

MARICANN ANNOUNCES UPSIZE OF PREVIOUSLY ANNOUNCED PRIVATE PLACEMENT

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TORONTO, ON (December 14, 2017) – Maricann Group Inc. (CSE:MARI, OTCQB:MRRCF, FRANKFURT:75M) (“Maricann” or the “Company”) is pleased to announce that it has entered into an amended letter of engagement with Eight Capital, under which Eight Capital has now agreed to offer for sale, as sole bookrunner and co-lead agent with Canaccord Genuity Corp., and together with a syndicate of agents including Industrial Alliance Securities (the “**Agents**”), special warrants of the Company (the “**Special Warrants**”), on a “best efforts” private placement basis, subject to all required regulatory approvals, at a price per Unit of \$2.00 (the “**Issue Price**”) for total gross proceeds of up to \$35,000,000 (the “**Offering**”).

The Company has also granted the Agents an option (the “**Over-Allotment Option**”) exercisable in whole or in part, at any time up to 48 hours prior to the closing of the Offering, to purchase up to an additional 15% of the Special Warrants at the Issue Price. If the Over-Allotment Option is exercised in its entirety, the aggregate gross proceeds of the offering will be 40,250,000.

Each Special Warrant shall be automatically exercisable into units of the Company (the “**Units**”), as described below. Each Unit shall consist of one common share of the Company (a “**Share**”) and one-half of one common share purchase warrant (each full warrant, a “**Warrant**”). Each Warrant shall entitle the holder thereof to acquire one Share at a price of \$2.35 per Share for a period of 36 months following the Closing Date.

Each Special Warrant shall be automatically exercisable, for no additional consideration, into Units on the date (the “**Automatic Exercise Date**”) that is the earlier of: (i) the date that is three business days following the date on which the Company obtains a receipt from the applicable securities regulatory authorities (the “**Securities Commissions**”) for a (final) prospectus qualifying distribution of the Units underlying the Special Warrants (the “**Qualifying Prospectus**”), and (ii) the date that is four months and one day after the Closing of the Offering.

The Company will use its commercially reasonable efforts to obtain a receipt from the Securities Commissions for the Qualifying Prospectus before February 27, 2018 provided, however, that there is no assurance that a Qualifying Prospectus will be filed or that a receipt therefor will be issued by the Securities Commissions prior to the expiry of the statutory four month hold period.

Notwithstanding the foregoing, in the event the Company has not received a receipt from the Securities Commissions for the Qualifying Prospectus before February 27, 2018, each unexercised Special Warrant will thereafter entitle the holder to receive, upon the exercise thereof, for no additional consideration, 1.05 Units (instead of one (1) Unit) (the additional 0.05 Units are collectively referred to herein as the “**Penalty Units**”); provided, however, that any fractional entitlement to Penalty Units will be rounded down to the nearest whole Penalty Unit.

The Company has granted the Agents an option to offer for sale up to an additional 15% of the Special Warrants, at the Issue Price, exercisable in whole or in part at any time for a period of up to 48 hours prior to the closing date of the Offering.

The net proceeds from the Offering will be used for facility expansion, working capital and general corporate purposes. The Company intends to continue to expand operations at its Langton, Ontario property by adding 630,000 sq. ft. of greenhouse space. This expansion is in addition to its current 44,000 existing operations and its fully funded 217,000 sq. ft production facility, including a natural gas co-generation facility to produce 2.9 MW of electricity, 3,406,000 litre water cistern, boilers for ambient and water heating, and CO2 scrubbing equipment to provide additional CO2 for plants. Upon completion of the full expansion, Maricann anticipates that annual production capacity will be in excess of 95,000 kg/year from 891,000 sq. ft. of combined operations. Maricann’s new cultivation facility will employ 26 people, making use of industrial automation in partnership with Rockwell Automation to ensure optimal operational efficiency, leading to low cost production.

Prior to the filing of the Qualifying Prospectus and the automatic exercise of the Special Warrants, the securities issued under the Offering will be subject to a four month hold period from the date of closing of the Offering in addition to any other restrictions under applicable law.

Closing of the Offering is expected to occur on or about December 22, 2017, or such other date the Company and the Agents agree upon (the "Closing Date"). The Offering is in the form of a best efforts private placement (i) in Canada to "accredited investors" within the meaning of National Instrument 45-106 and other exempt purchasers in each province of Canada, as agreed upon by the Issuer and the Agents, (ii) in the United States only to Qualified Institutional Buyers (within the meaning of Rule 144A) and/or Accredited Investors (within the meaning of Rule 501(a) of Regulation D) pursuant to available exemptions from the registration requirements of the Securities Act of 1933, as amended (the "Securities Act"), and in each case in compliance with the securities laws of the applicable States of the United States and (iii) outside Canada and the United States on a basis which does not require the qualification or registration of any of the Debentures or the Issuer.

The securities being offered have not been, nor will they be, registered under the United States Securities Act and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons absent registration or an applicable exemption from the registration requirements. This news release will not constitute an offer to sell or the solicitation of an offer to buy nor will there be any sale of the securities in any State in which such offer, solicitation or sale would be unlawful.

About Maricann Group Inc.

Maricann is a vertically integrated producer and distributor of marijuana for medical purposes. The company was founded in 2013 and is based in Toronto, Canada and Munich, Germany, with production facilities in Langton, Ontario, Canada where it operates a medicinal cannabis cultivation, extraction, formulation and distribution business under federal licence from the Government of Canada. and Dresden, Saxony, Germany. Maricann is currently undertaking an expansion of its cultivation and support facilities in Canada in 847,000 sq. ft. (78,688 sq. m) build out, capable of producing 95,000 kg of dry cannabis flower per year to support existing and future patient growth.

For more information about Maricann, please visit our website at www.maricann.com

Forward-Looking Information

Certain statements in this document, including statements with respect to the proposed Offering, the use of proceeds and Closing Date and use of proceeds thereof, contain forward-looking statements which can be identified by the use of forward-looking terminology such as "believes", "expects", "may", "desires", "will", "should", "projects", "estimates", "contemplates", "anticipates", "intends", or any negative such as "does not believe" or other variations thereof or comparable terminology. No assurance can be given that potential future results or circumstances described in the forward-looking statements will be achieved or will occur. By their nature, these forward-looking statements, necessarily involve risks and uncertainties, including those discussed herein, that could cause actual results to significantly differ from those contemplated by these forward-looking statements. Such statements reflect the view of the Company with respect to future events, and are based on information currently available to the Company and on assumptions, which it considers reasonable. Management cautions readers that the assumptions relative to the future events, several of which are beyond Management's control, could prove to be incorrect, given that they are subject to certain risk and uncertainties, and that actual results may differ materially from those projected. Factors which could cause results or events to differ from current expectations include, among other things: fluctuations in operating results; the impact of general economic, industry and market conditions; the ability to recruit and retain qualified employees; fluctuations in cash flow; increased levels of outstanding debt and obligations under a capital lease; expectations regarding market demand for particular products and the dependence on new product development; the impact of market change; and the impact of price and product competition. Management disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as required by applicable securities laws. The reader is cautioned not to place undue reliance on forward-looking information.

The Canadian Securities Exchange has not reviewed, approved or disapproved the content of this news release.

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