



CR Brands Completes First Commercial Production of GreenRock Botanicals™ Vape Pens in California

First GreenRock Botanicals™ order ready for shipping to medical cannabis distributor, River

Ottawa, Canada – November 22, 2017 – CannaRoyalty Corp. (CSE: CRZ) (OTCQX: CNNRF) (“CannaRoyalty” or the “Company”), today announced that its wholly-owned business unit CR Brands, has completed its first commercial production run of GreenRock Botanicals™ (“GRB”) premium cannabis vape pens for medical cannabis distributor, River. River placed an initial purchase commitment of more than US\$165,000 for GRB products, which equates to a retail value of over US\$400,000. CR Brands expects to ship this initial order in the coming days. This is the second consumer product line that CR Brands has launched through its partnership with River in California, following the launch of its Soul Sugar Kitchen™ (“SSK”) gourmet edibles line in October 2017.

California is the largest cannabis market in the world with annual sales of approximately US\$2.8 billion in 2016.⁽¹⁾ Sales are forecast to grow to over US\$6.8 billion in 2021 and vaporizer products are expected to account for 15% of the total. This represents a compound annual growth rate of 54% between 2017 and 2021⁽²⁾.

“As we approach the advent of a full adult-use market in California in less than 40 days, we are ramping up commercial production for our portfolio of premium, quality cannabis products in the state,” said Marc Lustig, CEO of CannaRoyalty. “With over 20 years of medical legalization and a broad range of permitted products, California is home to some of the most sophisticated cannabis consumers in the world. We have seen strong preliminary interest from consumers in our products but are still in the early days of executing our product and brand strategy. Over the next 12 months we will work to introduce new product lines and opportunistically add established, value-add brands to our portfolio in California, which can later be licensed into other key markets.”

CR Brands is currently retrofitting its new Santa Rosa facility (the “Facility”) to produce the growing suite of CR Brand products in the California market. The Facility is located in a commercial complex with several tenants that have been licensed for cannabis production and distribution by the city of Santa Rosa, and the Company is in the process of applying for its own processing license. The Facility has the capacity to accommodate significant growth in the growing CR Brands portfolio.

Dave Vautrin, President of CR Brands, added, “As a team, we have significant experience commercializing differentiated consumer products and building successful brands in the U.S. consumer-packaged goods space. Despite being in the initial phases of our growth in California, we are already pleased with the early uptake of Soul Sugar Kitchen™, which has been picked up by 92 dispensaries since its launch in September. We will next launch GreenRock Botanicals™ through the River distribution channel and will focus on growing the points of distribution for both product lines, as well as driving performance on an individual dispensary level. We are primarily focused on brand-building and uptake

⁽¹⁾ According to *New Frontier Data*, California has the world’s largest cannabis market with annual sales in 2016 of \$2.8 billion

⁽²⁾ Brightfield Group

at this point, which will ultimately lead to sustainable traction on the top-line. Consolidating manufacturing and processing control into Santa Rosa and moving away from third-party manufacturers will also give us more control and visibility from concept to consumer and enable us to begin to optimize the price and cost equation as we scale.”

Concurrent with the Q4 production and launch of GreenRock Botanicals™, the Company has released the Green Rock Botanicals website which can be found at <http://greenrockbotanicals.com>

Learn more about Soul Sugar Kitchen™ at <http://soulsugar.kitchen>

The investment in River has driven the growth of CR Brands’ retail footprint in California. River has agreed to a preferred product distribution arrangement with a contractual commitment by River to purchase no less than USD\$20 million worth of CR Brands’ portfolio of products through December 31, 2024, subject to certain conditions including the commercial viability of the products.

About GreenRock Botanicals™

The GreenRock Botanicals™ classic line starts with premium cannabis distillate oil, features a variety of flavour profiles including but not limited to Grape Ape, Pineapple Express, Platinum Cookies and Grand Daddy Purp, and is coupled with a best-in-class vape pen delivery system. The GreenRock Botanicals™ vape pen cartridge features a stainless-steel tip, a quartz glass tank with a ceramic wick and Kanthal coil, and the ability to regulate airflow. The combination of quality cannabis oil coupled with the premium delivery system provides the consumer with a distinctly rich vaping experience every time.

About Soul Sugar Kitchen™

The Soul Sugar Kitchen™ brand features delicious, award-winning, cannabis-infused edibles, which use premium quality distillate to ensure clean taste profiles. Soul Sugar Kitchen™ recipes celebrate the free, fun-loving spirit of the cannabis movement and are created with love by passionate, enthusiastic chefs. The initial line, which was recently launched in the California market, features: homemade peanut butter chocolate cups in Raspberry Jam and Milk Chocolate Crunch flavors; premium savory snack mix seasoned with BBQ or Parmesan Ranch; and a gourmet collection of Grape, Cherry and Raspberry jelly candies.

About CannaRoyalty

CannaRoyalty is an 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.

(1) According to *New Frontier Data*, California has the world’s largest cannabis market with annual sales in 2016 of \$2.8 billion

(2) Brightfield Group

For further inquiries, please contact:

Marc Lustig, CEO
info@cannaroyalty.com
1-844-556-5070
www.cannaroyalty.com

Jonathan Ross, CFA
LodeRock Advisors Inc.
jon.ross@loderockadvisors.com
416-283-0178

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.

(1) According to *New Frontier Data*, California has the world's largest cannabis market with annual sales in 2016 of \$2.8 billion
(2) Brightfield Group

- (1) According to *New Frontier Data*, California has the world's largest cannabis market with annual sales in 2016 of \$2.8 billion
- (2) Brightfield Group