

FOR IMMEDIATE RELEASE – February 24, 2017

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NAMASTE TO ACQUIRE AUSTRALIAN VAPORIZERS AND ANNOUNCES \$6.0 MILLION BOUGHT DEAL FINANCING

Vancouver, British Columbia, Canada - Namaste Technologies Inc. (“Namaste” or the “Company”) (CSE: N, FSE: M5BQ) is pleased to report that it has entered into a definitive agreement (the “Agreement”) with Australian Vaporizers PTY Limited (“Australian Vaporizers”) to acquire all of the issued and outstanding shares of Australian Vaporizers in exchange for a combination of cash, common shares and an earn-out payment. Upon the completion of the transaction, Namaste further solidifies its position as the leading e-commerce company in the vaporizers and accessories space with significant market positions in the North America, Europe, South America and now Asia Pacific.

Australian Vaporizers was founded in 2010 and has grown to become the largest online retailer of vaporizers in Australia. The company’s website www.australianvaporizers.com.au has approximately 80% of the market share. The company’s customer database has over 48,000 individuals that have made upwards of 77,000 orders during the lifespan of the company. For the period ended June 30, 2016, the company produced approximately \$4.5 million of revenue and \$1.1 million of EBITDA. Gross margins for the period were over 45%. The financial results for the period have been audited by Grant Thornton Australia Ltd.

Strategic rationale for the transaction as follows:

- Positions Namaste as the leading vaporizer and accessories company in Australia, a country with a population of 24.3 million people;
- Expands customer database to well-over 300,000 individuals globally. This further positions the Company with one of the largest databases of cannabis consumers globally and spans all major markets. Namaste will enter commercial arrangements to further monetize these customers;
- Positions the Company with over \$18.0 million of run rate revenue and moves the Company into profitability. The higher margins of Australian Vaporizers are beneficial to the margins of the combined entity;
- Provides full Australian distribution center and additional technical staff; and
- Attractive valuation at approximately 1x sales and 5x EBITDA.

Transaction terms and conditions are as follows:

- Purchase price of 1.0x 12-month trailing sales of \$5.0 million, plus the value of inventory acquired within six (6) months preceding the closing, and 50% of the value of the inventory acquired prior to six (6) months preceding the closing, less all liabilities and plus trade debt and cash. The total purchase price is estimated to be approximately \$5.5 million;
- Consideration of 75% cash on closing, 10% in common shares based on the 20-day volume weighted average price upon signing of definitive agreement and 15% earn-out based on sales and integration milestones; and
- Receipt of all director and requisite regulatory approvals relating to the transaction, including without limitation, CSE approval, if required.

Bought Deal Financing

The Company is also pleased to announce that it has entered into a letter of engagement with Eight Capital and Canaccord Genuity Corp. as co-lead underwriters and joint bookrunners, and including Beacon Securities Limited. (together, the "Underwriters"), under which the Underwriters have agreed to purchase 24,000,000 units of the Company (the "Units"), on a "bought deal" private placement basis, subject to all required regulatory approvals, at a price per Unit of \$0.25 (the "Offering Price"), for total gross proceeds of \$6,000,000 (the "Offering"). Each Unit shall consist of one common share of the Company (a "Share") and one-half of one common share purchase warrant (a "Warrant"). Each Warrant shall entitle the holder thereof to acquire one Share at a price of \$0.35 for a period of 24 months following the Closing Date.

In the event that the closing sale price of the Company's Shares on the Canadian Securities Exchange is greater than \$0.70 per Share for a period of 10 consecutive trading days at any time after the closing of the Offering, the Company may accelerate the expiry date of the Warrants by giving notice to the holders thereof and in such case the Warrants will expire on the 30th day after the date on which such notice is given by the Company.

The Company has granted the Underwriters an over-allotment option to purchase up to an additional 3,600,000 Units at the Offering at the Offering Price, exercisable in whole or in part, at any time on or prior to 48 hours prior to the closing of the Offering. If this option is exercised in full, an additional \$900,000 will be raised pursuant to the Offering and the aggregate proceeds of the Offering will be up to approximately \$6,900,000.

The Company intends to use the net proceeds of the Offering will be used for the acquisition of Australian Vaporizers PTY Limited and for working capital and general corporate purposes.

The closing date of the Offering is scheduled to be on or about March 9, 2017 and is subject to certain conditions including, but not limited to, the receipt of all necessary approvals, including the approval of the Canadian Securities Exchange and the applicable securities regulatory authorities.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any State in which such offer, solicitation or sale would be unlawful. The securities being offered have not been, nor will they be, registered under the United States *Securities Act of 1933*, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the United States *Securities Act of 1933*, as amended, and applicable state securities laws.

Management Commentary

Mr. Sean Dollinger, President and CEO of Namaste, comments: “The acquisition of Australian Vaporizers completes the geographical profile of Namaste and puts us in a very strong position in all four corners of the globe. This acquisition also further builds the critical mass of Namaste, instantly moves us into profitability and expands our database of high value customers. We look forward to further advancing our relationship with Australian Vaporizers and completing the proposed transaction.”

About Namaste Technologies Inc.

Namaste Technologies Inc. is an emerging leader in vaporizer and accessories space. Namaste has 26 ecommerce retail stores in 20 countries, offers the largest range of brand name vaporizers products on the market and is actively manufacturing and launching multiple unique proprietary products for retail and wholesale distribution. The Company is currently focused on expanding its product offering, acquisitions and strategic partnerships, and entering new markets globally.

On behalf of the Board of Directors

“Sean Dollinger”

Chief Executive Officer

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Email: info@namastevapes.com

Further information on the Company and its products can be accessed through the links below:

www.namastetechnologies.com

www.namastevaporizers.com

www.namastevaporizers.co.uk

www.vaporseller.com

www.everyonedoesit.com

www.everyonedoesit.co.uk

FORWARD LOOKING INFORMATION This press release contains forward-looking information based on current expectations. 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. Although such statements are based on management's reasonable assumptions, Namaste assumes no responsibility to update or revise forward looking information to reflect new events or circumstances unless required by law. Although the Company believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because the Company can give no assurance that they will prove to be correct.

Since forward looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. These statements speak only as of the date of this press release. Actual results could differ materially from those currently anticipated due to a number of factors and risks including various risk factors discussed in the Company's disclosure documents which can be found under the Company's profile on www.sedar.com. This press release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E the Securities Exchange Act of 1934, as amended and such forward looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. The CSE has neither reviewed nor approved the contents of this press release.