

HARBOUR STAR CAPITAL INC.

NEWS RELEASE

HARBOUR STAR CAPITAL INC. AND 1011705 BC Ltd. (dba EASTWEST BIOSCIENCES) JOINTLY ANNOUNCE ENTERING INTO DEFINITIVE AGREEMENT FOR PROPOSED AMALGAMATION

September 1, 2017 - Calgary, Alberta, Canada – **Harbour Star Capital Inc. “TSXV:HSC.P” (“Harbour Star” or the “Company”)**, an Alberta capital pool corporation listed on the TSX Venture Exchange, and **1011705 BC Ltd. doing business as EastWest Bioscience. (“EastWest”)**, a life sciences products company manufacturing, marketing, and distributing hemp-based products headquartered in Richmond, British Columbia, with a manufacturing, laboratory and warehouse facility located in Penticton, British Columbia, are pleased to announce (further to the press release dated June 2, 2017), that the parties have entered into an amalgamation agreement (the **"Amalgamation Agreement"**) dated August 21, 2017 pursuant to which a subsidiary of Harbour Star will amalgamate (the **"Amalgamation"**) with EastWest.

Pursuant to the Amalgamation Agreement, the parties thereto will effect a “three-cornered” amalgamation whereby 1129971 B.C. Ltd. (a wholly-owned subsidiary of Harbour Star) and EastWest will amalgamate with holders of EastWest each receiving one common share of Harbour Star (**“Harbour Star Share”**), for every common share in EastWest held (the **“Transaction”**). The Transaction is expected to constitute a Qualifying Transaction of Harbour Star pursuant to TSXV Policy 2.4 Capital Pool Companies, subject to TSX Venture Exchange (the **“Exchange”**) approval; and upon completion thereof Harbour Star will be a Tier 2 Industrial Issuer.

As disclosed in the Company’s June 2, 2017 release, upon completion of the Transaction, Harbour Star will be engaged in the sale, development and marketing of innovative, hemp-based consumer products known for their basis in developed science and clean, natural ingredients to complement its current product offerings including their current five lines of products, 1) **“Natural Advancement”** natural biopharmaceutical health supplements; 2) **“Earth’s Menu”** all natural hemp superfoods; 3) **“Natural Pet Science”** pet food and pet supplement products; 4) **“Chanvre Hemp”** all natural cosmetics and skin care products; and 5) **“HempFX”** sports nutrition and performance products.

Eastwest has also closed on the purchase of a natural health products and manufacturing company located a warehouse facility in Penticton B.C. As a result of this transaction Eastwest will, through a subsidiary company Orchard Valley Naturals Inc. (**“OVN”**), manufacture its own natural health food and nutraceutical products, and also be manufacturer and co-packer for outside client companies. In anticipation of this, OVN applied for and in August 2017 received its’ manufacturing facility site license from Health Canada. OVN will begin fulfilling

manufacturing orders for EastWest as well as purchase orders it has from several other companies in September of 2017.

Through another subsidiary 1123568 B.C. LTD, (“568”), EastWest is expected to close, on September 8, 2017, the purchase of a 31,000-building facility at 260 Okanagan Avenue West, Penticton, BC where OVN will manufacture its’ and other company’s natural health products. 568 will be the landlord for OVN and several other entities which are currently leasing commercial space and operations within the facility. Consequently, 568 will have lease revenues from the beginning and is negotiating with other potential vendors to lease additional available space within the facility. EastWest plans to encourage the creation of a strategic cluster of natural health related industries within the building and local area.

Immediately after the completion of the Amalgamation, on a non-diluted basis, the former holders of EastWest shares will own approximately 36,184,867 Harbour Star Common Shares, representing 82.9% of the shares of the Resulting Issuer. The existing holders of Harbour Star will own 7,468,500 Harbour Star Common Shares (17.1%) of the Resulting Issuer. A deemed value of \$0.15 per share has been placed on the Harbour Star Common Shares issued in connection with the Amalgamation, resulting in total consideration paid to the holders of EastWest Shares of approximately \$5,427,730 million. Depending upon the timing for receipt of consent from the TSXV to the proposed listing, the parties anticipate closing the Amalgamation prior to the end of November 2017, and in any event prior to December 31, 2017.

In addition, and as disclosed on June 2, 2017, effective on or prior to the close of the Transaction, an aggregate of 1,200,000 common shares of HSC shall be transferred from the current directors of HSC to EastWest (or its assignees) at a purchase price of \$0.075 per common share. The escrow transfer is subject to Exchange approval. As well, all of HSC's existing 746,850 stock options to acquire common shares of HSC together with 506,850 outstanding broker warrants will survive the completion of the Transaction, subject to early termination in accordance with their terms.

For additional information concerning EastWest please refer to the press release dated June 2, 2017, filed under the SEDAR profile for Harbour Star at www.sedar.com.

EastWest Selected Financial Information:

Selected financial information for EastWest for the years ended July 31, 2016 and 2015 (audited) and for the nine months ended April 30, 2017 (unaudited), is as follows.

	For the nine months ended April 30, 2017	For the years ended July 31	
		2016	2015
Sales ⁽¹⁾	23,480	Nil	Nil
Gross profit	14,662	Nil	Nil
Net (loss)	(607,308)	(11,680)	(45,023)
Total assets	283,385	1,775	1
Total liabilities	166,169	27,477	14,023
Stockholder's equity (deficit)	117,216	(25,702)	(14,022)

Notes:

(1) The company had no sales until after July 31, 2016.

Proposed Board of Directors and Management

Following is a description of the proposed management of the Resulting Issuer.

Rodney Gelineau, President and CEO:

Rodney is an entrepreneur with extensive experience within the investment and securities environment. He brings to the Company a wealth of knowledge in the areas of restructuring, capital formation and mergers & acquisitions.

He currently serves as an independent investment banker, a position he has held since 2009. In 2006 he founded a boutique investment bank, Forest Hill Partners Ltd., whose primary business objective is to provide financing to companies and to provide advice and services relating to financing, restructuring, merger and acquisitions.

Prior to founding Forest Hill Partners Ltd., Rodney was involved in the insurance and brokerage industries, holding positions with Graydon Elliot Financial Group, Canaccord Capital Corporation, Midland Walwyn Capital Inc. / Merrill Lynch Canada Inc. and Sun Life Financial Advisory Services Inc.

Ciska Asriel, Advisory for Operations and Technology

Ciska brings project management and technology expertise to the Company. Her past experience includes project roles with LGM Financial Services, PNI Media, a division of

Staples Inc., Deloitte Inc. and Blackberry. Ciska is a technology veteran with a background in sales and project management with degrees in Finance, Computer Science and an MBA.

Geoff Balderson, Chief Financial Officer

Mr. Balderson is the President Harmony Corporate Services Ltd. and Flow Capital Corp, private business consulting companies located in Vancouver, British Columbia. Mr. Balderson has been an officer and director of several TSXV listed companies over the past 15 years. Prior to that, he was an investment advisor at Union Securities and Georgia Pacific Securities Corp.

Richard Shatto, VP Marketing and Administration and Corporate Secretary:

Richard is a Strategic Planning and Management Administrative Specialist who has worked with both clients and agencies. Richard has worked with PointNexus Consulting Inc. since 2009 providing management, corporate governance, strategic planning and marketing services to private and public companies.

Prior to PointNexus, Richard was a freelance business communications writer in his role as President of Wordstorm Communications and Productions. He began his business career with marketing roles in several industries including retail, building materials, agencies and consulting firms.

Richard has served on the boards of directors of several private and public companies. He studies were in the Bachelor's Degree Program, Marketing Communications (1982) from Biola University.

David Ediger, Director of Creative and Brand Development:

David is a senior award-winning creative manager who will be directing the design, creative and messaging strategy for the branding of the various companies and brand product lines. David has over 28 years of experience in graphic design, art, photography, video, and interactive media. He also has experience in film and bindery. David is recognized for forming an award-winning company called Axis Interactive Design. With his team, David took Axis into projects from a number of high profile companies including Princess Cruises, Electronic Arts, Quicken and garnered attention from Sega. Axis also designed the North American Test Kitchen for Unilever the owner of brands like Lipton, Knorr and Hellmann's as well as many more. Axis won several worldwide and North American web awards at Flash Forward and Flash in the Can – getting nominated in the final 5 for Best Navigation and Best Experimental Design alongside NASA, MTV and LoReal.

David was a creative director at Wasserman Creative in Vancouver, and Senior Designer at Rally Creative. Since 2006, David Ediger has worked with clients from Canada, US, South America and Europe. Clients from diverse industries from tech firms, health care, industry and religious groups.

Shares issued under the Amalgamation

The table below illustrates the number of Resulting Issuer Shares outstanding and reserved for issuance following the Amalgamation.

	Number of Securities	Percentage of total number of Resulting Issuer Shares outstanding following the Amalgamation	
		(undiluted)	(fully-diluted)
Harbour Star outstanding	7,468,500	17.1%	16.8%
Resulting Issuer Shares to be issued as consideration for the EastWest Shares	36,184,867	82.9%	81.5%
Total Resulting Issuer Shares (undiluted)	43,653,367	100%	98.3%
Resulting Issuer Shares issuable upon exercise of the Harbour Star Options ⁽¹⁾	746,850	--	1.7%
Resulting Issuer Shares issuable upon exercise of the EastWest Options	Nil	--	Nil%
Total Resulting Issuer Shares (fully diluted)	44,400,217	--	100%

Notes:

(1) Harbour Star options are exercisable at \$0.10 and expire 12 months following the closing of the Transaction.

Principal Holders of EastWest

The principal holder of EastWest is Rodney Gelineau (Director and Founder) who currently holds 14,124,750 EastWest Shares (39.1%). At Closing, Mr. Gelineau will receive an aggregate of 14,124,750 Harbour Star Common Shares (32.7% of the Resulting Issuer - non-diluted).

Conditions to Completion of the Amalgamation

The closing of the Amalgamation is subject to satisfaction or waiver of terms and conditions, customary or otherwise, including all other applicable approvals including but not limited to the approval of the TSXV. The closing is also conditional upon satisfaction of final due diligence review by Harbour Star, to be completed on or before September 8, 2017. There can be no assurance that the Amalgamation will be completed as proposed or at all.

All information contained in this news release with respect to Harbour Star and EastWest was supplied by the parties respectively for inclusion herein.

Completion of the Transaction is subject to a number of conditions, including but not limited to, approval by shareholders of EastWest and HSC, if necessary, completion of the Financing and acceptance of the Transaction

by the TSX Venture Exchange. Where applicable, the Transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the Transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative.

The TSX Venture Exchange Inc. has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.

For further information, please contact: **Mohammad Fazil**: President and Chief Executive Officer of Harbour Star Capital Inc. at: Telephone: (403) 613-7310

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.