



Cypress Hill Co-founder DJ Muggs Joins Bhang Inc. as Chief Brand Strategist

- DJ Muggs, legendary Cypress Hill co-founder and hip-hop producer, will join Bhang as Chief Brand Strategist driving creative direction and strategy for the brand

MIAMI, Jan. 22, 2020 -- [Bhang Inc.](#) ("Bhang" or the "Company") (CSE: BHNG) (OTCQX: BHNGF), a global cannabis CPG brand company with an extensive, award-winning portfolio of products, announced today that DJ Muggs, co-founder of the Grammy-nominated and renowned hip-hop group [Cypress Hill](#) and the leader of Los Angeles art collective Soul Assassins, will be joining Bhang as Chief Brand Strategist where he will focus on the creative direction and strategy of the company.

"It is an honor for me to accept this position," said DJ Muggs. "My life's work has been about bringing the culture to the forefront and creating uncompromising art. With Bhang's heritage, I'm looking forward to joining its award-winning team and making Bhang a household name."

DJ Muggs rose to prominence as a musician in the 90s but has also helped run several successful business ventures including record labels, publishing companies and investment groups. Having worked as an in-demand producer and remixer over the last 30 years, his credits include legendary acts U2, Depeche Mode, Dizzee Rascal, Die Antwoord, House of Pain, Van Halen, Pearl Jam, Snoop Dogg, Queen, George Michael, and the Beastie Boys. As a co-founder of Cypress Hill, Muggs has produced multi-platinum albums with the group and has sold 40 million records to date. His critically acclaimed work with the Soul Assassins art collective has featured rap talent from Dr. Dre, to the RZA, Mobb Deep and Wyclef Jean.

Jamie Pearson, Bhang President & Chief Executive Officer commented, "Muggs has been a trend setter in mainstream and underground art and music circles as well as a vocal cannabis user and legalization supporter. He identifies and guides trends and talent and we are excited to watch his vision and creativity influence Bhang's culture and direction."

Cypress Hill Bhang (CHB)

In conjunction with the announcement, Bhang, through its operating subsidiary, has acquired the 50% membership units in CB Brands, LLC and CB Productions LLC (together, the "JV Entities") from Cypress Hill Musik, a general partnership owned by the three founding members of Cypress Hill. The JV Entities operate the Cypress Hill Bhang (CHB) joint-venture of which Bhang's subsidiary was already a 50% owner. Bhang will re-release a bespoke line of cannabis-themed products under the CHB brand with Cypress Hill reflecting the band's identity and catering to their millions of fans around the world.

The CHB product line will be distributed with cannabis in US states where Bhang THC products can be found and without cannabis worldwide in headshops, smoke shops and through e-commerce channels.

Under the terms of a membership unit purchase agreement, the partners of Cypress Hill Musik received an aggregate 536,016 subordinate voting shares of the Company ("Bhang Shares") at a price of C\$0.50 per Bhang Share, representing an agreed purchase price for the acquisition of USD\$205,321.22. The Bhang Shares are subject to a four month hold period expiring on May 23, 2020. Under the terms of a trademark license agreement, Cypress Hill Musik will continue to license the rights to the Cypress Hill name on all Cypress Hill branded products sold by CHB for a royalty in an amount equal to 2.5% of gross sales.

About Bhang

Bhang is committed to delivering exceptional sensory experiences to consumers at every point in their cannabis journey through its award-winning portfolio of brands. Bhang is a trusted global cannabis company with an extensive portfolio of over 100 cannabis, hemp-derived CBD and terpene products, including chocolates, pre-rolls, gums, and beverages through its wholly-owned Red Ace Organics division, among others. Since 2010, Bhang has mastered the art of harnessing mutually-beneficial partnerships to bring safe, consistent and delicious products to the world. Learn more at www.bhangnation.com and purchase our award-winning CBD products at <http://www.bhangcbd.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 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 into new jurisdictions, 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. Among the key factors that could cause actual results to differ materially from those

projected in the forward-looking information are the following: 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 hemp 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; the cannabis market is highly regulated and those regulations and enforcement priorities of governmental authorities may change; compliance with extensive government regulation and related costs; and other risks described in the Company's Listing Statement dated July 9, 2019 and filed 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 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.

This press release does not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of any of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. 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 the securities laws of any state of the United States and may not be offered or sold within the United States or to any "U.S. Person" (as defined in Regulation S under the U.S. Securities Act) unless registered under the U.S. Securities Act and applicable state securities laws or pursuant to an exemption from such registration requirements.

The Canadian Securities Exchange has not reviewed, approved or disapproved the content of this news release.

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