



PRESS RELEASE

Grown Rogue Establishes Operations in California

First of several phases of multi-state plan

MEDFORD, OREGON – December 5, 2018 -- Grown Rogue International Inc. (CSE:GRIN) ("Grown Rogue" or the "Company"), has secured 16,000 square feet of prime location real estate in the heart of California's cannabis growers' region - Humboldt County, California as part of its multi-state expansion into California. Grown Rogue established GRD Cali, LLC for its California operations and has received licensing approval from the City of Eureka, anticipating full distribution license approval from the State of California this month.

CALIFORNIA



GRD Cali, dba Rogue Distribution, will provide distribution services to support local licensed cannabis farmers and processors, as well as distribution of its own Grown Rogue product categories produced or sourced in California. In addition, Rogue Distribution will assist with bulk distribution transactions throughout the state. In 2019, Grown Rogue plans to build out the 16,000 sq ft location to add a manufacturing lab (types 6 and 7) as well as retail operations.

"In California we are replicating successful operations, cultivation, distribution, and brand integrity that has been so effective for Grown Rogue in Oregon," said Obie Strickler, CEO of Grown Rogue. "Unlike most California producers, we have first hand experience operating under the changing supply chain logistics and compliance, which allows us to replicate our proven business model within these new jurisdictions like California."

Grown Rogue's initial California sales team is headquartered in the Los Angeles region, anchored by a business development director with 15 years of experience in the cannabis markets. "We started

investing almost a year ago by developing sales and distribution relationships that span Los Angeles to San Francisco so we could hit the ground running,” added Mr. Strickler.

The California expansion is the first step in a multi-state business plan that is also evaluating two other states.

“Very few cannabis operators have the history and years of experience in cannabis that our senior management possesses,” stated Jacques Habra, Grown Rogue Chief Strategy Officer. “From building out cultivation infrastructure and manufacturing to establishing distribution systems that work, this team has the knowledge and understanding to move quickly and effectively into new regions,” continued Mr. Habra.

“Knowing what operational environment will work and identifying what talent will perform has become second nature over the years,” added Mr. Strickler, “We are applying this experience into California and other states as legalization occurs.”

About Grown Rogue

[Grown Rogue International](#) (CSE: GRIN) is a **vertically-integrated, multi-state Cannabis brand** specializing in “seed to experience” products through an experienced management team, state of the art indoor and outdoor manufacturing facilities, and a proprietary distribution platform featuring exclusive partnership with Microsoft 365. Grown Rogue’s diverse product suite includes premium flower, patent-pending nitrogen sealed pre-rolls, 3.5g flower jars, oil and concentrate distillates, and most recently dark chocolate edibles featuring partnership with world-renowned chocolatier.

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This press release contains statements which constitute “forward-looking information” within the meaning of applicable securities laws, including statements regarding the plans, intentions, beliefs and current expectations of the Company with respect to future business activities. Forward-looking information is often identified by the words “may,” “would,” “could,” “should,” “will,” “intend,” “plan,” “anticipate,” “believe,” “estimate,” “expect” or similar expressions and include information regarding: (i) statements regarding the future direction of the Company (ii) the ability of the Company to successfully achieve its business and financial objectives, (iii) plans for expansion of the Company, and (iv) expectations for other economic, business, and/or competitive factors. Investors are cautioned that forward-looking information is not based on historical facts but instead reflect the Company’s management’s expectations, estimates or projections concerning the business of the Company’s future results or events based on the opinions, assumptions and estimates of management considered reasonable at the date the statements are made. Although the Company believes that the expectations reflected in such forward-looking information are reasonable, such information involves risks and uncertainties, and undue reliance should not be placed on such information, as unknown or unpredictable factors could have material adverse effects on future results, performance or achievements of the combined company. Among the key factors that could cause actual results to differ materially from those projected in the forward-looking information are the following: the potential impact of the announcement of the going public transaction on relationships, including with regulatory bodies, employees, suppliers, customers and competitors; changes in general economic, business and political conditions, including changes in the financial markets; and in particular in the ability of the Company to raise debt and equity capital in the amounts and at the costs that it expects; adverse changes in the public perception of cannabis; decreases in the prevailing prices for cannabis and cannabis products in the markets that the Company operates in; adverse changes in applicable laws; or adverse changes in the application or enforcement of current laws; and increasing costs of compliance with extensive government regulation, and other risks described in the Company’s Listing Statement available on [www.sedar.com](#).

Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking information prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected. Although the Company has attempted to identify important risks, uncertainties and factors which could cause actual results to differ materially, there may be others that cause results not to be as anticipated, estimated or intended.

The Company does not intend, and does not assume any obligation, to update this forward-looking information except as otherwise required by applicable law.

Safe Harbor Statement:

This press release may contain forward-looking information within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), including all statements that are not statements of historical fact regarding the intent, belief or current expectations of the Company, its directors or its officers with respect to, among other things: (i) the Company's financing plans; (ii) trends affecting the Company's financial condition or results of operations; (iii) the Company's growth strategy and operating strategy; and (iv) the declaration and payment of dividends. The words "may," "would," "will," "expect," "estimate," "anticipate," "believe," "intend" and similar expressions and variations thereof are intended to identify forward-looking statements. Also, forward-looking statements represent our management's beliefs and assumptions only as of the date hereof. Except as required by law, we assume no obligation to update these forward-looking statements publicly, or to update the reasons actual results could differ materially from those anticipated in these forward-looking statements, even if new information becomes available in the future. Investors are cautioned that any such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, many of which are beyond the Company's ability to control, and that actual results may differ materially from those projected in the forward-looking statements as a result of various factors including the risk disclosed in the Company's Form 20-F and 6-K filings with the Securities and Exchange Commission.

The Company is indirectly involved in the manufacture, possession, use, sale and distribution of cannabis in the recreational cannabis marketplace in the United States through its indirect operating subsidiaries. Local state laws where its subsidiaries operate permit such activities however, these activities are currently illegal under United States federal law. Additional information regarding this and other risks and uncertainties relating to the Company's business are disclosed in the Company's Listing Statement filed on its issuer profile on SEDAR at www.sedar.com. Should one or more of these risks, uncertainties or other factors materialize, or should assumptions underlying the forward-looking information or forward-looking statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected.

No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein.

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