

Chemistree Completes Investment in New Jersey Cannabis Applicant - ACS

VANCOUVER, July 22, 2019 /CNW/ - Chemistree Technology Inc. (CSE: CHM) (US OTCQB: CHMJF) (the "Company" or "Chemistree"), is pleased to announce that through a wholly owned U.S. subsidiary, the Company has finalized its investment into Applied Cannabis Sciences of New Jersey ("ACS"), a New Jersey-based medical vertically integrated applicant, previously announced as a letter of intent (press release dated April 15, 2019).

ACS will be submitting its application in the upcoming New Jersey round of Request for Applications (RFA), which was released Monday, July 15, 2019 by the New Jersey Department of Health. The State will issue 24 new permits, comprising of 15 dispensary permits, 5 cultivation permits, and 4 vertically integrated permits. All applications are to be submitted by August 22, 2019. ACS placed in the top 20 applicants in the last permitting round, narrowly missing out on receiving a license at that time.

ACS is pleased to participate in this current round and to be a part of the expansion of New Jersey's medical program which has set a goal of increasing registered patient count to over 200,000 as well as anticipating the adult-use market if decided by voters in a 2020 referendum. The application, if successful, will provide ACS with a fully integrated cultivation, manufacturing/processing and retail sales license in the state of New Jersey. Currently, there are only 12 facilities servicing the 49,000 patients enrolled in New Jersey medicinal cannabis program.

"Completing this investment with ACS and being on the ground floor towards expanding New Jersey's medical marijuana program marks a significant step forward in our Company's East Coast expansion plans," stated Karl Kottmeier, President of Chemistree. "We expect, along with ACS' leading cannabis experts and track record, that we will be able to secure this highly coveted and valuable State license."

Director Nico Escondido said, "The entire team at ACS is very excited to have solidified our partnership with Chemistree. The goals of both entities are keenly aligned, with the objectives of serving both the patients and communities in which we operate being our top priority. This partnership enables us to disseminate our mission across North America, while also creating a hub for cannabis research and development here on the Eastern seaboard. We look forward to a successful application in our great State of New Jersey and working with the members of Chemistree to build something of incredible value for both our patients and the cannabis industry."

Applied Cannabis Sciences has been established by a team of seasoned professionals from the legal medicinal and adult use marijuana industry whose collective experience exceeds 50 years and includes over 20 cultivation, processing, and manufacturing licenses across four states (Washington, Oregon, California, and Colorado) within the U.S. The ACS team consists predominantly of professionals that reside and currently operate from New Jersey and maintain multiple strategic partnerships, including Rutgers Medical School, Stockton University and RWJ Barnabas Healthcare. A founding member of the ACS team and cannabis industry expert, Nico Escondido, is a member of Chemistree's Board of Directors (press release dated April 9, 2019).

About Chemistree Technology Inc.

Chemistree Technology Inc. is an investment company dedicated to the U.S. cannabis sector, endeavoring to provide turn-key solutions for the regulated cannabis industry. The Company's corporate strategy is to acquire and develop vertically integrated cannabis assets, leveraging management's decades of expertise in the cannabis industry and corporate finance to own and operate licensed cultivation, processing, distribution and retail facilities. Outside of Washington State, Chemistree owns the exclusive worldwide rights to the Sugarleaf brand. For more information, visit www.chemistree.ca.

Advisory

The Company wishes to inform shareholders that there are significant legal restrictions and regulations that govern the cannabis industry in both Canada and the United States.

Cannabis-related Practices or Activities are Illegal Under U.S. Federal Laws

The concepts of "medical cannabis" and "recreational cannabis" do not exist under U.S. federal law. The Federal Controlled Substances Act classifies "marihuana" as a Schedule I drug. Under U.S. federal law, a Schedule I drug or substance has a high potential for abuse, no accepted medical use in the United States, and a lack of safety for the use of the drug under medical supervision. As such, cannabis related practices or activities, including without limitation, the manufacture, importation, possession, use or distribution of cannabis are illegal under U.S. federal law. Strict compliance with state laws with respect to cannabis will neither absolve the Company of liability under U.S. federal law, nor will it provide a defence to any federal proceeding which may be brought against the Company. Enforcement of U.S. federal laws will be a significant risk to the business of the Company and any such proceedings brought against the Company may adversely affect the Company's operations and financial performance.

Further information regarding the legal status of cannabis related activities and associated risk factors, including, but not limited to, risk of enforcement actions, risks that third-party service providers, such as banking or financial institutions cease providing services to the Company, and the risk that Company may not be able to distribute profits, if any, from U.S. operations up to the Company, are included in the preliminary short form prospectus of the Company filed in respect of the Offering, the Company's annual information form and other documents incorporated by reference therein and in the Company's Form 2A listing statement filed with the CSE and available under the Company's profile on SEDAR at www.sedar.com.

"Karl Kottmeier"
President

Neither the Canadian Securities Exchange nor its Market Regulator (as that term is defined in the policies of the Canadian Securities Exchange) accepts responsibility for the adequacy or accuracy of this news release.

Information set forth in this news release includes forward-looking statements under applicable securities laws. Forward-looking statements are statements that relate to future, not past, events. In this context, forward-looking statements often address expected future business and financial performance, and often contain words such as "anticipate", "believe", "plan", "estimate", "expect", "budget", "scheduled" and "intend", statements that an action or event "may", "might", "could", "should", or "will" be taken or occur, or other similar expressions.

By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others the risks identified in the Company's reports and filings with the applicable Canadian securities regulators, including, without limitation, all risks in and incorporated by reference into the Company's annual information form.

Forward-looking statements are made based on management's beliefs, estimates and opinions on the date that statements are made, and the Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as required by applicable securities laws. Investors are cautioned against attributing undue certainty to forward-looking statements. The Company assumes no responsibility to update or revise forward-looking information to reflect new events or circumstances unless required by applicable law.

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CNW 08:30e 22-JUL-19