

Harvest Wins Every License Applied for in Pennsylvania

Harvest Gains Ability to Open More Retail Stores than any Other Company in the State of Pennsylvania

PHOENIX-- December 19, 2018 -- [Harvest Health & Recreation, Inc.](#) (Harvest), a vertically integrated public cannabis company with one of the largest footprints in the United States and now listed publicly on the CSE in Canada (CSE:HARV), today added to its existing retail license award in Pennsylvania by winning every license it applied for giving Harvest the ability to open more retail stores than any other company. Each license permits the recipient to open up to three retail stores. Harvest was chosen because it received the highest scores on all but one of its regional applications (where it placed 2nd overall) based on its responses to the criteria developed by the Pennsylvania Department of Health. The Department of Health issued a total of 23 dispensary permits for Phase II of the medical marijuana program. Harvest will now have six months to become operational before it begins dispensing medical cannabis. With these latest wins, Harvest and its subsidiaries now have a significant footprint in 12 states across the US. Harvest was previously granted a retail license for Pennsylvania's Southeast region in June of 2017, which includes its first store in Redding and two upcoming stores in the Philadelphia metropolitan area.

“As is true elsewhere, we are now ahead of schedule in the state of Pennsylvania, as we work to build the largest retail footprint in cannabis,” said Steve White, founder and CEO of Harvest. “Pennsylvania, as a cannabis market, has exceeded our expectations. And Harvest is excited and proud to have been awarded these important licenses, allowing us to bring our leading products, storefronts, experience and approach to citizens throughout the state. Our real estate teams have already been deployed throughout Pennsylvania and will identify the best retail locations for our new stores. Pennsylvania is quickly becoming one of the most important states for our long-term plans.”

Founded in 2011, Harvest has the largest footprint in its home state of Arizona – the third largest medical cannabis market in the U.S. and one of the oldest regulated cannabis markets in the world. With a truly comprehensive vertically integrated model, Harvest comprises industry-leading cultivation, manufacturing, retail facilities, construction, real estate, technological capabilities backed by an award-winning team of experts with a proven track record in writing and winning state-based cannabis licensing applications.

An international leader in the cannabis industry, Harvest holds itself to the most stringent health, safety and quality standards in the industry when it comes to the growth, production and sale of cannabis medicines and products for consumers. Since Harvest was founded in 2011, the company has donated more than \$500,000 to veterans, seniors, children, patients-in-need and other charitable recipients.

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 12 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/>.

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 the size of the U.S. cannabis market, (ii) the ability of the Company to successfully achieve its business objectives, (iii) plans for expansion of Harvest, 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 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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