

# HIKU

## HIKU BRANDS EXPANDS TO JAMAICA THROUGH STRATEGIC ALLIANCE

Hiku is proud to be the first Canadian Licensed Producer to expand its retail platform into the international cannabis market\*

TORONTO, Feb. 27, 2018 /CNW/ - [Hiku Brands Company Ltd.](#) (“Hiku” or the “Company”) (CSE: HIKU), Canada's first vertically-integrated cannabis brand house, is pleased to announce that it has entered into a letter of intent (“LOI”) with [Kaya Inc.](#) (“Kaya”), the first licensed medical cannabis producer and dispensary operator in Jamaica, to launch a strategic alliance (“**Strategic Alliance**”) to pursue medical and adult-use cannabis branding, genetics, and retail opportunities in Jamaica and Canada.

Under the LOI, Hiku intends to make a strategic investment in Kaya to acquire up to 10% ownership on a fully diluted basis, enter into mutual licensing agreements to leverage Hiku’s brands in Jamaica and Kaya’s brand in Canada, work together to explore import and export opportunities for cannabis genetics, and develop co-branded retail stores and cannabis lounges in the Caribbean. The Strategic Alliance brings Hiku’s award winning cannabis brands and experiential retail offering to Jamaica and Jamaican cannabis consumers while providing Hiku the opportunity to share Kaya’s renowned cannabis genetics and top-tier, authentic Jamaican cannabis brand with Canadian cannabis market.

*“This is an incredible opportunity for Hiku to tap into Jamaica’s world-renowned cannabis community and take our retail and branding expertise global”, said Alan Gertner, CEO of Hiku. “We’re excited to start working with the Kaya team and have been thoroughly impressed by their knowledge and passion. The Hiku team is excited to share in Kaya’s vision to provide an authentic-to-Jamaica cannabis retail experience, properly showcasing the amazing cannabis genetics produced by their sister-company, Ganja Labs. Jamaica has such a deep and rich history with cannabis and we are fortunate to be able to participate in and learn from that history.”*

Bali Vaswani, Chairman and Chief Ganja Officer of Kaya, said *“we are very excited to leverage the expertise of Hiku. As proven retailers with a strong operational foundation, we have found the perfect partners. Hiku is a world class brand builder and we are extremely pleased to bring their portfolio of brands, including Tokyo Smoke, DOJA and Van der Pop, to consumers alongside our local Jamaican brands.”*

Hiku intends to enter into a subscription agreement with Kaya whereby Hiku will make an initial investment of \$250,000, and intends to make a secondary investment concurrent with an equity financing by Kaya that would bring Hiku's total ownership to 10% on a fully diluted basis post-financing.

Kaya and Hiku will work with the Cannabis Licensing Authority ("**CLA**") in Jamaica to ensure compliance with the CLA's international ownership framework.

\* To the best of the company's knowledge

## **About Hiku**

Hiku is focused on building a portfolio of iconic, engaging cannabis brands, immersive retail experiences and handcrafted cannabis production. With a national retail footprint led by [Tokyo Smoke](#), craft cannabis production through [DOJA](#)'s ACMPR licensed grow, and [Van der Pop](#)'s female-focused educational platforms, Hiku houses an industry-leading portfolio that sets the bar for cannabis brands in Canada.

DOJA Cannabis, Hiku's wholly-owned subsidiary, is a federally licensed producer of craft cannabis pursuant to the Access to Cannabis for Medical Purposes Regulations (the "**ACMPR**"). DOJA owns and operates 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.

## **About Kaya**

[Kaya](#) is the first medical cannabis brand and legal vertically integrated cannabis producer from the Caribbean. Kaya has been on the forefront of medical Ganja research with Jamaica's University of Technology since 2015, where it was issued one of the original two medical cannabis research licenses by the Government. Kaya is also amongst the first cohort of licensees under Jamaica's new CLA framework, issued in 2017. Through Kaya Farms, Everything Oily, Kaya Herbhouse, and Kaya Cafe, Kaya is able to cultivate, process, distribute, and retail medical cannabis to both tourists and Jamaicans alike. Kaya's goal is to make Jamaica the flagship of the global wellness tourism industry and become the new symbol of the island's roots and lifestyle.

## **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 the Company's intention to make an equity investment in Kaya and the terms thereof, its intention to enter into mutual licensing agreements with Kaya, its intention to explore import and export opportunities with Kaya and its intention to develop co-branded retail stores with Kaya. 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.*

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