

Aleafia Health Completes \$7.1M Cannabis Sale Agreement

TORONTO, Dec. 02, 2019 -- Aleafia Health Inc. (TSX: ALEF, OTC: ALEAF, FRA: ARAH) ("**Aleafia Health**" or the "**Company**") has reached a definitive Cannabis Material Purchase Agreement (the "**Agreement**") on November 29, 2019, with a Canadian Licensed Producer. Under the terms of the Agreement, Aleafia Health will sell 2,840 kg of dried cannabis flower at a price per gram of \$2.50, generating \$7.1 million in revenue. The transaction will include up to three shipments, all of which will be completed before January 31, 2020.

The dried flower was cultivated at Aleafia Health's Port Perry Outdoor Grow facility, which yielded 10,300 kg in 2019. The yield figure is limited to dried flower only, and excludes stems or other parts of the cannabis plant.

"This sale validates the strength of our outdoor cultivation. Moving forward, we have a strong inventory of high quality outdoor input material to accelerate the growth of our priority international and Canadian medical sales channels," said Aleafia Health CEO Geoffrey Benic.

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About Aleafia Health:

Aleafia Health is a leading, vertically integrated cannabis health and wellness company with four primary business units: Cannabis Cultivation & Products, Health & Wellness Clinics, Cannabis Education, and Consumer Experience with ecommerce, retail distribution and provincial supply agreements.

Aleafia Health owns three major cannabis product & cultivation facilities, two of which are licensed and operational including the first large-scale, operational outdoor cultivation facility in Canadian history. The Company produces a diverse portfolio of commercially proven, high-margin derivative products including oils, capsules and sprays. Aleafia Health operates the largest national network of medical cannabis clinics and education centres staffed by MDs, nurse practitioners and educators and operates internationally in three continents.

Innovation, the heart of Aleafia Health's competitive advantage, has led to the Company maintaining a medical cannabis dataset with over 10 million data points to inform proprietary illness-specific product development and its highly differentiated education platform FoliEdge Academy. The Company is committed to creating sustainable shareholder value; the TSX Venture Exchange named Aleafia the 2019 top performing company prior to its graduation to the TSX.

Forward Looking Information

This news release contains forward-looking information within the meaning of applicable Canadian and United States securities laws. Often, but not always, forward-looking information can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "estimates", "intends", "anticipates" or "does not anticipate", or "believes" or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company or its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information contained in this news release. Risks, uncertainties and other factors involved with forward-looking information could cause actual events, results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking information, including risks contained in the Company's annual information form filed with Canadian securities regulators available on the Company's SEDAR profile at www.sedar.com. Although the Company believes that the assumptions and factors used in preparing the forward-looking information in this news release are reasonable, undue reliance should not be placed on such information and no assurance can be given that such events will occur in the disclosed time frames or at all. The forward-looking information included in this news release are made as of the date of this news release and the Company does not undertake any obligation to publicly update such forward-looking information to reflect new information, subsequent events or otherwise unless required by applicable securities legislation.

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