



**CannaRoyalty Investee Natural Ventures Launches CR Brands'
GreenRock Botanicals and Soul Sugar Kitchen Products in Puerto
Rico**

***-Triggers 10% Royalty on Product License Revenues In Addition to
Existing Net Income Royalty-***

Ottawa, Ontario – June 12, 2017 – CannaRoyalty Corp. (CSE: CRZ)(OTCQX: CNNRF) (“CannaRoyalty” or the “Company”) announced today the Company’s investee Natural Ventures PR, LLC (“Natural Ventures”) has launched CR Brands in Puerto Rico, one of the fastest growing medical cannabis markets in North America. This represents another example of CR Brands executing its previously announced strategy to expand through its distribution channels through North America, as discussed further below.

Under license from CannaRoyalty, Natural Ventures has begun the manufacture and distribution of CR Brands in Puerto Rico, starting with Soul Sugar Kitchen™ gourmet-edibles and GreenRock Botanicals™, premium vape pens.

Soul Sugar Kitchen has developed a line of award winning gourmet cannabis edibles include truffles, peanut butter cups, savory mixes and jellies. GreenRock Botanicals™, premium vape pens offer a high quality vaporizing experience servicing discerning cannabis patients, emphasizing ease of use, sleek hardware design, and consistent performance.

Natural Ventures is Puerto Rico's largest licensed cultivation, manufacturer and distributor with an impressive 100,000 square foot indoor cultivation facility. Natural Ventures is also one of only two companies in Puerto Rico that has received a manufacturer's license for its 30,000 sq ft full state of the art labs for processing, testing and distribution. Natural Ventures has full market distribution and is currently selling to every active dispensary in Puerto Rico.

In addition to a 10-year 2.5% financing royalty on Natural Ventures’s net profits, CannaRoyalty also earns a further 10% licensing royalty on gross revenues generated from products licensed by Natural Ventures from CannaRoyalty for the Puerto Rican market.

"The launch of key products from CR Brands into the attractive Puerto Rican medical cannabis market is a strong demonstration of our CR Brands expansion strategy. It leads to product licensing revenues and assists our investee, Natural Ventures, expand its product offering in this high growth market which we also benefit from through our net income royalty," said Marc Lustig, CEO of CannaRoyalty.

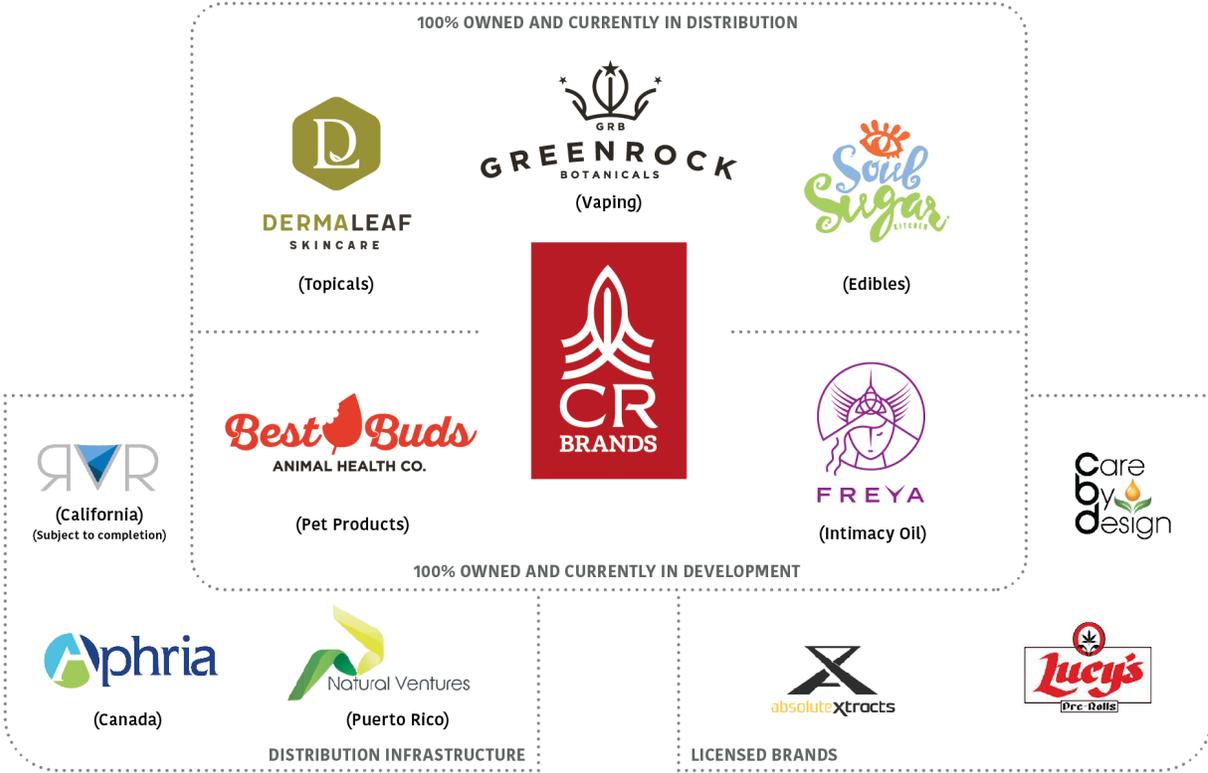
“They just get it,” said Edgar Montero, CEO of Natural Ventures. “We are thrilled about expanding our relationship with CannaRoyalty by launching a number of products from the CR Brands portfolio. Initial reaction from leading dispensaries has been very positive as both Puerto Rico and the Caribbean have not been exposed to such a breadth of quality products. Beyond the products, we are able to benefit from CannaRoyalty’s professional branding, marketing and support, which we believe is best in class. We are confident that with CannaRoyalty now having an incentive on both top line success and net

profits, this will further align our organizations to capitalize on the exceptional Puerto Rican medical cannabis market opportunity.”

The U.S. island territory of Puerto Rico legalized medical cannabis for qualifying health conditions in 2015 and permits the use of medical cannabis derivatives only (e.g. capsules, extractions, lotions, patches, edibles, suppositories, flower and oils). Puerto Rico's population is estimated at 3.6 million and receives 2 million tourists annually.

CR Brands Expansion Strategy

As previously announced, CannaRoyalty has assembled a broad portfolio of wholly-owned and licensed cannabis brands under its CR Brands division. The launch of additional CR Brands products in Puerto Rico confirms the continued success of CR Brands in executing its strategy to develop, sell and market its brand portfolio in a number of established distribution channels throughout North America, and ultimately, on a global basis. A graphical representation of CR Brands’ portfolio of owned and licensed brands, together with its distribution channels, is included below:



In California, CannaRoyalty and leading distributor River recently completed a strategic transaction that contemplates preferred distribution of CR Brands products, including a \$20 million purchase commitment. CR Brands’ products have also been made available for future distribution under license in Canada by leading licensed producer Aphria (TSX: APH).

CannaRoyalty will continue seeking additional distribution channels by leveraging its existing relationships in other jurisdictions in North America and internationally.

About CannaRoyalty

CannaRoyalty is a fully integrated, active investor and operator in the legal cannabis sector. Our focus is building and supporting a diversified portfolio of growth-ready assets in high-value segments of the cannabis sector, including research, consumer brands, devices and intellectual property. Our management team combines a hands-on understanding of the cannabis industry with seasoned financial know-how, assembling a platform of holdings via royalty agreements, equity interests, secured convertible debt, licensing agreements and its own branded portfolio.

For further inquiries, please contact:

Joanna Longo
Investor Relations
Jlongo@cannaroyalty.com
1-844-556-5070
www.cannaroyalty.com

Forward Looking Statements

Statements in this news release that are forward-looking statements are subject to various risks and uncertainties concerning the specific factors disclosed here and elsewhere in CannaRoyalty's periodic filings with Canadian securities regulators. When used in this news release, words such as "will, could, plan, estimate, expect, intend, may, potential, believe, should," and similar expressions, are forward-looking statements.

Forward-looking statements may include, without limitation, statements including the Company's expectations with respect to pursuing new opportunities and its future growth and other statements of fact.

Although CannaRoyalty has attempted to identify important factors that could cause actual results, performance or achievements to differ materially from those contained in the forward-looking statements, there can be other factors that cause results, performance or achievements not to be as anticipated, estimated or intended, including, but not limited to: dependence on obtaining regulatory approvals; investing in target companies or projects which have limited or no operating history and are engaged in activities currently considered illegal under US Federal Laws; changes in laws; limited operating history; reliance on management; requirements for additional financing; competition; hindering market growth and state adoption due to inconsistent public opinion and perception of the medical-use and adult-use marijuana industry and; regulatory or political change.

There can be no assurance that such information will prove to be accurate or that management's expectations or estimates of future developments, circumstances or results will materialize. As a result of these risks and uncertainties, the results or events predicted in these forward-looking statements may differ materially from actual results or events.

Accordingly, readers should not place undue reliance on forward-looking statements. The forward-looking statements in this news release are made as of the date of this release. CannaRoyalty disclaims any intention or obligation to update or revise such information, except as required by applicable law, and CannaRoyalty does not assume any liability for disclosure relating to any other company mentioned herein.