

# CannaRoyalty Commends California Government's Commitment to Support Legal Cannabis Industry

*Government of California announced that US\$133.3 million to be allocated to cannabis related activities to aid in the transition to a legal market.*

OTTAWA, May 14, 2018 /CNW/ - **CannaRoyalty Corp. (CSE: CRZ) (OTCQX: CNNRF)** ("CannaRoyalty" or the "Company"), a leading North American cannabis products and brands company, today commended the California government's decision to allocate an additional US\$133.3 million for cannabis-related programs, including license and permit processing, enforcement, laboratory services, quality assurance as well as environmental protection. The complete version of the plan may be viewed [here](#).

"We commend the California government for its reinforced support of cannabis operators complying with the state regulated system," said Marc Lustig, CEO of CannaRoyalty. "Measures such as those announced by the government last Friday are critical to ensure that the growth of the regulated cannabis economy in California is not threatened by illegal operators. We look forward to continuing to work with the government of California and local companies to build a legal and vibrant cannabis industry."

Forecast California excise taxes are expected to be approximately US\$185 million in 2017-2018<sup>(1)</sup>. First quarter excise tax was below previous expectation as the market continues the transition from a grey to a legal market. Despite this lower than expected result, due in large part to dispensaries facing challenges coming online, as [previously disclosed](#), CannaRoyalty subsidiary Alta Supply had record sales in the month of April. Together with prospective acquiree RVR, these distributors accounted for ~5% of the US\$33.6 million excise taxes collected in California in Q1 2018.

## (1) [Statewide Issues and Various Departments Report](#)

### **About CannaRoyalty**

CannaRoyalty is an active operator and investor in the global cannabis industry, with a strong focus on California, the world's largest cannabis market. Our core mission is to become the leading global consumer product goods company for discerning cannabis consumers. We are currently focused on building a diversified portfolio of manufacturing, distribution, intellectual property, and infrastructure assets to achieve this goal. Our leadership team combines a passion and hands-on understanding of the cannabis industry, with seasoned financial and legal expertise. 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 relating to the Acquisitions, the execution of the Company's strategy, new opportunities, future growth and other statements.*

*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 that are engaged in activities currently considered illegal under US federal law; 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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