

Golden Leaf Signs Binding Letter of Agreement to Acquire Cannabis Licenses in Nevada

TORONTO, ONTARIO--(Marketwired – March 27, 2017) – Golden Leaf Holdings Ltd. ("GLH" or the "Company") (CSE:GLH) (OTCQB:GLDFF), a leading cannabis oil solutions company built around recognized brands, is pleased to announce that the Company has signed a binding Letter of Agreement (LOA) to acquire a cultivation license and an extraction license in Nevada from NevWa, LLC ("NevWa") (doing business as Grassroots) (the "Transaction").

NevWa's cultivation and extraction license, based out of Sparks, Nevada, allows for the distribution and sale of products across the state of Nevada, including in Las Vegas and Reno.

Medical marijuana is currently legal in Nevada, and the state's recreational market is scheduled to launch in July 2017. Nevada's medical market also enables reciprocity for patients, whereby patients from other states can legally use their medical marijuana cards in Nevada, opening the medical market to the state's more than 40 million yearly visitors.

Don Robinson, CEO of Golden Leaf Holdings, commented, "Nevada is increasingly being recognized as one of the fastest growing cannabis markets in the U.S. The level of tourism in the state combined with the reciprocity provision in the state's cannabis laws, positions Nevada to become one of the largest and most dynamic markets in the country. Cannabis brands that are on store shelves in Nevada can create brand loyalty throughout the North America. We are excited about this opportunity and confident that it will bring significant value to our Company and our shareholders.

Pursuant to the Transaction, NevWa will receive from GLH US\$1.925 million. The Transaction is subject to certain conditions, including receipt of all regulatory and stock exchange approvals and all other necessary third party consents and approvals.

AC Group Financial Inc. (AC Group) acted as advisor to the Company on this acquisition, as well as the three acquisitions previously announced in recent weeks.

A copy of the investor presentation in connection with the previously announced subscription receipt financing with Canaccord Genuity Corp. is available on the Company's investor website at <http://goldenleafholdings.com/>.

Golden Leaf's Competitive Strategy

The chart below illustrates the Company's strategy to build a market leader in branded cannabis products that is backed by real science and a commitment to lowest cost manufacturing.



While GLH is currently executing this strategy on an organic basis, the Company and its board of directors believes that it can accelerate growth and market positioning through a strategic, targeted acquisition strategy. Among the acquisition targets that the Company will focus on are existing production/processing/distribution licenses in other states, proprietary oil extraction technologies, and existing leading brands. The strategic acquisition program is intended to drive financial and shareholder value by seeking acquisitions that build GLH's brand portfolio, expand its regional presence and/or add technology and intellectual property.

About Golden Leaf Holdings:

Golden Leaf Holdings Ltd. is one of the largest cannabis oil and solution providers in North America. It's a leading cannabis products company in Oregon, built around recognized brands. GLH leverages a strong management team with cannabis and food industry experience to complement its expertise in extracting, refining and selling cannabis oil.

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Disclaimer: This press release contains "forward-looking information" within the meaning of applicable securities legislation. Forward-looking information includes, but is not limited to, statements with respect to the Transaction, the recreational market for marijuana in Nevada, the Company's future business operations and acquisition targets, the opinions or beliefs of management, including but not limited to opinions regarding the cannabis market in Nevada, and future business goals. Generally, forward looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including but not limited to general business, economic and competitive uncertainties, regulatory risks including risks related to the expected timing of the Company's participation in the Adult Use market, market risks, risks inherent in manufacturing operations, other general risks of the cannabis industry as well as those risk factors disclosed elsewhere in the Company's public disclosure. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-

looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward looking information. Forward-looking information is provided herein for the purpose of presenting information about management's current expectations relating to the future and readers are cautioned that such information may not be appropriate for other purpose. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws. This Release does not constitute an offer of securities for sale in the United States, and such securities may not be offered or sold in the United States absent registration or an exemption from registration.