

# Planet 13, a Leading Vertically-Integrated Las Vegas Cannabis Company Engages CR Advisory

OTTAWA, Feb. 14, 2018 /CNW/ - **CannaRoyalty Corp. (CSE: CRZ) (OTCQX: CNNRF)** ("CannaRoyalty"), a fully integrated, active investor and operator in the legal cannabis industry today announced an engagement between its CR Advisory Services ("**CR Advisory**") division and a leading vertically-integrated Las Vegas based cannabis company, MM Development Company, LLC, operating as Planet 13 and Medizin ("Planet 13" or "the Company").

CR Advisory has been contracted to provide strategic consultancy services to Planet 13 related to capital market initiatives and the opening of a Planet 13 dispensary 'superstore' located immediately adjacent to the Las Vegas gaming corridor. In addition, Marc Lustig, CEO of CannaRoyalty and Greg Wilson, EVP of CR Advisory have been invited to join the Board of Directors of Planet 13.

Founded in 2014, Planet 13 is a leading vertically integrated cannabis company in the State of Nevada. The Company operates an award-winning dispensary located in Las Vegas with both a medical and recreational license, and sells its own in-house brands, Medizin (medical) and Planet 13 (recreational). The Company also operates two cultivation licenses and two production licenses in Clark County and Nye County. Planet 13 has received recognition for its plant strain development and has earned awards and industry recognition for its current dispensary.

Terms of the CR Advisory engagement with Planet 13 include total work fees of US\$200,000, of which US\$100,000 is earned upon signing and the balance will be paid upon the delivery of certain strategic planning documents.

"Following adult-use recreational legalization in July 2017, Nevada has become one of the fastest growing, most investor friendly markets in the U.S. legal cannabis space," said Greg Wilson, EVP, CR Advisory. "Planet 13 has built a strong, profitable, vertically integrated operation, and is at an exciting point in its evolution, embarking on significant expansions to its cultivation and production facilities, plus a planned new dispensary superstore in a location as close to the Las Vegas strip as regulations will allow. Our boots-on-the-ground approach to the U.S. market continues to uncover opportunities such as Planet 13, and we are proud to have been selected as their advisor as they ramp up to a new level of growth."

Larry Scheffler Co-CEO of Planet 13 commented, "We are set to build on our leadership position in the Nevada cannabis market as we expand our existing operations. Our current dispensary, located near the Vegas strip, sees up to 800 customers a day. In the Fall of 2018, we plan to open the largest, most advanced retail dispensary in the world immediately adjacent to the Las Vegas strip; and we'll also be expanding cultivation capacity to initially over 115,000 square feet in a new state-of-the-art greenhouse using robotics on 80 acres of owned land. We estimate that this site can be expanded up to 2.3 million square feet of greenhouse capacity."

Bob Groesbeck, Co-CEO of Planet 13 added, "We have met with several investment and advisory groups in the past and are confident that CR Advisory has the right mix of experience and talent to help us execute our vision to grow Planet 13 into the leading vertically-integrated cannabis company in the Southwest. We have been so impressed with the value that has been provided thus far that we have invited both Greg and Marc to join our Board as independent directors. CannaRoyalty's experience bringing consumer brands to market throughout the United States and proven expertise in the Canadian capital markets make them an ideal partner for us going forward."

The Nevada market is expected to grow significantly following adult-use recreational legalization in July 2017. In October 2017, Nevada cannabis sales reached a record US\$37.9 million with most revenue attributed to recreational use<sup>1</sup>. 2016 projections suggest that Nevada sales will grow at a compound annual rate of 51%, to sales of US\$630 million by 2020<sup>2</sup>.

<sup>1</sup>Source: Northern Nevada Business Weekly. (2018 January 8). *Nevada Cannabis Industry, Amid Record Sales, Poised for Massive Growth in 2018*. Retrieved from: <https://www.nnbw.com/news/nevada-cannabis-industry-amid-record-sales-poised-for-massive-growth-in-2018/> [Accessed 12 Jan. 2018]

<sup>2</sup>Source: New Frontier and ArcView Market Research. (2016). *2016 Nevada Legal Cannabis Market State Profile*

## About Planet 13

Planet 13 is a vertically-integrated licensed cannabis operator. The company operates a premier dispensary, located in Las Vegas, and cultivates its own products using cutting-edge, full spectrum technology. The company's mission is to provide compassionate, dignified, and affordable access to medical and recreational cannabis users in Nevada. Planet 13's production facilities and practices ensure optimal gene expression across all strains of its hand-picked plants.

## About CR Advisory

CR Advisory, a division of CannaRoyalty established in 2017, provides consulting and advisory services to the global cannabis industry.

## 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. CannaRoyalty's shares trade on the Canadian Stock Exchange (CSE) under the symbol [CRZ](#) and internationally on the OTCQX under the symbol [CNNRF](#).

## 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.*

SOURCE CannaRoyalty Corp.

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