



## NEWS RELEASE

### **Laguna Announces that the Clinical Trial Data of CBD Cannaceuticals Facial Serum Resulted in a 100% Overall Improvement of the Skin Appearance Within Two Weeks**

**KELOWNA, BC – July 13, 2016 – Laguna Blends Inc. (CSE: LAG) (OTC: [LAGBF](#)) (Frankfurt: [LB6A.F](#))** (the “Company” or “Laguna”) is pleased to announce some of the highlights of the clinical trial data provided by Cannaceuticals. The clinical trials were conducted by BioScreen Testing Services, Inc., a third party FDA approved lab located in the USA. The test subjects that used the facial serum noticed a 100% overall improvement of the skin appearance within a two-week period.

Ray Grimm Jr., President of Laguna Blends said, “Obviously when you receive a 100% improvement with a product you have a home run type of product with proven science and clinical data. Laguna is ecstatic to be in negotiations to acquire the Cannaceuticals brand name and product line. Management believes that this proposed acquisition will immediately establish Laguna as a player in the skin care category. In addition, since the Canna line of eight products contain CBD’s, we will offer something very unique to the market. Skin care is one of the largest direct sales categories and woman are amongst the largest segment of the direct sales market. Assuming we are able to acquire rights to these products under a definitive agreement, we anticipate that this product category will position Laguna to be a player within the direct sales industry.

Laguna recently announced that it had entered into a non-binding letter of intent to own the exclusive license and Cannaceuticals “Canna” brand name of the Swiss developed CBD skin care line of products.

- Pursuant to the terms of the proposed transaction, Laguna will purchase the entire existing Canna inventory for \$250,000 USD on a payment schedule over a six-month period and will pay a licence fee of \$100,000 USD (paid for in shares). Laguna will receive an exclusive licence of the Canna products for a period of two years in the USA and Canada. In addition, Laguna will receive the licence and marketing rights to sell the Canna products in Asia, Europe and Mexico providing Canna has been approved in those markets and Laguna has expanded to those countries. At the end of the two-year period, Laguna will have an option for a renewal with Canna.
- During the clinical study, 21 female test subjects between the ages of 35-65 used the Facial Serum. In the first 7 days 85.71% of the test subjects noticed an improvement and during the 14-day period 100% of the test subjects noticed an overall improvement of their skin appearance.

- The clinical study was conducted in accordance with the International Conference of Harmonization Tripartite Guideline on Good Clinical Practice, applicable FDA regulations / guidelines. The final report date, May 11, 2015, Study number: BCS 15-019 and Project number: 895190.
- Some other clinical findings during the 14-day period were as follows:
  - 80.95% of subjects noticed Improved skin texture.
  - 80.95% of the subjects noticed an improvement of appearance of fine lines and wrinkles of the mouth area.
- In addition, 80.95% of the test subjects said they would purchase the Canna Serum product if it was made available for sale.
- Laguna intends to make the full Canna clinical report for the facial serum product available after execution of the definitive agreement.

\*According to a recent report, the global skin care industry is expected to reach \$121 billion in 2016. In the United States alone, the skin care market will reach \$10.7 billion by 2018; that represents a compounded annual growth rate of 1.9%.

Laguna and Canna anticipate finalizing the definitive Agreement by July 29, 2016.

#### **What is Cannabidiol**

Cannabidiol (CBD) is a non-psychoactive cannabinoid found in abundance in the hemp plant. Hemp genetics are naturally rich in cannabidiol as well as other non-psychoactive cannabinoids and phytochemicals. Cannabidiol, and all the other cannabinoids in the cannabis plant, were patented by the United States Government in 2003 as neuroprotectants and antioxidants.

None of the statements contained in this news release are health claims and the FDA has not evaluated these claims. Laguna's products and proposed products are not intended to diagnose, treat, cure or prevent any disease.

#### **About CannaCeuticals**

CannaCeuticals Swiss heritage is at the core of its revolutionary skincare products. Canna's pure, cosmeceutical-grade CBD extract hails from the crisp, clean air of Switzerland, but its heritage goes much further than that. Swiss culture is known for its precision and perfectionism, and CannaCeuticals radiates that same standard in every formula it produces. Canna's team of formulators are made up of chemists and product developers that analyze every detail, sourcing ingredients from all ends of the earth to create the most balanced, highly efficacious, anti-aging CBD skincare products in the world.

CannaCeuticals CBD7 anti-aging skincare products incorporate cannabidiol (CBD) which is known as a superior antioxidant and potential anti-inflammatory, both of which are significant in anti-aging. Canna's Swiss heritage influences a sense of unity in its products, and Canna combines CBD with other essential anti-aging ingredients to create formulas that pack a powerful punch. You'll find that each product is carefully stacked with 'just the right' blend of what your skin needs to have astounding, visible results.

\*Source: Zacrep, K., "U.S. Skin Care Market to Reach \$10,717.4 Million by 2018," MarketResearch.com, June 23, 2015; <http://blog.marketresearch.com/us-skin-care-market-to-reach-10717.4-million-by-2018>

### **About Laguna Blends Inc.**

Laguna is a network marketing company that generates retail sales through independent affiliates. Affiliates utilize tools and technology that enable them to build an international business from their own home or anywhere else in the world. This technology replaces the need for expensive travel and hotel meetings.

The Company is currently focused on the nutritional health benefits derived from hemp. Laguna's first product category as an entry to market are functional beverage products that contain hemp and other efficacious ingredients. Laguna's initial products to market are the following:

"Caffe" is an instant, "just add water" hot coffee beverage that is infused with both whey and hemp protein. With 2 grams of protein in every serving, our proprietary product packs a powerful protein punch. Caffe, contains Instant coffee, whey protein hydrolysate, hemp protein, natural flavors.

"Pro369" is a single serving, "on-the-go," plant based, instant, hemp protein that is served cold and comes in 4 delicious flavors. Pro369 is water soluble and can be directly mixed in water, added to milk, almond milk or coconut milk. Pro369 can also be blended in a shake or smoothie. Pro369 is also a source of Omegas, 3, 6 and 9 and contains ginseng.

Laguna Blends has been granted approval from Health Canada for four powdered Pro369 flavours: Chocolate Banana, Mixed Berry and Vanilla Caramel and Tropical Powder. Pro369 contains Hemp protein, natural flavors, stevia, and American ginseng.

The Minister of Health from Health Canada has granted Laguna a product license along with a Natural Product Number ("NPN") for all four of the Pro369 Flavours. They are all listed under the same NPN.

- i. A source of protein that helps build and repair body tissues.
- ii. Source of amino acids involved in muscle protein synthesis.
- iii. Assists in the building of lean muscle.
- iv. An adaptogen to help maintain a healthy immune system.
- v. Supportive therapy for the promotion of healthy glucose levels.

Hemp has long been recognized by the health and nutrition industry as a super food, cited in many publications as a balanced source of all ingredients required to achieve health and wellness.

### **HempOmega®**

HempOmega® is an environmentally sustainable, vegetarian source of Omegas 3 and 6 that boasts a superior nutrient profile. A water soluble, homogenous, powdered ingredient, it can be easily integrated and/or manipulated, with no unpleasant taste or chemical contamination – opening up entirely new product formulation opportunities. Hemp Omega's greater ability to endure the digestive process delivers unmatched bioavailability, thereby maximizing its potential health benefits.

HempOmega® is a Trademark owned by Naturally Splendid Enterprises, Ltd. and is used under license by Laguna Blends Inc.

### **ON BEHALF OF THE BOARD**

"Stuart Gray"

Chief Executive Officer

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**Forward-Looking Information:**

*This news release contains "forward-looking information" within the meaning of applicable securities laws relating to statements regarding the Company's business, products and future plans including, without limitation, statements that: (i) the Company may enter into and close the definitive agreement with Canna; (ii) the proposed acquisition will immediately establish the Company as a player in the skin care category; (iii) Laguna will offer something very unique to the market; (iv) following closing, the product category will position Laguna to be a player within the direct sales industry; (v) that the Company shows a lot of promise in respect to its long term business potential; (vi) Laguna is on track with its long term sales growth strategy; (vii) there is strong demand for Laguna's products; and (viii) Laguna anticipates finalizing the definitive agreement by July 29, 2016. Although the Company believes that the expectations reflected in the forward looking information are reasonable, there can be no assurance that such expectations will prove to be correct. Readers are cautioned to not place undue reliance on forward-looking information. Such forward looking statements are subject to risks and uncertainties that may cause actual results, performance and developments to differ materially from those contemplated by these statements depending on, among other things, the risks that: (i) the Company may not enter into or close the definitive agreement for any reason; (ii) the company may not execute on its business plan; (iii) the company may not raise funds necessary to execute on its business plan; (iv) results of the clinical data may not be representative of actual results; (v) the Company may be unable to secure required licenses, permits and government approvals to market and sell Canna products. Except as required by law, the Company expressly disclaims any obligation, and does not intend, to update any forward looking statements or forward-looking information in this news release. The statements in this news release are made as of the date of this release.*