



HEXO reaches supply agreement with BC's Liquor Distribution Branch

GATINEAU, Quebec, July 11, 2018 -- The Hydropothecary Corporation ("HEXO" or the "Company") (TSX:HEXO) is proud to announce that it has entered into a memorandum of understanding with British Columbia's Liquor Distribution Branch (BCLDB).

Under the deal, the Company will supply the province with its award-winning Elixir products, a line of easy-to-use, discreet sublingual cannabis oil sprays. Elixir will be available in formulations of THC, CBD or a 1:1 ratio in peppermint oil and introducing a natural cannabis taste in a medium-chain triglyceride (MCT) oil. Elixir is kosher-certified, gluten-free and will be available in a 15ml childproof spray bottle.

"We welcome the opportunity to partner with the Liquor Distribution Branch in British Columbia, a province that has always been at the forefront of cannabis culture in Canada. We are very proud that our smoke-free products will now be available in a province known for a health-conscious and outdoor lifestyle," said Sebastien St-Louis, co-founder and CEO of HEXO.

About HEXO

HEXO creates and distributes innovative, easy-to-use and easy-to-understand products to serve the Canadian cannabis market. One of the country's lowest-cost producers, HEXO is rapidly increasing its production capacity in the lead up to the adult-use cannabis market. The Company currently operates with 300,000 sq. ft. of production capacity and has another 1,000,000 sq. ft. expansion set to be complete by year end. HEXO will serve the adult-use market under the HEXO brand, while continuing to serve its medical cannabis clients through the well-known Hydropothecary brand.

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