

LGC Capital Cannabis Partnership Makes Second Payment Under Agreements To Acquire 60% Interest In South Africa's House Of Hemp

MONTREAL and DURBAN, South Africa, Aug. 1, 2017 /CNW Telbec/ - LGC Capital Ltd. (TSXV: QBA) ("LGC" or the "Company") is pleased to announce that the second payment has been made by the Company and its JV Partner, AfriAg (Pty) Ltd, to the House of Hemp (Pty) Ltd, under the agreement previously announced on July 18, 2017 to acquire a 60% beneficial interest in the House of Hemp.

The House of Hemp is South Africa's one-stop authority on all things hemp and cannabis. Based in Block D of the Dube TradePort's Agrizone Complex at Durban's King Shaka International Airport, which features 40,000 m² of secure, temperature-regulated and humidity-controlled greenhouse under glass, with refrigerated pack houses, laboratories and offices. This complex regarded as the most eco-friendly and high-tech agricultural facility in Africa and is where House of Hemp is planning to ramp up Research & Development of high-CBD medicinal grade cannabis.

Although medical cannabis is its newest and largest focus, House of Hemp started as an importer and reseller of hemp products, which remains a key element of its business: hempseed oil, hemp protein powder and de-hulled seeds.

House of Hemp is now a member of the National Hemp Foundation (NHF) and has served as the convener of the NHF's Human Resource Development Group (in the first phase). House of Hemp is currently the coordinator of the NHF's Private Sector Working Group.

Licensed in 2010, House of Hemp became the first private company to be awarded an exclusive permit from the Departments of Agriculture and Health to legally cultivate and process hemp in South Africa. Because House of Hemp wanted to reliably expand into the budding industrial market, the company sought an exclusive permit from the Departments of Agriculture and Health to not only import hemp, but also to legally cultivate and process it in South Africa. In 2010, the House of Hemp became the first private company to be awarded such a permit.

As well as supplying hemp fibres and oils, the House of Hemp conducts research and supplies by-products like tow, biomass, dust and seedcake. These have enormous promise, as sustainable replacement materials for a variety of industries globally.

In 2015, House of Hemp partnered with the South African Department of Agriculture & Health. Other key Partnerships established in the same year include the University of the Free State, the Council of Scientific and Industrial Research (CSIR), the Agricultural Research Institute (ARC); the National Agriculture Marketing Council (NAMC); it is owing to these key partnerships that House of Hemp was able to begin conducting research into medical cannabis.

About LGC Capital

LGC Capital Ltd. is a Canadian incorporated public company listed on the TSX Venture Exchange (TSXV: QBA). LGC Capital's objective is to become a diversified business group with core business divisions that provide shareholders with exposure to a diverse range of businesses, products and services, many of which have some exposure to high growth Cuban business opportunities and some that have no exposure to Cuba at all. LGC Capital now plans to enter into the agricultural space in southern Africa through its new joint venture with AfriAg.

About AfriAg

AfriAg (Pty) Ltd is a global agriculture and agri-logistics specialist, and provides crop growing and logistics solutions, food marketing and bespoke distribution services, by road, air and sea, to many major food retailing and wholesale corporations around the world. AfriAg (Pty) Ltd is 40% owned by London listed AfriAg Global PLC.

FORWARD-LOOKING STATEMENTS

This press release may contain forward-looking statements with respect to LGC Capital Ltd. ("LGC"), its Joint Venture with AfriAg, its investment in House of Hemp, and LGC's operations, strategy, investments, financial performance and condition. These statements generally can be identified by use of forward-looking words such as "may", "will", "expect", "estimate", "anticipate", "intends", "believe" or "continue" or the negative thereof or similar variations. The actual results and performance of LGC, the Joint Venture with AfriAg and the investment in House of Hemp could differ materially from those expressed or implied by such statements. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Some important factors that could cause actual results to differ materially from expectations include, among other things, general economic and market factors, competition, changes in government regulation and the factors described under "Risk Factors and Risk Management" in LGC's Management's Discussion and Analysis for the fiscal year ended September 30, 2016, as filed on SEDAR (www.sedar.com). The cautionary statements qualify all forward-looking statements attributable to LGC, the Joint Venture, and persons acting on their respective behalfs. Unless otherwise stated, all forward-looking statements speak only as of the date of this press release and LGC has no obligation to update such statements, except to the extent required by applicable securities laws.

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