

**FOR IMMEDIATE RELEASE – March 21, 2017**

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## **NAMASTE ENTERS INTO NON-BINDING LOI WITH CANNMART, A LATE STAGE ACMPR APPLICANT**

**Vancouver, British Columbia, Canada** - Namaste Technologies Inc. (“**Namaste**” or the “**Company**”) (CSE:N)(FRANKFURT:M5BQ)(OTCMKTS:NXTTF) is pleased to announce that it has entered into a non-binding letter of intent (the “**LOI**”) with Cannmart Inc. (“**CannMart**”) whereby Namaste will purchase all of the issued and outstanding shares in the capital of CannMart, a late stage applicant under the *Access to Cannabis for Medical Purposes Regulations* (the “**ACMPR**”) (the “**Contemplated Transaction**”). In 2014, CannMart submitted its application to become a “sales only” licensed producer of medical cannabis (the “**ACMPR Application**”).

The Contemplated Transaction represents a significant strategic maneuver by Namaste in advance of the potential legalization and regulation of cannabis in Canada. The strategic rationale for the Contemplated Transaction includes:

- Represents a logical expansion of the product portfolio and generates additional recurring revenue streams from existing and new customers throughout Canada. Creates a one-stop shopping platform for Canadian cannabis consumers;
- Aligns with Namaste’s e-commerce capabilities and dataset of over 50,000 individuals in Canada, which represents a significant competitive advantage in terms of becoming one of the leading online retailers of cannabis;
- Complements Namaste’s distribution expertise and relationships with the location of CannMart’s proposed facility enabling same day delivery in the Greater Toronto Area and 24-hour delivery within Canada. Namaste will seek to be the leading online retailer of cannabis in terms of fulfillment and customer service; and
- Enhances the overall financial profile of the Company in terms of additional revenue and margin generation potential. Attractive non-cash purchase price based on comparable public companies within the industry.

### **CannMart’s ACMPR Application**

CannMart’s ACMPR Application and proposed business model are unique in the industry as CannMart has applied only to sell and not produce medical cannabis. Under this model and subject to obtaining a licence from Health Canada, CannMart would have the ability to purchase wholesale medical cannabis from other licensed producers and sell to individual patients in accordance with the ACMPR.

The ACMPR Application has completed the “security clearance” stage and is currently in the “review” stage of the licensing process. CannMart’s proposed facility is a 4,000 sq. ft. industrial building located in Etobicoke, Ontario (the “**Facility**”). Pursuant to the LOI, the Company will assume all of the going forward liabilities and obligations of CannMart, including the remaining build-out costs needed to prepare the Facility for the final stages of the licensing process and the pre-licensing inspection.

### **Terms of the Contemplated Transaction**

Upon execution of the LOI, Namaste paid \$50,000 (the “**Initial Payment**”) in cash to CannMart’s counsel, to be held in trust and released upon closing of the Contemplated Transaction. If Namaste does not provide CannMart with notice of completion of its due diligence within 30 days of the execution of the LOI, the Initial Payment will become non-refundable. The parties anticipate signing a definitive agreement in mid-late April.

Consideration for the Contemplated Transaction will be satisfied with common shares in the capital of the Company. A portion of common shares of the Company will be issued on closing of the Contemplated Transaction, and the remaining common shares of the Company will be issued upon the occurrence of certain milestones. The share price shall be the five-day trailing volume weighted average price prior to the day on which the Company announces the Contemplated Transaction, subject to compliance with all stock exchange and regulatory requirements.

Clarus Securities Inc. is acting as financial advisor to Namaste in connection with the Contemplated Transaction.

### **Conditions to Closing**

Closing of the Contemplated Transaction is subject to the following:

- Completion of a definitive share purchase agreement containing representations, warranties and covenants customary in a transaction of this nature;
- Completion of all financial and legal due diligence;
- Execution of an employment or consulting agreement with each of CannMart’s existing team members for the purposes of the MMPR Application or longer;
- Receipt of all director and shareholder approvals, if necessary, and requisite regulatory approvals of each party relating to the Contemplated Transaction;
- Each of the current directors and officers of CannMart (other than as agreed to by Namaste) having delivered resignations and releases to CannMart; and
- Such other documentation and closing conditions as are customary for transactions similar to the Contemplated Transaction.

### **Management Commentary**

Mr. Sean Dollinger, President and CEO of Namaste, comments: “The acquisition of CannMart represents a significant strategic transaction for Namaste. One of the core competitive advantages of Namaste is the international customer list we have built, which enables us to enter markets with new product offerings

and instantly generate revenues. The addition of consumables to our product offering in Canada is an excellent example of this competitive advantage and we see multiple opportunities to obtain additional licences in international jurisdictions where we have a strong customer foothold.”

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

[www.namastetechnologies.com](http://www.namastetechnologies.com)

[www.namastevaporizers.com](http://www.namastevaporizers.com)

[www.namastevaporizers.co.uk](http://www.namastevaporizers.co.uk)

[www.vaporseller.com](http://www.vaporseller.com)

[www.everyonedoesit.com](http://www.everyonedoesit.com)

[www.everyonedoesit.co.uk](http://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](http://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.