

HARVEST

Harvest Health & Recreation Inc. Announces Acquisition of Arizona Natural Selections

Multi-State Cannabis Company Acquires the Rights to Operate Four Vertical Licenses

PHOENIX, February 19, 2020 – [Harvest Health & Recreation Inc.](#) (CSE: [HARV](#), OTCQX: [HRVSF](#)) (“Harvest”), a vertically integrated cannabis company with one of the largest and deepest footprints in the U.S., today announced the acquisition of Arizona Natural Selections, including the company’s four vertical medical licenses in Arizona for a non-material undisclosed amount of stock. With this acquisition Harvest owns and operates 14 medical dispensaries, four cultivation facilities, and three processing facilities in its home state of Arizona, a total of 15 vertical licenses. On a pro forma basis including pending acquisitions Harvest has a total of 22 vertical licenses in Arizona.

The four licenses acquired through the agreement include retail locations Green Desert Patient Center of Peoria, Inc., Green Sky Patient Center of Scottsdale North, Inc., The Giving Tree Wellness Center of Mesa, Inc. and a fourth location to be opened, each of which currently conducts business under the retail brand name Arizona Natural Selections.

The acquisition will provide Harvest with two operational cultivation facilities: a 55,000 sq. ft. indoor cultivation and production facility in Phoenix and a 322-acre site of which 25 acres are zoned for cannabis with 70,000 square feet of greenhouse in Willcox. The acquisition includes the Darwin line of precision-dosed cannabis products.

“We are excited to further deepen our operations in our home state of Arizona expanding our cultivation, processing, and retail operations,” said Harvest CEO Steve White. “We will look to further the existing reputation and operational excellence Arizona Natural Selections has established across the state and are eager to welcome new members into the Harvest family.”

“We’re extremely pleased to have found a partner like Harvest, whose values align with ours and whose capabilities will enhance our ability to deliver high-quality products to our patients,” said Kurt Merschman, CEO of Arizona Natural Selections. “With Harvest’s exceptional reputation, commitment to Arizona and experienced operations team, we have no doubt we’ll be able to provide an even greater level of care and service to our patients.”

About Harvest Health & Recreation Inc.

Headquartered in Tempe, Arizona, Harvest Health & Recreation Inc. is a multi-state cannabis operator (MSO) and vertically integrated cannabis company. Subject to completion of announced acquisitions, Harvest will have one of the largest footprints in the U.S., with rights to operate more than 210 facilities, of which approximately 130 are retail locations, and more than 1,700 employees across 18 states and territories. Since 2011, the company has been committed to expanding its Harvest House of Cannabis retail and wholesale presence throughout the U.S., acquiring, creating and growing leading brands for patients and consumers nationally and continuing on a path of profitable growth. Harvest's mission is to improve lives through the goodness of cannabis and is focused on its vision to become the most valuable cannabis company in the world. We hope you'll join us on our journey: <https://harvesthoc.com>

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Forward-looking Statements

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 ability of Harvest to develop Harvest's brand and meet its growth objectives, the ability of Harvest to complete planned acquisitions that are accretive to its revenue, the ability of Harvest to obtain and/or maintain licenses or other contractual rights to operate in the jurisdictions in which it operates or in which it expects or plans to operate; 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.

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