

Maricann Laying Down Foundations For More Growth

Licensed producer of cannabis is significantly expanding its growing facility, adding considerable scale to operations

TORONTO (May 24, 2017) – Maricann Group Inc. (CSE: MARI) ("Maricann" or the "Company"), a low-cost, greenhouse producer of medical cannabis with market leading technological differentiation, is laying down the foundations today for more growth as it breaks ground for its expanding cultivation and production facility in Langton, Ontario.

"Having recently listed publicly, we are now setting the stage for our ongoing physical expansion by way of a major enlargement of our Langton growing facility," said Ben Ward, CEO of Maricann. "We're very proud to formally break ground of the first 217,000 sq. ft. of an overall 817,000 sq. ft. greenhouse facility expansion. This expanding facility will give us the scale we need to become one of the world's leading vertically integrated cannabis companies."

Maricann originally acquired an 8,000 square foot growing operation in Langton in 2013. Since that time, Maricann has expanded its facility to 44,000 square feet, in which the company currently cultivates, processes and distributes medical cannabis. The new phase of additional construction underway will significantly increase the existing facility's size.

When Phase 1 is complete in the fall of 2017:

- The expanded Langton facility will be approximately 217,000 square feet, an increase of approximately 833% to the existing domestic facility.
- This expansion increase will drive \$80 million in additional annual revenues.
- Yield and production will increase 500%, with production of more than 20,000 kilograms by the end of the first year of the expanded facility.

Phase 2, which will start in fourth quarter of 2017, will add an additional 300,000 square feet – an increase of 110% to the same facility – driving even more scale efficiencies.

"Our local team of experts from the food, pharmaceutical and construction sectors help us grow high-quality cannabis plants in Norfolk County, a region widely recognized as Ontario's garden," said Jeff Ayotte, Senior Director, Project Management Office. "Our highly energy-efficient growing facility will be operated with low-cost energy supply from both natural gas cogeneration and our active natural gas well on-site. It will be world class once it's done, building on our deep roots both in the area and in the industry."

Maricann Milestones

- April 2013, Maricann Inc. is founded in Langton, Ontario, a well-established agricultural region in southwestern Ontario
- March 2014, earned Health Canada licence to cultivate plans
- December 2014, earned Health Canada licence to sell dried cannabis
- January 2015, first dried cannabis sale
- September 2016, earned Health Canada licence to sell cannabis extracts
- October 2016, first sale of extracted cannabis
- December 2016, raised \$22 million in capital

- January 2017, commenced sale of clones
- February 2017, raised \$10 million in capital
- April 24, 2017, first day of trading
- April 28, 2017, announces Advisory Board of German subsidiary
- May 24, groundbreaking of expanding Langton facility

About Maricann

Maricann is a vertically integrated producer and distributor of marijuana for medical purposes. The company was founded in 2013 and is based in Langton, Ontario, where it operates a cultivation, marijuana extraction and distribution business under federal licence from the Government of Canada. Maricann, which has federal licences to cultivate, process and distribute cannabis, services a patient base with more than 3,000 active patients.

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