



***CannaRoyalty Announces Launch of Trichome Yield Corp.***

*A first of its kind offering, Trichome will provide secured debt financing to the Canadian cannabis sector, and a yield-oriented asset backed investment opportunity for investors*

**Ottawa, Canada – January 23, 2018 – CannaRoyalty Corp. (CSE: CRZ) (OTCQX: CNNRF) (“CannaRoyalty” or the “Company”)**, is pleased to announce that it has launched Trichome Yield Corp. (“Trichome”). Trichome aspires to be the preferred lending partner to emerging and established cannabis companies operating in Canada and globally by providing flexible asset-backed debt financing. Trichome is co-founded in combination with Sprott Inc. (“Sprott”), a leading resource and real-asset investor, and Stoic Advisory Inc. (“Stoic”), an independent cannabis focused consulting firm, bringing together three highly respected firms across segments of the cannabis and asset management industries to provide accretive financing solutions and a suite of value-added operational and strategic services.

Trichome will provide its investors with yield-oriented exposure from asset-rich companies across the rapidly growing cannabis supply chain, including: various classes of *ACMPR* licensed producers (“LPs”) and applicants; cannabis companies to be licensed under the proposed *Cannabis Act* (including micro producers and processors); production equipment and related supply companies; testing and research labs, manufacturers and distributors of cannabis and related downstream products, and retailers.

Trichome’s goals are to provide a secured yield investment product, with complementary equity exposure to the cannabis industry, and to become an integral lending partner throughout the Canadian supply chain and other fully legal markets internationally.

“Trichome will draw on CannaRoyalty’s sector-specific expertise in evaluating, investing in, and operating global cannabis companies to provide a needed source of debt capital to Canadian cannabis companies,” said Marc Lustig, CEO of CannaRoyalty. “We see significant opportunity for growth as Canadian LPs build-out additional production capacity and ancillary businesses ramp up operations in anticipation of July 2018 and beyond. Since signing our Canada-focused joint venture agreement with Sprott in August, we have been approached by and evaluated a number of fundamentally strong Canadian operators seeking a lending partner in the marketplace. We anticipate that Trichome will be an integral source of capital for cannabis companies that are looking for less onerous and potentially dilutive financing solutions. As more countries and jurisdictions open and Trichome grows both in Canada and internationally, we see it becoming a significant value driver for CannaRoyalty shareholders, while offering an attractive source of yield and sector exposure for its investors.”

Trichome is currently a majority-owned subsidiary of CannaRoyalty, and will be raising capital from outside parties to support its growth. In conjunction with the launch, the founding partners will contribute initial funding to cover start-up operating expenses.

## **About CannaRoyalty**

CannaRoyalty is an active investor and operator in the legal cannabis industry. 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.

## **About Trichome**

Trichome is a majority-owned subsidiary of CannaRoyalty and was formed to offer secured lending solutions to companies operating across the Canadian cannabis value chain. Trichome expects to offer a suite of simple asset-backed lending solutions to cannabis companies looking to fund: capital expenditures including the build out or expansion of existing facilities; the purchase of equipment and inventory; working capital to support growth; and other capital requirements. Trichome is focused primarily on addressing the largely underserved Canadian market and expects to expand to meet the needs of companies operating in fully legal international markets as new jurisdictions develop.

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**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 regarding the Company's expectations with respect to pursuing new opportunities and future growth for Trichome 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: competition from banks and other lenders; movements and long term trends in interest rates; the ability of management to select companies that will increase in value and to compete for desirable transactions; the ability to source desirable transactions; dependence on obtaining regulatory approvals; investing in target companies or projects which have limited or no operating history; changes in laws; limited operating history; reliance on management; requirements for additional financing; 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.*