

CannaRoyalty Announces Acceleration of Warrant Expiry Date

- Gross proceeds to the Company will total \$5,931,675, if all warrants are exercised

OTTAWA, Sept. 18, 2018 /CNW/ - **CannaRoyalty Corp. (CSE: CRZ) (OTCQX: CNNRF)** ("CannaRoyalty" or the "Company"), an active investor and operator in the legal cannabis industry, announced today that it is accelerating the expiry date of all outstanding common share purchase warrants (the "Warrants") of the Company issued pursuant to the warrant indenture dated February 15, 2017 between the Company and TSX Trust Company (the "Warrant Indenture"). The proceeds from the exercise of the Warrants will be primarily used by the Company to expand its footprint across California, as well as general corporate and working capital purposes.

Pursuant to the Warrant Indenture, the Company may accelerate the expiry date of the Warrants in the event that the volume weighted average closing price of the issued and outstanding common shares of the Company ("Common Shares") is greater than \$6.00 per Common Share for a period of 15 consecutive trading days (the "Acceleration Trigger").

The Company confirms that as of the close of markets on September 17, 2018, an Acceleration Trigger had occurred. In accordance with the terms of the Warrant Indenture, this news release constitutes notice to Warrant holders of the Acceleration Trigger. Accordingly, the Company confirms that the Warrants are now set to expire at 5:00 p.m. EST on October 9, 2018, being the 21st day following the occurrence of the Acceleration Trigger (the "Early Expiry Date"). Any Warrants remaining unexercised after the Early Expiry Date will be cancelled.

As of the close of market on September 17, 2018, a total of 1,318,150 Warrants of the 2,500,000 Warrants originally issued had yet to be exercised. Each Warrant is exercisable into one Common Share at a price of \$4.50 per Common Share. Accordingly, if all of the outstanding Warrants are exercised, gross proceeds to the Company will total \$5,931,675.

In anticipation of all Warrants at a price of \$4.50 per Common Share being exercised, the Common Shares outstanding of CannaRoyalty will be 55,973,613.

About CannaRoyalty

CannaRoyalty is a North American cannabis consumer product company currently focused on building a leading distribution business in California, the world's largest regulated cannabis market. By building a world-class logistics platform and supporting contract manufacturing assets, the Company intends to support the growth of new and established cannabis brands. The Company believes California, home to some of the world's most discerning consumers and a nexus of information and trends, will be the point of inception for the global cannabis brands of the future. CannaRoyalty has developed a diversified portfolio of assets within the cannabis sector, including research, infrastructure and intellectual property to support our existing brands, partner products and distribution networks. The Company's leadership and staff combines passion and a hands-on understanding of the cannabis industry, with proven financial and legal expertise. CannaRoyalty's Common Shares trade on the Canadian Stock Exchange (CSE) under the symbol CRZ and in the US 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 anticipated gross proceeds to the Company from the exercise of Warrants upon the Early Expiry Date, 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: number of Warrant holders who exercise Warrants in advance of the Early Expiry Date, 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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