

Beleave Announces Second Quarter of 2018 Results

*51% increase in revenues from Q1
with 250% increase forecasted for Q3
Strong Revenue Growth Expected for rest of Fiscal 2018*

TORONTO, Nov. 29, 2018 /CNW/ - Beleave Inc. (CSE: BE) (OTCQX: BLEVF) ("**Beleave**" or the "**Company**") announces today the release of its Interim Condensed Consolidated Financial Statements for the second quarter ended September 30, 2018, together with its Management, Discussion and Analysis ("**MD&A**"). These documents will be posted on the Company's website at www.beleave.com and SEDAR at www.sedar.com. All values in this news release and the Company's financial disclosures are in Canadian dollars unless otherwise stated.

SECOND QUARTER 2018 OPERATIONAL AND FINANCIAL HIGHLIGHTS

This was a landmark quarter for Beleave as sales from Cannabis began and new distribution channels for the upcoming quarters were established. The Company had revenues of \$315,617 that didn't include recreational sales that began in October, however it was an improvement over last quarter's revenues of \$208,617.

Significant reductions in costs were evident and, most notably, management and consulting fees were reduced substantially to \$161,123 from the previous quarter. Salaries, professional services and change in fair value of note payable reductions were also very significant. On a comparative basis, the net loss in Q1 2018 was significantly reduced in Q2 2018 to \$4,804,994, or \$0.01 per share, as management focuses on cost reductions and revenue growth for the future.

"We're happy to report on our second quarter that included many highlights and developments for Beleave," said Andrew Wnek, Beleave's CEO. "We announced substantial facilities projects in London, Ontario and British Columbia, acquired Seven Oaks to bolster our recreational product lines, expanded our Medi-Green network of stores in Ontario and Quebec, and moved forward with plans for Colombian operations. We look forward to an even stronger third quarter that will reflect recreational sales and increased revenues."

Beleave also wishes to advise that it is named in a temporary order issued by the Executive Director of the British Columbia Securities Commission (BCSC) concerning certain purchases of and trading in the securities of Beleave and 10 other CSE issuers by a group of consultants referred to as the "BridgeMark Group". Beleave is examining the matters raised by the BCSC, and the underlying contracts, and the services provided by members of the BridgeMark Group. Beleave intends to cooperate fully with the BCSC's examination of these matters.

KEY HIGHLIGHTS – FISCAL YEAR-TO-DATE

- **April 13** – Beleave receives its sales license from Health Canada pursuant to the Access to Cannabis for Medical Purposes Regulations.
- **May 1** – Beleave enters into an agreement to purchase Medi-Green, a leading network of medical cannabis clinics with locations across Ontario. The acquisition marks the first step in executing the Company's client acquisition strategy, while becoming more closely involved in an integral part of the patient experience. The Company closed the deal on ten days later, on May 10, 2018.
- **May 10** – Beleave completes construction of a new state-of-the-art industrial extraction laboratory at its production facility located in Hamilton, Ontario. The laboratory design is based on recent research collaborations with principal investigators at Ryerson University which led to the development of a proprietary and large-scale industrial method for the extraction and purification of cannabinoid compounds from plant tissue.
- **May 16** – Beleave receives its approval and provider number to service individuals who have qualified for cannabis coverage through Medavie Blue Cross including the Canadian veteran community. With over 1,000,000 card holders, Medavie Blue Cross is one of Canada's leading Blue Cross plans.

- **June 21** – Beleave expands its global footprint into Colombia by acquiring 51% of Procanmed S.A.S., a privately held company that is fully licensed for the cultivation, production, extraction and distribution of both tetrahydrocannabinol (THC) and cannabidiol (CBD) medical cannabis in Colombia.
- **June 22** – Beleave applauds Canadian leadership and the continued progress of cannabis legalization as the federal government passes Bill C-45 into law.
- **July 5** – Beleave's Colombian subsidiary, Procanmed S.A.S., reaches a land-lease agreement that allows for the development and expansion of Procanmed's cultivation of cannabis for sale and extraction purposes.
- **July 18** – Beleave acquires Seven Oaks Inc. in an all share deal valued at \$3,000,000. Seven Oaks has a proven track record of working collaboratively to secure wholesale and distribution agreements with government wholesalers and retailers across Canada.
- **August 7** – Beleave announces two new Medi-Green stores will be opening in the fall in Montreal, Quebec and London, Ontario.
- **August 30** – Beleave secures prime location for its first Saskatchewan retail store in the city of Lloydminster. The two-thousand square foot space, located on a main road that runs through the heart of the city, is being redesigned from the ground up to showcase Beleave's brands and complete product lines.
- **September 6** – Beleave finalizes plans to acquire 250,000 square feet of greenhouse space and 85 acres of land in London, Ontario to cultivate and harvest cannabis for distribution and sale in Canada. Located just south of the City of London, the facility will become a contributor to the local economy both through investments and job creation.
- **September 14** – Beleave enters non-exclusive investment agreement with Alumina Partners LLC, a New York-based private investment partnership, providing the availability of up to CAD \$20 million over a 24-month period, to the take advantage of new opportunities, increase operating flexibility, and strengthen the Company's balance sheet. On September 26 the agreement was amended to increase the amount available to CAD \$30 million.
- **September 20** – Beleave enters into a partnership with Kannavis Biotech Corp. to invest, build and operate 867,000 square feet of indoor growing space, across ten buildings, in British Columbia in preparation for the anticipated demand for cannabis in the Canadian and International marketplace. The new facilities feature an indoor system capable of precisely controlling the internal environment and growing conditions allowing Beleave to maintain its industry-leading high-yields of 475 grams per square foot annually, while keeping overhead costs low.
- **October 17** – Recreational cannabis becomes legal across Canada after almost a century of prohibition.
- **October 24** – Kevin Keagan joins the Company as Chief Communications Officer and a member of the Executive Team, bringing his extensive experience of over 25 years working in the capital markets and financial services.
- **October 29** – Beleave signs an agreement with Canymed GmbH to supply the German market with medical cannabis. This move is the first of a series of strategic initiatives to penetrate the robust European cannabis market and marks the Company's expansion into its third continent alongside both North and South America. To complement the transaction, Beleave announces that Angela Fehr is hired as Vice President of International Sales.
- **November 9** – Beleave enters into a Strategic Alliance Agreement with the Rollins Group Inc. to open and operate multiple cannabis retail stores across Canada.
- **November 12** – Beleave secures genetics acquisition agreements for a broad range of cannabis seed varieties from diverse lineages with a total of 90 new varieties to be introduced in the coming year covering the entire spectrum of low, intermediate, and high THC and CBD profiles.

- **November 15** – Beleave develops water-soluble cannabis-infused powder and sugar products to prepare for the adult recreational cannabis-infused food and beverage market in 2019 stemming from a patent application submitted by Dr. Chen and Dr. Rogers. The patent will be owned by Beleave.

2019 OUTLOOK & GUIDANCE

To be discussed during Q2 Conference Call on November 30, 2018.

SECOND QUARTER 2018 CONFERENCE CALL DETAILS

As previously disclosed, the Company will host its first ever conference call on Friday, November 30, 2018 at 11:00 a.m. (Eastern Time). The call will be hosted by Andrew T. Wnek, Chairman and CEO, Bojan Krasic, President and CFO and select members of the senior management team.

The December corporate presentation will be available on the Company's website prior to the call, which can be accessed at www.beleave.com.

Investors and stakeholders are invited to participate using the following dial-in numbers:

Participant Number (North American Toll Free): 1 866 303-2360

Participant Number (North American Toll): 1 857 600-3028

Participant Number (USA Toll Free): 1 866 236-8237

Participant Number (Standard International Access): +44 (0) 208-610-0161

Participant ID: 1556811#

Questions may be submitted in advance for the Q&A session by emailing Kevin Keagan, Chief Communications Officer at Kevin@beleave.com.

A replay of the conference call will be available shortly after the call has concluded and will be available until 11:59 p.m. (Eastern Time) Friday, December 14, 2018.

ABOUT BELEAVE INC.

Beleave is a vertically-integrated Canadian cannabis company headquartered in Oakville, Ontario, that operates streamlined facilities throughout Canada to cultivate high-quality cannabis flower, oil, and extracts with funded capacity in excess of 150,000 kg per year.

Fully-licensed to cultivate and sell medical and recreational cannabis, Beleave is leading the way through research partnerships with universities to bridge the gap between science and tradition and to develop pharma-grade extracts and derivatives. Beleave has developed new product lines, including cannabis-infused powder and sugar products, for 2019 as the recreational market is expected to allow for food and beverage-based cannabis products.

Beleave is growing its storefront and online sales presence rapidly through its wholly-owned subsidiaries, Beleave Cannabis Corp. and Seven Oaks, which are licensed for medicinal and recreational sales respectively. The company's first retail location is opening soon in Lloydminster, Saskatchewan. Beleave has also developed a network of medical cannabis clinics in Ontario and Quebec under the Medi-Green banner.

Through its majority ownership of Procanmed S.A.S., Beleave has access to 27 hectares of outdoor grow space and is fully licensed to cultivate, produce, extract and distribute medical cannabis in Colombia to capitalize on exports and the expanding Latin American market. In the first of a series of strategic initiatives to penetrate the European medical market, the Company has partnered with Canymed GmbH to supply the German market with medical cannabis.

Forward-Looking Statements

This news release contains "forward-looking information" within the meaning of applicable securities law ("forward-looking statements"). The use of any of the words "plan", "anticipate", "continue", "estimate", "expect", "may", "will", "project", "should", "believe" and other similar words, or statements that certain events or conditions "may" or "will" occur are intended to identify forward-looking information. These statements are only predictions. Although the Company believes that the expectations and assumptions on which the

forward-looking information is based are reasonable, undue reliance should not be placed on the forward-looking information because the Company can give no assurance that they will prove to be correct. Since forward-looking information addresses future events and conditions, by its very nature it involves inherent risks and uncertainties. This information speak only as of the date of this news release. Actual results could differ materially from those currently anticipated due to a number of factors and risks including various risk factors discussed in the Company's disclosure documents, which can be found under the Company's profile on www.sedar.com.

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