

Grown Rogue Expands into Michigan Cannabis Market

Multi-state expansion includes strategically located provisional centers (dispensaries) and cultivation operation

MEDFORD, OREGON – January 15, 2019 -- Grown Rogue International Inc. (CSE:GRIN | OTC: NVSIF) (“**Grown Rogue**” or the “**Company**”), a vertically-integrated, multi-state cannabis company with licenses and operations in Oregon and California, has announced today the signing of a Memorandum of Understanding to expand its brand and products into Michigan through a strategic partnership with established local cannabis operators and investors. The expansion is anticipated to initially include two retail dispensaries, referred to as provisional centers in Michigan, a 19,000 sq ft indoor cultivation and processing center in Detroit, and an interest in a 28 acre parcel located in the northern portion of the lower peninsula which can be used for cultivation. Grown Rogue will make a further announcement relating to the definitive terms of the partnership which are currently being negotiated between the parties.

“We invested significant time looking for the right partners for our Michigan expansion,” stated Obie Strickler, CEO of Grown Rogue. “Our Michigan partners include executives with multi-generational leadership track records in real estate development and business investment throughout the State, as well as experienced cannabis operators.”

Strategically Located Assets

The proposed Detroit retail dispensary is strategically located in a highly desirable section of midtown Detroit in close proximity to popular Detroit sports stadiums, art centers, and central to a fast-growing affluent housing district. The Hazel Park location is within ¼ mile of the busiest freeway systems in the State as well as central to several popular destination Cities in Royal Oak, Birmingham, Ferndale, and Madison Heights. Hazel Park is only issuing a total of four provisioning center licenses.

The 19,000 sq ft Detroit cultivation center is a converted warehouse that is anticipated to house two (2) Class C growing licenses that will allow up to 3,000 plants for cultivation with an estimated annual production capacity of 2500 kgs. “Our cannabis experience includes an established brand presence, compliance and regulatory, construction of best-in-class cultivation facilities and other milestones we have achieved which will serve our partnership well as we continue to expand Grown Rogue nationally,” explained Mr. Strickler.

Early Mover Advantage

Michigan recently passed adult use cannabis in November 2018 with anticipated licensing for adult use beginning in early 2020 and has the second largest medical cannabis population in the United States. According to Detroitstats.com, in 2014, over 1 million people were recorded to have used marijuana (15.6% of the population) in Michigan. While California had over 4 million residents that said they consumed marijuana in 2016 (14.9% of the population).

“There is already such a significant adoption of cannabis by the general population in Michigan that we can



PRESS RELEASE

really hit the ground running with our established brand and proven business processes,” said Jacques Habra, Chief Strategy Officer of Grown Rogue. “This strategic partnership, in one of most exciting states in the US, continues our focus on building a multi-state cannabis company.”

The barriers to entry into the Michigan cannabis industry are high due to regulatory standards still in flux and limitations on licensing by municipality. Grown Rogue’s momentum and multiple assets provide a unique advantage.

“According to the Detroit Free Press, Michigan has the second highest medical cannabis patient population at 283,832, which is the highest percentage per capita in the United States. We are excited to take advantage of this new market opportunity for Grown Rogue’s proven business model,” added Mr. Strickler.

About Grown Rogue

[Grown Rogue International](#) (CSE: GRIN | OTC: NVSIF) is a vertically-integrated, multi-state cannabis company curating innovative products to provide consumers with the right cannabis experience. Each of Grown Rogue’s products and strains are categorized and marketed based on unique effects and designed for the full range of a consumers’ lifestyle. Grown Rogue is scaling the vertically integrated model into multiple states by incorporating best-in-class manufacturing facilities and a proprietary distribution platform based on Microsoft technology. Grown Rogue’s diverse cannabis product suite includes premium flower, patent-pending nitrogen sealed pre-rolls, oil and concentrates, and edibles featuring a partnership with world-renowned chocolatier, Jeff Shepherd.

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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



PRESS RELEASE

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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