



THE FUTURE OF GENETICS | CSE: PACR

For Immediate Release

September 18th, 2020

**PacRoots Announces Closing of Share Purchase Agreement for
250 Acres in the Fraser Valley, British Columbia
The Acreage Sits Outside the Agricultural Land Reserve with No Zoning Restrictions**

VANCOUVER, British Columbia, Sept. 18th, 2020 – Pac Roots Cannabis Corp. (“PacRoots” or the “Company”) (CSE: PACR), is pleased to announce the closing of a share purchase agreement with 1088070 BC. LTD., a company existing under the laws of Canada (“1088”) and Dave Jonkman and Norm Tapp (together, the “1088 Shareholders” and each, a “1088 Shareholder”) pursuant to which the Company has acquired all of the issued and outstanding shares of 1088. 1088 owns and controls nine parcels of land comprised of 250 acres of prestigious land in the Fraser Valley Region of British Columbia.

“The addition of such a substantial package of land to our portfolio is a major step for PacRoots. We are pleased to have the opportunity to add significant acreage with an acquisitional cost base of \$9,600 per acre. This land has no zoning restrictions and is not situated within the Agricultural land reserve, which provides for infinite development possibilities.” – President and CEO, Patrick Elliott

Following a 51-day due diligence period, the Company is satisfied with its investigations and the closing documents associated with the transaction have been exchanged. As consideration for the 1088 shares, the Company will pay an aggregate of \$1.5 million in cash and issue an aggregate of 3 million common shares to the 1088 Shareholders, pro rata in accordance with their holdings as follows (the “Consideration”):

- (a) 375,000 shares to be issued on or before the date which is 30 days from the date of Closing (the “Closing Date”);
- (b) \$200,000 within three months of the Closing Date;
- (c) \$300,000 in cash and 562,500 common shares within 12 months of the Closing Date;
- (d) \$400,000 in cash and 937,500 common shares within 18 months of the Closing Date; and
- (e) \$600,000 and 1,125,000 common shares within 24 months after the Closing Date.

Pending the payment of the Consideration in full, 1088 will grant a mortgage over its land package in favor of the 1088 Shareholders.

The acquisition of 250 acres of pristine land in the Fraser Valley Region of British Columbia, coupled with an indoor facility in the late stages of permitting in Lake Country, B.C., and a 60% interest in a 100 acre Hemp JV project in Rock Creek, B.C., are complementary for a portfolio of production and development assets. A land package of this magnitude demonstrates a long pipeline of development projects for the Company. The Fraser Valley region of British Columbia is notoriously known as an agricultural and industrial hub for the province.

Pac Roots Cannabis Corp. | 300-1055 West Hastings Street Vancouver BC V6E 2E9

info@pacroots.ca | (604) 609-6171 | www.pacroots.ca



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The Fraser Valley Regional District (FVRD) is one of the most intensively farmed areas in Canada, generating the most significant annual farm income of any regional district in British Columbia. Despite the rapid population growth of the region, agriculture has flourished and remains an essential component of the region's economy.

Access to a local market of over 2.5 million people, high-quality soils, favorable climate, accessible water, and proximity to educational and research institutions makes the Fraser Valley Regional District a center for agricultural production and innovation.

“Between the Fraser Valley and Rock Creek, B.C., which both rank at the top of the charts for outdoor agricultural producing regions in the Country, PacRoots is extremely well positioned for production and future development of Hemp and Cannabis infrastructure. We are both privileged and proud to be involved in these exciting programs, which will undoubtedly add accretive value to our Company and to our shareholders.” Board of Director – Chad Clelland

PacRoots, through its strategic genetic licensing partner, Phenome One, has access to a large genetic library of suitable cultivars for the west coast outdoor climate which have been field tested over the past 3 years. This program has showcased some of the elite CBD and THC strains that thrive in the wetter, milder outdoor conditions that generated unexpectedly high yields while demonstrating environmental resiliency.

“The lack of superior cannabis genetics, expertise and growing conditions have been a common headline that has plagued the industry in producing a premium product for the market. With the partnership with Phenome One and the access to their extensive genetic library, PacRoots is extremely well positioned to deliver the best in industry quality and throughput to the consumers with a pipeline of scalable development properties in the portfolio.” – President and CEO, Patrick Elliott

ON BEHALF OF PAC ROOTS CANNABIS CORP.

(signed) “Patrick Elliott”
Chief Executive Officer

For further information, please contact:

Pac Roots Cannabis Corp.

www.pacroots.ca

Telephone: 604-609-6171

Certain statements included in this press release constitute forward-looking information or statements (collectively, “forward-looking statements”), including 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. The forward-looking statements are not historical facts but reflect current expectations regarding future results or events. This press release contains forward looking statements. 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.

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Statements about the Company's proposed acquisition of 1088 and the proposed use of the land held by 1088 as well as the Company's joint venture operations are all forward-looking information.

Forward-looking statements are not a guarantee of future performance and involve risks, uncertainties and assumptions which are difficult to predict. Factors that could cause the actual results to differ materially from those in forward-looking statements include failure to obtain an industrial hemp in a timely manner or at all, the continued availability of capital and financing, and general economic, market or business conditions, including the effects of COVID-19. Forward-looking statements contained in this press release are expressly qualified by this cautionary statement. 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, there can be no assurance that the statements will prove to be accurate or that management's expectations or estimates of future developments, circumstances or results will materialize. The Company assumes no responsibility to update or revise forward-looking information to reflect new events or circumstances unless required by law. Readers should not place undue reliance on the Company's forward-looking statements.

Neither the Canadian Securities Exchange (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.

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