



Pasha Brands Secures Historic Supply Agreement with Licensed Micro-Cultivator, Hearst Organic Cannabis

VANCOUVER, BC (July 29, 2019) – Pasha Brands Ltd. (“Pasha”) (CSE: CRFT) (OTC:CRFTF) (FSE:ZZD), North America’s largest craft cannabis brand house, is pleased to announce that its wholly owned subsidiary, BC Craft Supply Co. Ltd (“BC Craft”), has signed a supply agreement with Canada’s first licensed micro-cultivator applicant, Hearst Organic Cannabis (“Hearst”).

Founded by Joël Lacelle in Hearst, Ontario, Hearst Organic Cannabis received its micro-cultivation licence from Health Canada on July 12, 2019. Under the new agreement, Hearst will supply BC Craft with its ongoing production to be sold as dried flower. BC Craft has agreed to process and package this flower before it is destined for licensed retailers.

“Joël and his team started with a shovel and navigated the licensing process in just over nine months,” said Jason Longden, CEO Pasha Brands. “They represent the first truly craft producer to be licensed as a micro-cultivator in Canada, the first of many BC Craft intends to bring to market, so this agreement is historic.”

With Canada’s current licensed cannabis producers only able to supply an estimated 15 per cent of what Canadians are consuming, Pasha is optimistic that this new supply agreement will help correct the cannabis supply imbalance. Each micro cultivator in Canada will be able to produce approximately 500 kg of cannabis per year. Canada has tens of thousands of craft producers operating in the illicit cannabis market and BC Craft is focused on helping as many small farmers transition into the regulated market as possible.

“Building Hearst and receiving my Health Canada licence has been a challenge, but I’m encouraged by the high demand for craft products,” said Joël Lacelle, Founder of Hearst Organic Cannabis. “I’m proud to partner with the team at Pasha and BC Craft as they have clearly demonstrated their passion for supporting all craft cannabis producers in Canada.”

Hearst Organic Cannabis will plant its first legal crop in August 2019 and harvest later in the fall.

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About Pasha Brands

Based in Vancouver, British Columbia, Pasha is a vertically integrated, prohibition-era brand house firmly rooted in BC's craft cannabis industry, which boasts an international reputation. With proven capabilities in cannabis cultivation, genetic research and development, product processing, and retail, Pasha is uniquely positioned in the new legal cannabis market through its network of hundreds of craft cannabis suppliers under the Pasha umbrella.

Pasha subsidiary, Medcann Health Products Ltd., is a Health Canada licensed cultivator and processor with a licence to sell medical cannabis products in Canada.

Pasha and BC Craft are also developing a craft cannabis campus, which is dedicated to bringing craft quality into the newly legal cannabis market in Canada. BC Craft is driven to assist craft growers in obtaining security clearance and licensing to grow as micro-cultivators, specializing in education and compliance to bring growers into the regulated cannabis supply market.

Pasha's common shares trade on the CSE under the symbol "CRFT" and on the FSE under the symbol "ZZD".

For more information, please visit www.pashabrands.com

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This news release includes certain "forward-looking statements" under applicable Canadian securities legislation, including statements with respect to the representation of Pasha Brands' products across Canada and the expansion of Pasha Brand's business outside of Canada. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. There can be no assurance that such

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