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## **Hiku Brands to acquire leading Quebec based cannabis brand Maitri**

**FOR IMMEDIATE RELEASE - February 1, 2018 (Toronto):** [Hiku Brands Company Ltd.](#) (“Hiku”) (CSE: HIKU), Canada’s first vertically-integrated cannabis brand house, is pleased to announce it has entered into a binding letter of intent to acquire 100% of the issued and outstanding shares of [Maitri](#) Group Inc. (“Maitri”), a Quebec-based cannabis accessory and design brand. The proposed acquisition represents the first brand acquisition by Hiku.

The purchase of Maitri is a key part of Hiku's strategy to build a portfolio of iconic cannabis brands and ensure the highly variable needs of Canadian cannabis consumers are met in each province. Quebec is expected to represent more than 25 percent of Canada’s cannabis market, with analysts estimating that the current cannabis market is worth over \$1.5 billion a year in the province. Hiku understands the importance of embracing locally-grown brands and believes Maitri is uniquely suited to understand the Quebec market, allowing Hiku to enter into *la belle province* in an authentic way.

Maitri was founded in Montreal in 2017 by Phillippe Depault and his partner Alex Lalancette. The co-founders saw an opportunity to create an authentic, cannabis brand speaking directly to Quebec consumers. Maitri has since become a destination for modern cannabis consumers, focused on premium, Quebec-made cannabis accessories, education, innovation and community.

“We are thrilled to welcome Maitri to the Hiku brand portfolio. This is an exciting first acquisition for Hiku - and an incredibly important one as we look forward to growing Maitri in the Quebec market and beyond” said **Alan Gertner**, CEO of Hiku. “Phil and Alex have created something really special with Maitri. They bring passion, excellence in product design, and an ability to connect authentically with consumers and build community. We’re excited to bring this great brand to even more Canadians.”

“Our mission is to destigmatize the modern cannabis consumer and promote a healthy lifestyle,” said **Phil Depault**, co-founder of Maitri. “Being a part of Hiku is a dream come true. It allows us to work with true industry leaders and an incredible management team to help Maitri grow and spread our message of normalization, innovation and community building throughout Canada, while maintaining our deeply-rooted Quebec origins.”

Maitri has already earned a slew of awards and accomplishments in its short history, including as a finalist for the 2017 Lift Cannabis Awards ‘Brand of the Year’ (which was ultimately won by Hiku’s Tokyo Smoke). Maitri currently sells products nationally, and has been covered by numerous top tier media outlets. Maitri will continue to be sold across Canada including at all Tokyo Smoke retail locations, as well as at DOJA’s Culture Cafes on the West Coast.

Pursuant to the LOI, shareholders of Maitri will receive upfront consideration of \$550,000 in a combination of cash and Hiku shares and up to an additional \$1.2 million in Hiku shares in earn out

payments, based on certain performance milestones being met. Completion of the proposed acquisition of Maïtri remains subject to conditions, including the entering into of a definitive agreement.

**About Maïtri:**

Maïtri is a premium cannabis lifestyle brand based in Quebec, created in 2017 by entrepreneurs Philippe Depault and Alex Lalancette. With an emphasis on innovation, education, locally made cannabis products and building community, Maïtri has quickly become the go-to cannabis brand for Quebec consumers. Maïtri products are sold in high end retail locations across Canada and online.

**About Hiku:**

Hiku is focused on handcrafted cannabis production, immersive retail experiences, and building a portfolio of iconic, engaging cannabis lifestyle brands. Hiku is differentiated as the only Canadian craft cannabis producer with a significant national retail footprint and a growing brand house including premium cannabis lifestyle brands DOJA, Tokyo Smoke, and Van der Pop.

Hiku's wholly owned subsidiary, DOJA Cannabis Ltd., is a federally licensed producer pursuant to the ACMPR, owning two production facilities in the heart of British Columbia's Okanagan Valley. The company operates a network of retail stores selling coffee, clothing and curated accessories, across British Columbia, Alberta and Ontario.

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**Statement Regarding Forward-Looking Information**

This news release contains statements that constitute "forward-looking statements". Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause Hiku's actual results, performance or achievements, or developments in the industry to differ materially from the anticipated results, performance or achievements expressed or implied by such forward-looking statements. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects," "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential" and similar expressions, or that events or conditions "will", "would", "may", "could" or "should" occur.

Forward-looking statements in this document include statements regarding Hiku's expectations regarding the completion of the acquisition of Maïtri and Quebec's anticipated market for cannabis consumption. By their nature, forward-looking statements are based on the opinions and estimates of management at the date the information is made, and is subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information. Hiku is not under any obligation, and expressly disclaims any intention or obligation, to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as expressly required by applicable law.

*The Canadian Securities Exchange has not approved nor disapproved the contents of this news release.*