

Harvest Health & Recreation Announces Joint Venture with Aina We Would, LLC, to Create a National Cannabis Real Estate Investment Vehicle with Up to \$100 Million in Committed Capital for Approved Projects

Vehicle provides Harvest a potential new source of capital for construction and development projects at preferential rates

PHOENIX – December 10, 2018 – [Harvest Health & Recreation, Inc.](#) (CSE: HARV) (“Harvest”), a vertically integrated public cannabis company with one of the largest footprints in the U.S., announced it entered into an agreement to form Aina We Would, LLC (“AWW”), a new captive real estate investment vehicle that plans to provide funding for cannabis-related real estate asset acquisitions. In addition to a Harvest subsidiary, AWW is comprised of two family offices, Aina Advisors LLC (“Aina”) and Stadlen Family Holdings, LLC (“Stadlen”). Aina and Stadlen have committed to fund or arrange up to \$100 million to fund AWW projects they approve. AWW, through the participation of its members, plans to focus on serving clients in the cannabis marketplace and combines deep family office private wealth management advisory capabilities, cannabis-industry and real-estate development expertise and an extensive cannabis industry real-estate footprint.

AWW plans to buy, develop and finance new construction projects, engage in land purchases, capital improvements and sale-leasebacks to Harvest and other operators in the cannabis industry. AWW plans to offer Harvest lease rates below current market providers and then source permanent financing for the properties it acquires. In addition to financing, Harvest may use AWW for its construction and real estate development needs. In addition, Harvest has committed to lend AWW a minimum of up to \$30 million in short-term financing to permit AWW to seek out acquisition projects, each of which is subject to the approval of AWW and Harvest in their sole discretion. These funds will be replaced by permanent financing provided or sourced by Stadlen and Aina

“AWW gives Harvest an excellent funding option for the development of cultivations, manufacturing facilities and dispensaries. This new vehicle, combined with the approximate \$290 million we raised in conjunction with our recent debt and equity financing transactions, affiliate roll-up and recently completed acquisitions leading up to and following our listing on the CSE, gives us one of the strongest balance sheets in the industry,” said Harvest President Steve Gutterman. “To create AWW, we brought together the perfect trifecta of real estate, investment and cannabis experts.”

Harvest owns more than 40 cannabis licenses with a domestic footprint that includes real estate, equipment and other assets in 11 states, including Arizona, Arkansas, California, Colorado, Florida, Maryland, Massachusetts, Nevada, North Dakota, Ohio and Pennsylvania. Selected existing and new projects are expected to be folded into AWW.

“Real estate is the lifeblood of the cannabis economy and a huge piece of any company’s bottom line,” said Harvest Executive Chairman, Jason Vedadi. “With this partnership, AWW has been structured to turn a significant cost center into a potential profit driver and to become a potentially attractive source of financing for Harvest’s expected expansion.”

About Harvest Health & Recreation, Inc.

Harvest Health & Recreation, Inc. is one of the first consistently profitable, vertically integrated cannabis companies with one of the largest footprints in the U.S. Harvest’s complete vertical solution includes industry-leading cultivation, manufacturing, and retail facilities, construction, real estate, technology and operational expertise — leveraging in-house legal, HR and marketing teams, along with proven experts in writing and winning state-based applications. The company has 425 employees with proven experience, expertise and knowledge of in-house best practices that are drawn upon whenever Harvest enters new markets. Harvest’s executive team is comprised of leaders in finance, compliance, real estate and operations. Since its founding in 2011, Harvest has grown its footprint every year and now has licenses in 11 states, with planned expansion into additional states by 2020. Harvest shares timely updates and releases as part of its regular course of business with the media and the interested public. For more information, visit: <https://www.harvestinc.com/>.

About We Would and Stadlen

We Would is the commercial real estate development arm of Stadlen Family Holdings, LLC. Its principals have nearly 50 years’ combined experience. We Would is a professionally managed organization with the objective to develop and leaseback real estate. We Would exists to profitably acquire, develop, lease, maintain, and exit retail real estate holdings for the cannabis industry. Its current portfolio includes cultivation, processing and dispensary locations throughout Florida.

About AINA

Aina Advisors LLC is the capital markets subsidiary of a multi-family office based in Coral Gables, FL and Honolulu, HI. AINA focuses on the acquisition, financing, development, and sale of all conventional property types, with a focus on cannabis investments including cultivation, processing, and dispensary facilities, triple net leased assets, retail shopping centers, multifamily apartment complexes, medical office buildings, and senior living facilities, as well as conventional private equity investments. The key principals of AINA have a combined 40+ years of transaction experience.

Forward-looking Statements

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 Harvest 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) expectations

regarding completion of committed financing sources, (ii) the size of the U.S. cannabis market, (iii) the ability of the Company to successfully achieve its business objectives, (iv) plans for expansion of Harvest, and (v) expectations for other economic, business, and/or competitive factors.

Investors are cautioned that forward-looking information is not based on historical facts but instead reflects Harvest management's expectations, estimates or projections concerning future results or events based on the opinions, assumptions and estimates of management considered reasonable at the date the statements are made. Although Harvest 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 an announcement of a 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, including those related to taxation; the inability to locate and acquire suitable companies, properties and assets necessary to execute on the Company's business plans; and increasing costs of compliance with extensive government regulation. This forward-looking information may be affected by risks and uncertainties in the business of Harvest and market conditions.

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

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