

Westleaf Announces Opening Dates for Two New Saskatchewan Retail Stores

The opening of Westleaf's Prairie Records stores in Saskatoon to celebrate the connection between music and cannabis

CALGARY, March 21, 2019 /CNW/ - Westleaf Inc. (TSX-V: WL) ("**Westleaf**"), is pleased to announce it plans to open two *Prairie Records* stores in Saskatoon by April 20, in celebration of the day that was synonymous with cannabis legalization activities. Under a license agreement, the two stores are being built out under the *Prairie Records* brand by the current license holders. Westleaf holds an option to purchase both locations, which it plans to exercise once the Saskatchewan Liquor and Gaming Agency (SLGA) approves the purchase and transfer. *Prairie Records* currently has a store operating in Warman, Saskatchewan, approximately 20 minutes from Saskatoon.

"Saskatoon and all of Saskatchewan, is proving to be one of the strongest cannabis retail markets in Canada as the sector continues to evolve and mature," says Scott Hurd, President and CEO of Westleaf. "We have the opportunity to deal directly with licensed producers in stocking our shelves, we are able to sell online across the province through our e-commerce platform, and the ratio of stores to market size make Saskatoon an ideal location to operate cannabis retail."

The two stores, both in premium locations, are planned to open in time to celebrate April 20th, the day associated with the push to legalize cannabis. "While *Prairie Records* creates a unique and totally different cannabis retail experience, we do want to recognize the day that activists used to bring attention to the injustice of the illegalization of cannabis for many years," noted Adam Coates, Chief Commercial Officer at Westleaf. "We are planning some exciting events around the opening of these stores bringing together the community in celebration of local music and to highlight the relationship with between music and cannabis."

Highlights

- **Premium Locations:** The Saskatoon locations, Broadway (720 Broadway Avenue) and Stonebridge (Unit #170 3020 Preston Avenue), are both premium locations in high density, shopping-friendly neighbourhoods. The Broadway location is in one of the city's densest commercial and entertainment districts and is also close to the University of Saskatchewan, the largest post-secondary institution in the province and one of the largest in Canada;
- **Well Defined and Regulated Market:** Saskatoon is the 17th largest metropolitan area in Canada with around 300,000 people in the metropolitan area. The SGLA has approved seven licenses for the market, with Westleaf holding two locations under option to purchase agreements. Westleaf believes the ratio of population to licenses will make Saskatoon one of the best markets to operate cannabis retail in Canada;
- **Opening of *Prairie Records* a Celebration:** The opening of the two stores in Saskatoon will celebrate the connection between cannabis and music intrinsic in the *Prairie Records* brand. Local bands and emerging artists will be highlighted and showcased as part of the opening celebrations;
- **Truly Vertically Integrated Company** – Westleaf is one of the few truly vertically integrated companies in the Canadian cannabis industry, with assets owned and under development across each vertical of the business, including cultivation, extraction, processing & manufacturing, distribution and wholly owned retail. Westleaf believes that being vertically integrated provides significant optionality and defensively positions the company to protect margins across the life cycle of the industry.

About *Prairie Records*

Focusing exclusively on densely populated neighborhoods, high traffic areas, and tourist destinations, *Prairie Records* retail stores will be situated in some of the most premium retail locations across the country. The foundation of the retail concept is ingrained with a desire to create a unique cannabis purchasing experience through tactile in-store features and product offerings that celebrate the relationship between music and cannabis. Featuring a planned rollout of up to 50 retail locations across Canada. Westleaf continues to be committed to becoming a leader in the Canadian cannabis retail market.

About Westleaf Inc.

Westleaf is a vertically integrated cannabis company focused on innovative retail experiences and engaging cannabis brands as well as cultivation, production and extraction of cannabis products. Westleaf is rolling out a national retail footprint for its retail concept *Prairie Records*, with stores planned for British Columbia, Alberta, Saskatchewan and potentially Ontario. The retail concept leverages the instinctual tie between recreational cannabis and music and redefines the cannabis purchasing experience. The Company also has two significant production facilities under construction and scheduled for completion in 2019. For more information, please visit <http://www.westleaf.com> or www.prairierecords.ca.

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This news release contains "forward-looking information" and "forward-looking statements" (collectively, "forward-looking statements") within the meaning of the applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release. Any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions,

future events or performance (often but not always using phrases such as "expects", or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "budget", "scheduled", "forecasts", "estimates", "believes" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may" or "could", "would", "might" or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements. This news release, forward-looking statements relate, among other things, to: (1) the exercising and closing of the option to purchase; (2) timing and opening of the two new retail locations in Saskatoon and planned rollout of other retail locations; (3) timing and completion of Westleaf's production facilities; (4) receipt of regulatory approval for the purchase and transfer of the Saskatoon locations; and (5) the business and operations of Westleaf. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to: satisfaction of all conditions to the exercise of the option agreements; receipt of approval of the permit application from the SLGA as well as approval from the SLGA for the purchase and transfer of the Saskatoon locations; receipt of retail licenses from other regulatory bodies and the lifting or loosening of the moratorium on new cannabis retail licenses in Alberta; timing and completion of construction of retail locations; review of facilities by Health Canada and receipt of a licensee from health Canada in respect of Westleaf's production facilities; general business, economic, competitive, political and social uncertainties; and the delay or failure to receive board or regulatory approvals. There can be no assurance that such statements 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 the forward-looking statements and information contained in this news release. Except as required by law, Westleaf assume no obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change, except as required by law. Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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