



## **Wayland Group to Explore Strategic Alternatives to Maximize Shareholder Value Including the Spinout and/or European Listing of its International Assets**

TORONTO, Dec. 19, 2018 -- Wayland Group (CSE:WAYL) (FRANKFURT: 75M) (OTCQB:MRRCF) ("Wayland" or the "Company"), a global, vertically integrated cultivator and processor of cannabis, today announced that its Board of Directors has initiated a process to explore a broad range of strategic alternatives, including, but not limited to assessing the potential spin-out and/or European listing of its international assets (the "International Assets") in an effort to unlock the value of the Company's vast international asset portfolio (a "Spinout Transaction"), as well as its underlying domestic Canadian assets. Any Spinout Transaction of the International Assets could include the Company's European, Latin American, and Asia-Pacific operations.

The Company strongly believes in its current strategy; however, it does not believe its current share price accurately reflects the global portfolio Wayland has, and continues to create.

"We have demonstrated our capability in predicting future markets and working systematically to put supply chain in place, with some of the lowest transaction costs for international acquisitions in addition to organic growth and partnerships. Our exponential growth model has tremendous potential, as it is built on the solid foundation we have laid from five years of organizational learning as a licensed producer in Canada. This has allowed us to become one of five companies with EU-GMP certification on top of having all the requisite cultivation and processing licenses in Canada. It is time for us to capitalize on the largest future cannabis market in the world and focus our efforts in the wellness and medical markets to accomplish our vision of enhancing life through cannabis," stated Ben Ward, CEO of Wayland.

Canaccord Genuity Corp. has been retained to serve as the Company's financial advisor related to the strategic review process.

There can be no assurance the strategic review will result in the completion of any transaction or any other alternative. The Company has not set a timetable for completion of the review process, and it does not intend to comment further unless a specific transaction or alternative is approved by the Board of Directors, the review process is concluded, or it is otherwise determined that other disclosure is appropriate.

Paul Pathak, Chairman of the Board commented, "Our Board is committed to maximizing value for our shareholders. Our management team has done a terrific job of building a state of the art cultivation facility in Langton and securing significant distribution agreements with several of the Provinces, while at the same time assembling an impressive portfolio of international assets. Our end goal, however, is to translate that into value for our shareholders and we are confident that the results of our strategic review and potential spin-out of our international assets will be important steps to accomplish that."

### **European Assets**

#### *Germany*

Wayland has several active initiatives in Germany that give the Company a distinct advantage in the German and European markets. The Company is the only organization in the world that has a facility ready for domestic cannabis cultivation. Located in Ebersbach, just outside of Dresden, the proposed facility gives Wayland 820,000 square feet of clean-room cultivation, processing, and extraction capabilities. It is currently being utilized to process industrial hemp from the Company's adjacent 164-hectare hemp operation where the Company recently completed their first harvest yielding over 120,000 kg of dry hemp flowers. Once processed, the CBD distillate will be used for the Company's recently launched nutraceutical business, MariPlant GmbH. Finally, the Company expects to receive their second EU-GMP certification for the Ebersbach facility in a matter of weeks, further strengthening Wayland's medical production and distribution capabilities.

#### *Switzerland*

Wayland's second European cultivation site is located in Regensdorf, Switzerland, a suburb of Zurich. The 60,000 square foot facility's current production profile is approximately 2,000 kg of CBD flower per year. Wayland plans to upgrade this facility to bring it in line with the Company's production standards from existing GACP standards and increase capacity to 14,000 kg per year with the goal of developing their own CBD products for sale throughout Switzerland and the rest of the European Union. Wayland will locate its Active Pharmaceutical Ingredients (API) manufacturing site for its global operations in Switzerland, taking advantage of existing phyto pharmaceutical talent in country.

#### *Italy*

Wayland has a definitive joint venture agreement with CBD Italian Factory S.S., a company of Group San Martino for the production of high quality cannabis products in Italy. The Company expects that the joint venture will marry the best of both entities with world-leading technology by Rockwell Automation paired with existing infrastructure in Piedmont, Italy, which

includes agricultural expertise and biogas electricity. This will allow the sustainable production of quality CBD and THC products from a naturally derived fuel source. CBD Italian Factory S.S. and San Martino Group will bring mass-scale agricultural skills to the joint venture with a focus on local sustainable practices and expertise in Biomass Energy production. The Company holds 50.1 % of the joint venture while 49.9% is held by CBD Italian Factory, with Massimiliano Umberto Signorini assuming the role of CEO for the new company.

#### *Malta*

In July of 2018, Wayland's application to Malta Enterprise to set up a business in Malta to manufacture finished dose medical cannabis was approved. Malta will offer the Company a unique advantage as Wayland will have the ability to import, extract, manufacture finished dose products, and distribute cannabis for medical purposes within Malta and the entire European Union. Malta Enterprise allows the Company to develop a wide variety of pharmaceutical products and export them across the European Union, and as Malta is a member of the EU, certain VAT tax are inapplicable to Malta Enterprise.

#### *United Kingdom*

The Company has entered into an agreement to acquire a 51% stake in U.K. based Theros Pharma Ltd. ("Theros"), an early stage company that has successfully imported cannabis to the U.K. for patients with a prescription for medical cannabis. The company expects to be able to import cannabis to patients in the UK as early as March 2019.

### **Latin American and Asia Pacific Assets**

#### *Argentina*

Wayland has entered into an agreement to purchase 819 hectares of existing developed agriculture land in San Juan Province in Argentina, which is the ideal micro climate for cultivation. The property has existing mass scale irrigation, using runoff from the Andes Mountains, and produces 1,000,000 kg of wine juice, and 400,000 kg of olives per year. Existing on site agronomists and farmers will take their knowledge of horticulture and apply it to Wayland's existing world class system of cannabis cultivation. Outdoor cultivation will take place in existing alfalfa fields, to supply Wayland with low cost inputs. Initial extraction will take place in Argentina.

#### *Colombia*

The Company has entered into an agreement to acquire 100% of the outstanding shares of Colma Pharmaceutical SAS ("Colma"), a licensed producer of THC cannabis in Colombia, holding four licenses for cultivation and processing on a leased premise in Ibaque, Colombia. Wayland plans to cultivate THC cannabis outdoor and year-round with an infrastructure investment including 415,000 square feet of processing and clone and vegetation greenhouse facilities to support outdoor cannabis flower production of 125 hectares.

#### *Australia*

Wayland has entered into an agreement to acquire 50.1% of Tropicann Pty Ltd. ("Tropicann"), a privately owned Australian company located in Darwin, Northern Territory. It plans to build an outdoor grow facility to take advantage of the ideal cannabis cultivation climate with minimal environmental impact. The Company believes it can leverage a major port in Darwin that will provide access to major APAC markets.

### **Canadian Assets**

#### *Canadian Operations*

The Company's flagship facility is located in Langton, Ontario with cultivation, extraction, formulation, and distribution capabilities. The facility is a purpose-built cannabis production facility with an emphasis on automation and energy efficiencies. The Company partnered with Rockwell Automation to develop a fully automated system including the development of AI Data Grow, the Company's artificially intelligent master grower. This allows Wayland to drastically reduce its cultivation labour needs by approximately 90% of the industry average while also mitigating risks associated with infecting crops. The facility will be completed in two phases, the first of which is approximately 225,000 square feet in size with 90,000 square feet of production and office space and approximately 135,000 square feet of grow space which will yield the Company approximately 65,000 kg of dried cannabis flower per year. Phase two will bring an additional 719,000 square feet of grow space online taking production capacity much greater than 100,000 kg per year.

Wayland's Langton campus has been certified by the European Medicines Agency after receiving the certification of EU-Good Manufacturing Practices ("EU-GMP"). EU-GMP certification allowed Wayland to sign the largest ever medical cannabis export deal with Cannamedical of Germany, agreeing to provide the medical cannabis distributor with a minimum of 9,000 kg of product over a three-year period. Wayland is one of only five cannabis companies in the world to receive the EU-GMP designation which is another advantage the Company believes it has in the global medical cannabis arena as demonstrated by this large purchase order.

#### *Provincial Agreements*

- **Manitoba:** Supply agreement with the Manitoba Liquor & Lotteries Corporation ("MBLL") to make available for purchase by MBLL at least 550kg of various cannabis products during the first twelve months of the agreement.
- **Alberta:** Supply Agreement with the Alberta Gaming, Liquor & Cannabis Commission ("AGLC") to allocate up to 3,375kg of cannabis product for the Alberta market within the first six months.
- **British Columbia:** Through a memorandum of understanding ("MOU"), Wayland is a preferred licensed producer to the BC Liquor Distribution Branch ("BCLDB") to initially supply approximately 3,622kg of non-medical cannabis to BCLDB over the first 12 months following legalization.
- **Ontario:** Selected by The Ontario Cannabis Store ("OCS") to supply a variety of safe, high quality cannabis products

through its online store since launching October 17, 2018.

#### *Brand Portfolio*

The Company has taken a purposeful and consumer-centric approach to each of its brands/offerings, each validated and optimized with local consumer research. Strains within each portfolio will match brand positioning and satisfy target consumer needs and benefits.

- **Solara C:** Designed for the modern, active consumer who is looking to find solutions to help them live healthier/better without using stronger pharmaceutical alternatives. This brand will be CBD-only and create a wide range of products from beverages to topical creams with the expressed purpose of promoting a healthy, balanced lifestyle.
- **Kiwi:** Designed for light users who are new to the category and looking to better understand Cannabis and its effects. The brand will exist to simplify and make the cannabis experience more welcoming and approachable to the masses.
- **Northern Harvest:** Designed for light / medium users who enjoy Cannabis as part of their active and social lives. The brand will exist to promote a more natural and balanced approach to Cannabis with a focus on providing a fun and lighthearted experience.
- **High Tide:** Designed for medium to heavy users who enjoy the cerebral effects of Cannabis. This brand will produce high quality, high THC cannabis with the expressed purpose of pushing the limits of the THC experience.
- **Lost at Seed:** Designed for medium to heavy users who want only the best Cannabis money can buy. This brand will provide highly desirable and impossible to find strains only available on a limited assortment basis.
- **Rare Dankness:** This partner brand will be for experienced Cannabis users who are knowledgeable about strains, potencies and profiles. It will offer a wide selection of premium award-winning strains that users won't be able to find anywhere else.

Maricann Group Inc., through its subsidiaries, is operating under the Wayland Group name. For further details see the press release dated September 24, 2018.

#### **About Wayland Group**

Wayland is a vertically integrated cultivator and processor of cannabis. The Company was founded in 2013 and is based in Burlington, Ontario, Canada and Munich, Germany, with production facilities in Langton, Ontario where it operates a cannabis cultivation, extraction, formulation, and distribution business under federal licenses from the Government of Canada. The Company also has production operations in Dresden, Saxony, Germany, Regensburg, Switzerland, Alessandria, Piedmont, Italy, Ibague, Colombia, London, UK, Australia, and Argentina. Wayland will continue to pursue new opportunities globally in its effort to enhance lives through cannabis.

#### **Forward Looking Information**

*This news release includes forward-looking information and statements, which may include, but are not limited to, information and statements regarding or inferring the future business, operations, financial performance, prospects, and other plans, intentions, expectations, estimates, and beliefs of the Company. Such statements include statements regarding the Company's plans for its operations in all regions, proposed acquisitions, the Company's continued global expansion, its effect on the Company's global platform and the Spinout Transaction. Forward-looking information and statements involve and are subject to assumptions and known and unknown risks, uncertainties, and other factors which may cause actual events, results, performance, or achievements of the Company to be materially different from future events, results, performance, and achievements expressed or implied by forward-looking information and statements herein. Such assumptions, risks, uncertainties and other factors include, but are not limited to, that the proposed transactions will be completed on the terms and timelines anticipated by the Company or at all, the effect that the proposed transactions, and Spinout Transaction if and when completed, will have on the Company's global platform, that all necessary stock exchange, regulatory and other approvals will be received in connection with the proposed transactions and or the Spinout Transaction. Although the Company believes that any forward-looking information and statements herein are reasonable, in light of the use of assumptions and the significant risks and uncertainties inherent in such information and statements, there can be no assurance that any such forward-looking information and statements will prove to be accurate, and accordingly readers are advised to rely on their own evaluation of such risks and uncertainties and should not place undue reliance upon such forward-looking information and statements. Any forward-looking information and statements herein are made as of the date hereof, and except as required by applicable laws, the Company assumes no obligation and disclaims any intention to update or revise any forward-looking information and statements herein or to update the reasons that actual events or results could or do differ from those projected in any forward looking information and statements herein, whether as a result of new information, future events or results, or otherwise, except as required by applicable laws. The Canadian Securities Exchange has not reviewed, approved or disapproved the content of this news release.*

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

For more information about Wayland, please visit our website at [www.waylandgroup.com](http://www.waylandgroup.com)

#### **Contact Information:**

Investor Relations

Graham Farrell

VP, Communications

[Graham.Farrell@waylandgroup.com](mailto:Graham.Farrell@waylandgroup.com)

647-643-7665

**Media Inquiries:** [media@waylandgroup.com](mailto:media@waylandgroup.com)

Corporate Headquarters (Canada)

Wayland Group Corp. (Toronto)

845 Harrington Court, Unit 3

Burlington Ontario L7N 3P3

Canada

289-288-6274

European Headquarters (Germany)

Maricann GmbH

Thierschstrasse 3, 80538 Munchen, Deutschland