Tweed Marijuana releases key fourth quarter summary and provides operational update

SMITHS FALLS, ON, Feb. 18, 2015 /CNW/ - Tweed Marijuana Inc. ("Tweed Marijuana" or "the Company") parent company of licensed medical marijuana producers Tweed Inc. (Tweed) and Tweed Farms Inc. (Tweed Farms) is pleased to announce fourth quarter (Q4) revenue figures for the 3-month period ended December 31st, 2014 and provide operational updates. Q4 revenue was $641,309, led by $357,142 in the month of December. There were 87,138 grams sold during the quarter, giving a gross margin in Q4 of 36.0% up from 23.6% in the previous quarter.

The processing area at Tweed continues to manage an increasing volume of orders, which as of February 17th totaled just over 75,000 grams sold and shipped, calendar year-to-date. Weekday orders have been shipped within one day of ordering over 90% of the time in 2015, and a recently completed processing area will allow Tweed to maintain this service standard as the business expands its customer base.

In order to service new clients and support Tweed's continued growth, the Company has completed the build out of three additional growing rooms and an in-house laboratory within the 168,000 sq. ft. licensed facility operated by Tweed at 1 Hershey Drive in Smiths Falls, Ontario.

The in-house laboratory, when approved, will allow for a more cost-effective testing process, while also giving Tweed the tools to analyze plants during every stage of the production process and optimize the reliability and quality of its final product.

With between nine and eleven strains continuously available, average order size and average price per gram have increased during December 2014 and year-to-date in 2015. Production and inventory levels from the indoor and greenhouse facilities harvested in late 2014 have been supported by three harvests to date in 2015 with ongoing harvests scheduled for both facilities.

"We invested in a large growing platform early so we could remove any customer onboarding roadblocks," said Bruce Linton, Chairman and CEO of Tweed. "This investment began to yield significant inventory in November, clients in December, and sustained growth to date. The volume of supply this market needs requires scale. Tweed has been an early leader in almost all respects in this sector, and I fully intend to continue this trend as we approach 3,000 patients."

Tweed Farms, the Company's second licensed subsidiary is in the midst of broad scale infrastructure enhancements. The entire Tweed Farms greenhouse, located in Niagara-on-the-Lake, Ontario is being transformed to meet the detailed specifications of the *Marihuana for Medical Purposes Regulations*. All told, the greenhouse will house approximately 340,000 sq. ft. of low-cost production space. Plans to add a large-scale processing facility in 2015 are already underway.

The Board of Directors is pleased to announce that Bruce Linton has accepted the role of Chief Executive Officer of the Company. The Company is executing a plan that reflects Bruce's vision and has benefited in the last several months from his leadership during this crucial phase.

Tweed Marijuana will release detailed Q4 and FY 2014 results for the three and twelve-month periods ended December 31th, 2014 on Thursday, February 26th, 2015. Bruce Linton, CEO and Co-Founder and Don Gibbs, CFO will host a conference call to discuss the specifics.

Time and Date: 8:30 a.m. EST, Thursday, February 26th, 2015

Toll-Free Dial-In Number: (844) 835-6557
Participant International Dial-In Number: (224) 633-1282
Conference ID: 89058763

Here's to Future Growth.

About Tweed Marijuana

Tweed Marijuana is Canada's first publicly traded medical marijuana company and the first geographically diversified producer with dual licenses under the *Marihuana for Medical Purposes Regulations.*

Through its wholly owned subsidiaries, Tweed and Tweed Farms, the Company operates two state-of-the-art production facilities in Ontario and distributes marijuana across the country to Canadian patients managing a host of medical conditions.

The Company is dedicated to educating healthcare practitioners, providing consistent access to high quality medication, and furthering the public's understanding of how marijuana is used for medical purposes.

Notice regarding Forward Looking Statements

This news release contains forward-looking statements. Often, but not always, forward-looking statements 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 statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Tweed Marijuana Inc. or Tweed Inc. to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Examples of such statements include: (A) predictions of future demand; (B) plans to increase capital expenditure and construction related expenses; (C) anticipated production yields; (D) completion of construction and availability of new production rooms; and (E) forecasted available product selection. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this news release. Such forward-looking statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to: the ability to obtain any necessary financing; the economy generally; the yield from Tweed's marijuana growing operations; consumer interest in products; competition; regulation and anticipated and unanticipated costs and delays. Although Tweed Marijuana Inc. has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Readers should not place undue reliance on forward-looking statements. The factors identified above are not intended to represent a complete list of the factors that could affect Tweed Marijuana Inc. or Tweed Inc. Additional factors are noted under "Part IV - Description of Risk Factors Associated with the Acquisition" in the Filing Statement of Tweed Marijuana Inc. dated as of June 30, 2014 and available at www.SEDAR.com. The forward-looking statements included in this news release are made as of the date of this news release and Tweed Marijuana Inc. does not undertake an obligation to publicly update such forward-looking statements to reflect new information, subsequent events or otherwise unless required by applicable securities legislation.

SOURCE Tweed Marijuana Inc.

%SEDAR: 00029461E

For further information: Jordan Sinclair, Media Relations Manager, Jordan@tweed.com, 613-706-2185 ex 309

CO: Tweed Marijuana Inc.