

ASX RELEASE

30 November 2018

Harvest One Q1 2019 results

MMJ Group Holdings Limited (ASX: MMJ) ("MMJ") is pleased to note the attached news release by Harvest One Cannabis Inc. (TSX-V:HVT) ("Harvest One") announcing record revenues for the first quarter of fiscal 2019.

MMJ owns 55,557,994 shares in Harvest One for a 30.5% shareholding.

Investor and Media Enquiries

Jason Conroy
Chief Executive Officer

About MMJ

MMJ Group Holdings Limited (ABN 91 601 236 417) is a global cannabis investment company. MMJ owns a portfolio of minority investments and aims to invest across the full range of emerging cannabis-related sectors including healthcare, technology, infrastructure, logistics, processing, cultivation, equipment and retail. For MMJ's latest investor presentation and news, please visit: <https://www.mmjgh.com.au/investors/>

Important Notice

This announcement contains reference to certain intentions, expectations, future plans, strategy and prospects of MMJ. Those intentions, expectations, future plans, strategy and prospects may or may not be achieved. They are based on certain assumptions, which may not be met or on which views may differ and may be affected by known and unknown risks. The performance and operations of MMJ may be influenced by a number of factors, many of which are outside the control of MMJ. No representation or warranty, express or implied, is made by MMJ, or any of its directors, officers, employees, advisers or agents that any intentions, expectations or plans will be achieved either totally or partially or that any particular rate of return will be achieved. Given the risks and uncertainties that may cause MMJ's actual future results, performance or achievements to be materially different from those expected, planned or intended, recipients should not place undue reliance on these intentions, expectations, future plans, strategy and prospects. MMJ does not warrant or represent that the actual results, performance or achievements will be as expected, planned or intended. Nothing in this material should be construed as either an offer to sell or a solicitation of an offer to buy or sell securities. It does not include all available information and should not be used in isolation as a basis to invest in MMJ. This document does not constitute any part of any offer to sell, or the solicitation of an offer to buy, any securities in the United States or to, or for the account or benefit of any "US person" as defined in Regulation S under the US Securities Act of 1993 ("Securities Act"). MMJ's shares have not been, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold in the United States or to any US person without being so registered or pursuant to an exemption from registration including an exemption for qualified institutional buyers.

Harvest One pleased to announce record revenues for first quarter of fiscal 2019

TSXV – HVT

TORONTO, Nov. 29, 2018 /CNW/ - Harvest One Cannabis Inc. (TSXV:HVT) ("Harvest One" or the "Company") today announced the release of its financial and operating results for the three months ended September 30, 2018.



Colin Clancy Director of Investor Relations discusses Q1 2019 financial results
Click image to play video

"This has been an exciting and decisive period in the history of Harvest One," said Grant Froese, CEO of Harvest One. "Harvest One has undergone important leadership changes as it transitions to the next stage of its development. This quarter was also a pivotal period in the evolution of the Canadian Cannabis industry as all stakeholders underwent the unique operational exercise of preparing for full legalization of recreational cannabis in Canada. I am proud to say Harvest One has executed on our roll-out strategy, meeting all provincial obligations and establishing the basis for successful long-term relationships with both public and private retailers. The work we are doing now lays the foundation for a landmark year in 2019 when cannabis companies will be judged on execution and financial performance. This is emphasized by Harvest One's record revenues this quarter, representing an 862 per cent increase over the same period last year. With revenue forecasts in place for each of our four divisions – licensed producer, retail, medical & nutraceutical, and consumer - Harvest One remains very optimistic for the balance of fiscal 2019."

Highlights:

- Q1 2019 revenue for the Company was \$1.68 million, an increase of 862 per cent from Q1 2018 and a 227 per cent increase from the previous quarter. This increase is primarily due to the contribution of Dream Water sales, bulk sales of cannabis to other Licensed Producers, and an initial recreational cannabis sale to the Province of British Columbia.
- As of September 30, 2018, the Company maintains a very strong balance sheet with a cash

balance of \$48.3 million. This cash position means all current expansion plans are fully funded and allows for further acquisitions that support the Company's brand and product development strategy.

- The Company signed agreements to supply adult-use cannabis with four provinces: British Columbia, Ontario, Manitoba and Saskatchewan. The Company successfully met all provincial load-in obligations.
- The Company also initiated its retail strategy acquiring a 19.99 per cent interest in a luxury BC-based retail group called Burb Cannabis Corp. ("Burb"). The investment falls within the allowable maximum investment of 20 per cent established by the BC Government. Burb expects to open between eight to 10 stores in BC in 2019, with a further roll out across the country.
- The Company announced favourable results in Phase 2 clinical trials using its proprietary Satipharm capsules for the treatment of pediatric epilepsy. The median seizure reduction was - 82 per cent in the 12-week treatment period. These results were recently presented at the Epilepsy Society of Australia Conference.
- The Company closed a strategic acquisition of Phytotech Therapeutics ("PTL") giving the Company access to valuable IP and research capabilities to support product development for Satipharm.
- The Company entered into a multi-year Extraction Services Agreement with Valens GroWorks Corp. ("Valens") for cannabis extraction and value-added services. The Company intends to work very closely with Valens to develop innovative products to support both its recreational and medical strategies.
- The Company has started construction on two separate expansion sites - one in British Columbia and the other in Saskatchewan. In Duncan, BC the Company's facility is undergoing a modular expansion which will triple output as the modules come online. The first harvest is scheduled for early 2019. At the Company's Lucky Lake facility in Saskatchewan construction is underway on a state-of-the-art indoor cultivation facility which will produce an estimated 8,000+ kgs of the Company's premium-quality dried flower product annually.

Fiscal 2019 started with the appointment of a new CEO Grant Froese. Mr. Froese comes to Harvest One with 38 years retail and operations experience, most recently as Chief Operating Officer of Loblaw. In addition to this appointment, Harvest One underwent a significant overhaul of the senior leadership team, making the following notable additions:

Andrew Kain	Chief Operating Officer and General Counsel
David Hyde	Advisory Board
Frank Holler	Board of Directors
Will Stewart	SVP Corporate and Public Affairs
Ann Gallery	SVP Corporate Communications
Gord Davey	SVP Global Sales
Todd Dea	President of United Greeneries
Jonathan Hartshorn	President of Satipharm
Tucker Wright	President of DreamWater

For more information on the team, please visit [Harvest One's Management page](#).

Harvest One's 2019 first quarter MD&A and consolidated financial statements for the quarter ended September 30, 2018, along with all previous Harvest One public filings, may be found on SEDAR at www.SEDAR.com.

About Harvest One Cannabis Inc. (TSXV: HVT)

Harvest One is a global cannabis company that develops and provides innovative lifestyle and wellness products to consumers and patients in regulated markets around the world. The Company's range of lifestyle solutions is designed to enhance quality of life. Shareholders have significant exposure to the entire cannabis value chain through three wholly-owned subsidiaries; [United Greeneries](#), a Licensed Producer; [Satipharm](#) (medical and nutraceutical); and [Dream Water Global](#) (consumer); and a minority interest in [Burb Cannabis](#) (retail operations). For more information, please visit www.harvestone.com.

This press release contains "forward-looking statements," which may be identified by the use of words such as, "may," "would," "could," "will," "likely," "expect," "anticipate," "believe," "intend," "plan," "forecast," "project," "estimate," "outlook" and other similar expressions, including statements regarding our growth potential, the sustainability of growth, completion of construction at the BC and Saskatchewan expansion sites, output and production estimates at the BC and Saskatchewan expansion sites, development of new products, demand for our products and the medical and recreational cannabis markets. Forward-looking statements are not a guarantee of future performance and are based upon a number of estimates and assumptions of management in light of management's experience and perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances, including assumptions in respect of current and future market conditions. Actual results, performance or achievement could differ materially from that expressed in, or implied by, any forward-looking statements in this press release, and, accordingly, you should not place undue reliance on any such forward-looking statements and they are not guarantees of future results. Forward-looking statements involve significant risks, assumptions, uncertainties and other factors that may cause actual future results or anticipated events to differ materially from those expressed or implied in any forward-looking statements. Please see the heading "Risk Factors" in our 2019 first quarter MD&A which was filed on SEDAR on November 29, 2018 for a discussion of the material risk factors that could cause actual results to differ materially from the forward-looking information. The Company does not undertake to update any forward-looking statements that are included herein, except in accordance with applicable securities laws.

Neither TSX-V nor its Regulation Services Provider (as that term is defined in the policies of the TSX-V) accept responsibility for the adequacy or accuracy of this release.

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