



North Bud Farms Announces Name Change and Provides U.S. Update

Toronto, Ontario, February 19, 2020 (GLOBE NEWSWIRE) – North Bud Farms Inc. (CSE: NBUD) (OTCQB: NOBDF) ("**NORTHBUD**" or the "**Company**") is pleased to provide shareholders with an update on our U.S. operations, Bonfire Brands USA ("Bonfire").

Salinas, California

To date, the Company has harvested approximately 400 lbs of various grades and strains of cannabis. As anticipated, the winter season yields were moderate with large flowers testing at approximately 19% THC. The Company has sold approximately 50% of the harvest in wholesale quantities. The Company expects its next harvest in 60 days and is looking for an incremental increase in quality and yield. The Company will provide revenue updates at the end of the quarter.

Licensing

The Company is pleased to announce it has received a California state processing licence in addition to the existing five cultivation, extraction and distribution licenses it acquired from the Qlora Group in 2019. This new licence will allow the Company to process, package and distribute cannabis and cannabis products acquired from other licensed producers in the state on a pay per use basis.

"Maximizing revenue streams in California where established and highly regulated retail and distribution models exist has required new entrants to operate within all verticals," said Justin Braune, President, Bonfire Brands USA. "This strategy requires significant capital expenditures and has historically proven very difficult to execute. By leveraging our strategic infrastructure into agreements with established operators, Bonfire expects to increase revenue streams and achieve profitability quicker with lower capital expenditure risks."

"I am very pleased by the significant progress made by our California team in their short time since we completed the acquisition of the Qlora Group," said Sean Homuth, CEO of NORTHBUD. "In an industry that has seen companies struggle to manage high infrastructure costs while navigating ever evolving distribution landscapes, the

anticipated revenue from this model will be very crucial for the Company as we move towards achieving EBITDA positive operations.”

Reno, Nevada

To date, the Company has harvested 40 lbs of high-grade cannabis testing at approximately 20% THC. This product is being sold under the NORTHBUD brand to select retailers in Reno and Las Vegas and represents the first revenue in Nevada for Bonfire Brands. The Company will update the market further at the end of the quarter.

The Company has begun construction of two additional cultivation and processing rooms which will increase annual revenue capacity by 40%. With recent cost cutting measures implemented post acquisition, the Company believes it is on track to bring the Nevada operation to cash flow positive in the first quarter of 2020.

The Company has entered into a third-party service agreement with LTH Logistics (“LTH”), a licensed third-party distribution and delivery company. As per the terms of the agreement, LTH will provide these third-party services under the distribution licence of Nevada Botanical Sciences with revenue generated being split 60/40 in favor of Bonfire Brands USA.

“Similar to California, many Nevada licensees have been operating across all verticals,” said Justin Braune, President, Bonfire Brands USA. “Bonfire has chosen to reduce execution risk and minimize capital expenditures by working with established operators who seek to benefit from our strategic infrastructure, which will allow the company will expedite its progression towards EBITDA positive operations.”

Corporate Name Change

As approved at our recent annual shareholder meeting, the Company will officially change its name to Bonfire Holdings Inc. The Company has reserved and will begin trading under the ticker symbol BURN in the near future. The Company believes this better represents the vision and structure of the Company moving forward. The Company owns brands such as NORTHBUD, California Bud Co., Live For The Day (LFTD) and Trichomic and manufactures and distributes Happiest Hour beverages in the state of Nevada.

About North Bud Farms Inc.

North Bud Farms Inc., through its U.S. subsidiary Bonfire Brands USA, has acquired cannabis production facilities in California and in Nevada. The Salinas, California 11-acre farm is actively cultivating cannabis in its 60,000 sq. ft. of licensed greenhouse production space. The Reno, Nevada property is located on 3.2 acres of land which was acquired through the acquisition of Nevada Botanical Science, Inc. a world class cannabis production, research and development facility with 5,000 sq. ft. of indoor cultivation which holds medical and adult use licenses for cultivation, extraction and distribution.

Through its wholly owned Canadian subsidiary, GrowPros MMP Inc., the Company is pursuing a licence under The Cannabis Act, to cultivate in its state-of-the-art purpose-built cannabis production facility located on 135 acres of Agricultural Land in Low, Quebec, Canada.

For more information visit: www.northbud.com

Neither the CSE nor its Regulation Services Provider (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release.

Forward-looking statements

Certain statements included in this press release constitute forward-looking information or statements (collectively, "forward-looking statements"), including but not limited to those identified by the expressions "anticipate", "believe", "plan", "estimate", "expect", "intend", "may", "should" and similar expressions to the extent they relate to the Company or its management. Forward-looking statements are not historical facts but reflect current expectations regarding future results or events. This press release contains forward-looking statements that include, but are not limited to, statements relating to the Company's California, Nevada operations and its corporate name change to Bonfire Holdings Inc. These forward-looking statements are based on current expectations and various estimates, factors and assumptions and involve known and unknown risks, uncertainties and other factors. Such risks and uncertainties include, among others, the risk factors included in the Company's final long form prospectus dated August 21, 2018, which is available under the Company's SEDAR profile at www.sedar.com.

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