

Benchmark Botanics Announces Acquisition of Lands on Which Its Medical Marijuana Production Facility Is Located

Vancouver, British Columbia--(Newsfile Corp. - December 18, 2017) - **Benchmark Botanics Inc. (CSE: BBT)** (the "**Company**" or "**Benchmark**") is pleased to announce that pursuant to a Contract of Purchase and Sale dated effective November 8, 2016, as amended on September 19, 2017, between the Company's wholly-owned subsidiary Potanicals Green Growers Inc. ("**Potanicals**") as purchaser and Douglas Turner as vendor, Potanicals completed the purchase on December 15, 2017 of a 10 acres land parcel (the "**Turner Property**") that comprises 50% of the total 20 acres of land on which the Company's medical marijuana production facility located in Peachland, BC. was built. Mr. Turner is a director and the Secretary of the purchaser Potanicals. Of the total purchase price of \$825,000 for the Turner Property, \$225,000 was paid by Potanicals by the issuance to Mr. Turner of 450,000 shares of Potanicals at a deemed price of \$0.50 per share on November 9, 2016. Potanicals and Mr. Turner had agreed that the balance of \$600,000 of the purchase price would be paid by way of common shares of Potanicals at \$0.90 per share prior to the reverse takeover (the "**RTO**") of the Company by Potanicals, which closed on November 2, 2017, or of common shares of the resulting issuer at the corresponding price per share of the resulting issuer. This purchase agreement was more fully disclosed in the Company's Listing Statement (the "**Listing Statement**") dated November 2, 2017, which is filed on SEDAR under the Company's profile. As Potanicals underwent a 4.5 stock split before the RTO, the corresponding price for common shares of the Company equals \$0.20 per share. Accordingly, the remaining \$600,000 balance of the purchase price was satisfied by the issuance of 3,000,000 common shares (the "**Issued Shares**") of Benchmark at a price of \$0.20 per share, as confirmed by agreement among the parties. The purchase and sale is scheduled to close on December 15, 2017. The shares to be issued to Mr. Turner will be subject to a hold period of four months and one day from the date of issuance under applicable securities laws. Mr. Turner will also deposit the shares into escrow with the Company's transfer agent, which will held in escrow pursuant to the policies of the Canadian Securities Exchange and applicable securities laws and released on the same terms as the existing escrowed shares of Benchmark held by related persons of the Company.

The Company is also pleased to announce that Potanicals has entered into a Contract of Purchase and Sale dated November 30, 2017 as amended on December 15, 2017 with Claude Clifford Stowell as vendor for the purchase by Potanicals of the other land parcel (the "**Stowell Property**") of 10 acres contiguous to the Turner Property that together comprises in the total 20 acres of land on which the Company's facility is located. Mr. Stowell is the Chief Operating Officer and a director of the Company and also the President and a director of Potanicals. Prior entering into the Contract of Purchase and Sale, Potanicals and Mr. Stowell had entered into an agreement dated March 24, 2014, as amended on September 24, 2014, by which Potanicals as tenant had leased the Stowell Property from Mr. Stowell as landlord, and Potanicals was given a right of first refusal to purchase the leased land, as was disclosed in greater detail in the Listing Statement. The purchase price of the Stowell Property is \$1,000,000 cash and the purchase and sale is also scheduled to close on December 22, 2017 or such other earlier date as may be agreed between the parties.

The purchase and sale of the two land parcels are 'related party transactions' within the meaning of Multilateral Instrument *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**") because the vendors are directors and officers of either Benchmark or Potanicals or both. The Company relies upon the exemption in section 5.5(b) of MI 61-101 from the requirement to obtain a formal valuation of the land parcels because the Company's common shares are listed on the Canadian Securities Exchange and are not listed or quoted on any of the stock exchanges or markets specified in section 5.5(b). The Company also relies on the exemption contained in section 5.7(1)(a) of MI 61-101 from the requirement to obtain minority shareholder approval of the acquisitions of the land parcels because neither the fair market value of each of the lands to be purchased nor the fair market value of the consideration paid by the Company for each parcel exceed 25 per cent of the Company's market capitalization.

About Benchmark

Benchmark, through its wholly-owned subsidiary Potanicals Green Growers Inc., is a licensed producer of medical cannabis under the *Access to Cannabis for Medical Purposes Regulations* ("**ACMPR**"). The Company operates a 12,700 square foot production facility in Peachland, British Columbia and is in the design stage of a Phase II expansion of an additional 50,000 square feet of growing area. The Company intends to utilize advanced cultivation methods in its cannabis facilities to address the significant opportunities in the medical marijuana market in Canada and overseas.

For more information about Benchmark, refer to the Form 2A Listing Statement available to the public under the Company's profile on SEDAR at www.sedar.com and the CSE website.

ON BEHALF OF THE BOARD
BENCHMARK BOTANICS INC.

/s/ "Ping (Johnson) Zhang"
Ping (Johnson) Zhang
Chief Executive Officer

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The CSE has not reviewed and does not accept responsibility for the adequacy or accuracy of the content of this release.

Forward-Looking Statements

This news release contains forward-looking statements pertaining to various risks and uncertainties regarding future events. The use of any of the words "anticipate", "continue", "estimate", "expect", "may", "will", "project", "should", "believe" and similar expressions are intended to identify forward-looking statements. Such forward-looking information can include without limitation statements based on current expectations involving a number of risks and uncertainties and are not guarantees of future performance of the Company. Although the Company believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because the Company can give no assurance that they will prove to be correct. This news release includes forward-looking statements with respect to the business and future objectives of the Company. There are numerous risks and uncertainties that could cause actual results and the Company's plans and objectives to differ materially from those expressed in the forward-looking information, including related to: (i) the facility and Potanicals' operations; (ii) adverse market conditions; (iii) the ability of the Company to complete financings in the future; (iv) dependence on suppliers and skilled labour; (v) government regulation and compliance with the ACMPR; (vi) managing and maintaining growth; (vii) unfavourable publicity or consumer perception litigation; and (viii) competition. The Company is not currently producing medical marijuana. There is a risk that Potanicals' Producer's License will not be amended to permit the Company to sell medical marijuana produced at its facility. Actual results could differ materially from those currently anticipated due to a number of factors and risks including the risk factors discussed in this news release and in the Company's disclosure documents, which can be found under the Company's profile on www.sedar.com and on the CSE website. These statements speak only as of the date of this news release. Except as required by law, the Company does not intend to update these forward-looking statements.

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