

Stem Holdings Inc. Opens its first Nevada Operation in North Las Vegas

BOCA RATON, December 27, 2018 – Stem Holdings Inc. (OTCQB: STMH CSE: STEM) (the "**Company**" or "**Stem**"), a vertically-integrated cannabis corporation with operations throughout the United States, is thrilled to announce that the Company this month is opening a cultivation facility in Nevada. Located just a few miles off the Las Vegas strip, another grand opening spearheaded by Stem's innovative CEO, Adam Berk.

"We could not be more excited to launch our Nevada cultivation operation in Las Vegas," Mr. Berk explains. "We are very proud of the family of brands that we have developed under the Stem's umbrella, and are confident that our high quality cannabis products will be the most popular products consumed in Nevada's blossoming cannabis market."

One of the brands that Stem will introduce to Nevada is the historic TJ's Gardens variety of cultivars. Utilizing an organic growing methodology known as regenerative no-till living soil, TJ's Gardens is recognized as the Pacific Northwest's premier cannabis cultivator. In addition to winning over 40 awards at numerous competitions throughout the past four years, one of TJ's Gardens most recognizable strains, TJ's Durban Poison, was named "Best Tasting Bud on Earth" by the renowned *High Times Magazine*. TJ's Gardens will introduce its proprietary products to the Nevada market through the Travis x James brand, which produces high-end flower and great tasting vaporizers.

Stem's new Nevada facility includes space for cultivation, an edibles kitchen, and an extraction lab enabling Stem to introduce large numbers of other flowers, edibles, and extracts brands. Through the Company's state of the art kitchen, delicious edibles under the Cannavore brand will be manufactured including but not limited to caramels, gummies, hard candies, honey, and soda. Additionally, Yerba Buena flower will be used in Stem's high quality pre-rolled joint multipacks known as Fuegos. Also, being introduced is Stem's extracts line named Dose-ology, which will provide consumers with CBD and THC tinctures.

"Opening our cultivation operations in North Las Vegas provides us with a unique opportunity to grow our brands," says Stem's National Director of Business Development, Dr. Geoff Ostrove. "Las Vegas receives over 44 million visitors each year. Combined with cannabis consumption from the local community, Nevada is going to see over \$500 million in retail sales each year from the cannabis industry! We plan on playing a major role in helping Stem reach its sales forecast by producing some of the most recognizable cannabis brands on the Las Vegas strip."

With Stem's operations set to begin in North Las Vegas this month, keep an eye out for Cannavore edibles, Yerba Buena pre-rolled joints, Dose-ology tinctures, as well as Travis x James flower and vaporizers. With our family of brands being produced in our new state-of-the-art facility, Stem Holdings is positioned to take the Nevada cannabis market by storm in 2019. Stay up to date on Stem's efforts in Nevada and other States by visiting their website at stemholdings.com.

About Stem Holdings, Inc.

As a vertically integrated cannabis company, Stem Holdings Inc. (Stem) has positioned itself as a pioneer in the industry with its affiliated state-of-the-art cultivation, processing, extraction, retail, and distribution operations. Stem owns and manages affiliated cannabis facilities in Nevada, Oklahoma, and Oregon as well as participating in a research project in collaboration with Cornell University. Utilizing proprietary, sustainable cultivation techniques, Stem develops exceptional products that are safe and consist of lab-tested cannabis and CBD. Stem's affiliated award-winning, nationally known, consumer-facing brands include: cultivators, TJ's Gardens and Yerba Buena; retail brands, Stem and TJ's; infused product manufacturers, Cannavore and Supernatural Honey; and a CBD company, Dose-ology. Stem's mission in supporting the health and happiness of people and the safety of our planet is evident through the Company's continued recognition for its community involvement, employee diversification and a top place to work in cannabis, dedication to environmental causes and outstanding leadership in the cannabis industry.

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