

HIKU

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HIKU BRANDS APPLIES FOR CANNABIS OIL LICENSE, LAUNCHES INNOVATIVE EXTRACTION PROGRAM IN PARTNERSHIP WITH VITALIS AND SECURES PRAIRIES EXPANSION RIGHTS FOR TOKYO SMOKE BRAND

FOR IMMEDIATE RELEASE – March 7, 2018 (Toronto): [Hiku Brands Company Ltd.](#) (“Hiku” or the “Company”) (CSE:HIKU), Canada’s first vertically-integrated cannabis brand house, is pleased to provide an update of the Company’s recent corporate development initiatives.

DOJA Applies for Cannabis Oil License and Signs Innovative Extraction Partnership Agreement with Vitalis

Hiku’s wholly-owned subsidiary DOJA Cannabis Ltd. (“DOJA”), a licensed cannabis producer under the Access to Cannabis for Medical Purposes Regulations (the “ACMPR”), submitted its application to Health Canada for the production of medical cannabis oils at its second site facility (the “FUTURE LAB”) located in Kelowna, British Columbia.

Hiku is also pleased to announce it has signed a strategic partnership agreement with Vitalis Extraction Technology Inc. (“Vitalis”), whereby Vitalis will advise on the build-out of DOJA’s extraction lab, partner on certain research and development initiatives, and supply the FUTURE LAB with Vitalis’ Q-90 supercritical CO2 extraction system - which is capable of processing up to 80 kg of cannabis flower per day into ultra-pure, exceptionally-clean, high-quality cannabis oils without the use of any toxic solvents. Vitalis is known as the leading manufacturer of high flow rate industrial supercritical CO2 extraction systems that are redefining the capabilities of traditional extraction methodologies.

“This is an important step for Hiku, the future of cannabis will be convenience and consistency, and the proliferation of dose-controlled consumption methods will be driven by oil and concentrate innovation,” said Alan Gertner, CEO of Hiku. *“Vitalis has vast experience deploying supercritical CO2 extraction systems and is at the forefront of extraction innovation. We look forward to working with them to build out our state-of-the-art extraction lab and develop a diverse cannabis oil and concentrate offering.”*

Once the FUTURE LAB is completed, Health Canada will be invited to conduct an inspection to secure an amendment permitting the production of cannabis oils.

Hiku Brings Prairies Tokyo Smoke Retail Expansion In-House After Prized Manitoba RFP Win

TS Brandco Holdings Inc. ("**Tokyo Smoke**"), Hiku's wholly-owned subsidiary, with participation by BOBHQ, was conditionally awarded one of only four master retail licenses (the "**License**") in Manitoba's highly competitive Request for Proposal ("**RFP**") process for the right to operate retail cannabis stores on February 16, 2018 ([read more here](#)). The License gives Tokyo Smoke the ability to operate legal retail cannabis stores and an online cannabis sales platform in Manitoba. Hiku is committed to expanding Tokyo Smoke's retail locations in Alberta, Manitoba, and Saskatchewan through company owned and operated stores and plans on participating in future cannabis retail licensing processes across the country under the Tokyo Smoke and DOJA brands to significantly grow Hiku's national retail footprint.

Keeping with the Company's strategic vision for cannabis retail, Hiku has acquired all of the issued and outstanding shares of TS Prairie Retail Corp., an entity that previously held exclusive rights to establish "Tokyo Smoke" branded stores in Alberta, Manitoba, and Saskatchewan under a license agreement dated August 15, 2017, pursuant to a share purchase agreement dated March 6, 2018 in exchange for 4.2 million common shares in the capital of Hiku.

About Hiku

Hiku is focused on building a portfolio of iconic, engaging cannabis brands, unsurpassed 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.

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.

Hiku has entered into supply partnerships with Aphria Inc. (TSX: APH) (OTCQB: APHQF) and WeedMD Inc. (TSXV: WMD) to ensure Hiku's brands will be able to scale in 2018 and beyond.

About Vitalis

Vitalis is a Kelowna-based engineering and manufacturing company, producing the highest-flowing industrial supercritical CO2 extraction system for the cannabis market. The company's core focus on innovation and design has vaulted it to the forefront of the market. Renowned for their reliability, scalability, and continuous operation, Vitalis systems are designed and manufactured in accordance with ASME and CSA Standards for Boiler, Pressure Vessel and

Pressure Piping Code. The vessels are stamped with a CRN and NB registration number confirming that the vessels meet code and have been inspected by an Authorized Inspector. With systems on three continents, Vitalis has the most deployments of industrial CO2 supercritical extractors into the cannabis industry. Vitalis was recently voted Top Extraction Equipment at the 2017 Lift Canadian Cannabis Awards. For more information, visit their website at www.vitaliset.com.

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 the ongoing relationship between the Company and Vitalis, the performance of Vitalis products and technology, the Company and Tokyo Smoke's intention to expand retail locations in the Prairies, and the Company's participation in future cannabis retail licensing processes. 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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