shares of common stock of GLH on the closing date.

"Signing this LOI provides Golden Leaf with an opportunity to secure an agreement that would significantly expand our cultivation capabilities in the high-growth Nevada and California markets, both of which have commenced adult-use sales within the past 12 months," commented William Simpson, CEO of Golden Leaf. "This opportunity to acquire an established enterprise, with strong brand recognition and positive cash flow generation is consistent with our strategy to build a vertically integrated operation spanning cultivation, processing and retail-driven sales, and to utilize accretive acquisitions to enable Golden Leaf to harvest highly-desirable boutique strains as a key component of a multi-prong growth strategy that can be applied across multiple jurisdictions."

Completion of these acquisitions is subject to numerous conditions, including completion of due diligence, negotiation and execution of definitive agreements, and receipt of any necessary approvals.

To be added to the distribution list please email [GLH@kcsa.com](mailto:GLH@kcsa.com) with "GLH" in the subject line.

### About Golden Leaf Holdings

Golden Leaf Holdings Ltd., a Canadian company with operations in multiple jurisdictions including Oregon, Nevada and Canada, is one of the largest cannabis oil and solution providers in North America, and a leading cannabis products company built around recognized brands. Golden Leaf cultivates, extracts and manufactures and distributes its products through its branded Chalice Farm retail dispensaries, as well as through third party dispensaries. Golden Leaf leverages a strong management team with cannabis and food industry experience to complement its expertise in extracting, refining and selling cannabis oil. Visit [goldenleafholdings.com](http://goldenleafholdings.com) to learn more.

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*and competitive uncertainties, regulatory risks including risks related to the expected timing of the Company's participation in the adult use market, market risks, risks inherent in manufacturing operations, difficulties of establishing a successful franchise model and other risks of the cannabis industry. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward looking information. Forward-looking information is provided herein for the purpose of presenting information about management's current expectations relating to the future and readers are cautioned that such information may not be appropriate for other purpose. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws. This press release does not constitute an offer of securities for sale in the United States, and such securities may not be offered or sold in the United States absent registration or an exemption from registration or an exemption from registration.*