



MJardin Group Announces Design Finalization and Signing of Non-Binding Warman Letter of Intent

DENVER, Colorado, and TORONTO, Canada, August 28, 2019 -- MJardin Group, Inc. (“**MJardin**” or “the **Company**”) (CSE: MJAR) (OTCQX: MJARF), a leader in premium cannabis production, today announced it has finalized the design for its Warman Road project in Winnipeg, Manitoba (“**Warman**”), a hybrid facility encompassing indoor and greenhouse production along with full EU GMP certified extraction, processing and packaging capabilities. The Company also announced the signing of a non-binding Letter of Intent (“LOI”) with Peguis First Nation (“**Peguis**”) for a Joint Venture (“**JV**”) in connection with the operation and ownership of Warman.

Key details of the proposed JV are as follows:

- Peguis to purchase existing land and buildings from MJardin for C\$11 million and execute a concurrent long term lease back to the JV;
- Peguis to additionally fund the Capital Expenditures required to complete Phase 2 of the facility for approximately C\$20.5 million;
- MJardin and Peguis to own 49.0% and 51.0% of the JV, respectively;
- MJardin will hold or nominate a majority of seats on the JV Board of Directors and will manage the new Facility under a long term, renewable Managed Services Agreement (“MSA”);
- Phase 2 of the build-out will see the facility achieve Q2 2020 production capacity of approximately 4,500 kg of high-quality dried flower and 800 litres of bulk oil for use in refined products;
- The site has the infrastructure to support further expansions in the future.

“We are very pleased to announce this transaction and are looking forward to growing our existing retail partnership with Peguis First Nation in a material way. Our enhanced Warman plan is highly scalable and will provide Canadian and International markets with the high quality flower that MJardin is known for, as well as a new range of consumer products leveraging our recent Canabella acquisition,” said Patrick Witcher, COO of MJardin. “This approach of delivering a diversified product mix provides MJardin with a more robust and resilient revenue model in the short run and superior positioning for addressing future market trends, locally and internationally. Our new design provides this at a lower capital cost, while optimizing EBITDA margins and return on invested capital.”

“This is an exciting step and represents a corner stone in Peguis’ goal of establishing material revenue and employment opportunities within this industry,” said Glenn Hudson, Chief of Peguis First Nation. “We have been consistently impressed with the capability and expertise

demonstrated by the MJardin teams across the entire organization and the passion they bring to this business matches the passion with which we are pursuing a better future for our People.”

About MJardin Group

MJardin is a cannabis management platform with extensive experience in cultivation, processing, distribution and retail. For over 10 years, MJardin has refined cultivation methodologies, developed state of the art facilities and implemented vertical integration for and on behalf of license owners. MJardin is based in Denver, Colorado and Toronto, Canada. For more information, please visit www.mjardin.com

The CSE has not in any way passed upon the merits of and has neither approved nor disapproved the contents of this news release.

This news release does not constitute an offer to sell or a solicitation of an offer to sell any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”) or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

About Peguis First Nation

Peguis First Nation is Manitoba's largest First Nation community and the sixth largest in Canada. Located approximately 190 KM North of Winnipeg, Peguis has about 12,000 Band Members on and off reserve, who are mainly of Ojibway and Cree descent. Peguis has established a number of on and off reserve businesses directly and in partnerships with strong forward looking organizations. As a community and government, Peguis is focussed on a number of strategic objective:

1. Providing employment and career development for its members and the communities in which they live
2. Developing additional Own-Source revenues to contribute to needs of youths and elders
3. Address housing and infrastructure deficiencies with its home community

Forward-Looking Information

This news release contains forward-looking information based on current expectations. Statements about, among other things, future developments and the business and operations of MJardin, our production capacity, our production results, trading of MJardin’s shares on the OTCQX Best Market, the closing of the Transaction, the receipt of any pending regulatory approvals or licenses, the growth of our global footprint and our intentions to leverage our scale for continued organic growth and to pursue strategic investments are all forward-looking information. These statements should not be read as guarantees of future performance or results. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by such statements. Such factors include, but are not limited to: our ability to identify

and pursue growth, financing and other strategic objectives, and the regulatory and economic environments in the jurisdictions we operate or intend to operate or invest in. Although such statements are based on management's reasonable assumptions at the date such statements are made, there can be no assurance that the proposed acquisition will occur and that such forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such forward-looking information. Accordingly, readers should not place undue reliance on the forward-looking information. MJardin assumes no responsibility to update or revise forward-looking information to reflect new events or circumstances unless required by applicable law.

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