



MMJ Group Holdings Limited  
Suite 518, Level 5  
165-167 Phillip Street  
Sydney NSW Australia 2000  
www.mmjgh.com.au  
info@mmjgh.com.au

## ASX RELEASE

27 February 2020

### Harvest One announces sale of non-core assets

**MMJ Group Holdings Limited (ASX:MMJ) ("MMJ")**, an Australian-listed company that specialises in managing a portfolio of investments along the cannabis value-chain, advises that Harvest One Cannabis Inc. ("HVT" or "the Company") (TSX-V: HVT; OTCQX: HRVOF) has announced that it has entered into definitive agreements to sell its interest in Burb Cannabis Corp. ("Burb"), a cannabis retailer located in British Columbia (the "Burb Transaction"), as well as its interest in the 398-acre site (the "Lillooet Property") in Lillooet, British Columbia (the "Lillooet Transaction") for total proceeds of CAD2.3m.

MMJ is the largest shareholder holding 26%<sup>1</sup> of HVT which is one of the largest investments within the MMJ cannabis and hemp portfolio.

The sale of the assets by HVT followed the announcement on 13 February 2020 that HVT was undertaking a strategic review of the business.

"The sales of our equity interest in Burb and the Lillooet Property are part of our ongoing review of non-core assets, which we initiated as part of a broader enhanced strategic plan announced in November 2019," said the CEO of HVT, Mr. Froese and "cash proceeds from these transactions will have an immediate positive impact on our financial position and will support our continued branding and distribution efforts related to Cannabis 2.0."

"We believe Harvest One is significantly undervalued given its substantial cultivation and Cannabis 2.0 assets", said MMJ Non Executive Chairman, Peter Wall, "and we are committed to working closely with Harvest One to realise that intrinsic value".

MMJ holds two investments in HVT:

- a) MMJ is the largest shareholder holding 26% of HVT which is one of the largest investments within the MMJ cannabis and hemp portfolio.
- b) CAD2m secured loan. The Loan bears interest at a rate of 15% per annum and the principal and accrued interest on the Loan is payable in arrears within 60 days of the advance date, subject to certain exceptions. MMJ has first ranking security interest in all current and after acquired property of HVT and its subsidiaries, subject to certain permitted liens.

Mr Peter Wall, Chairman of MMJ, is a non-executive director of HVT.

MMJ is holding discussions with HVT on the potential extension of the date of the repayment of the CAD2m secured loan which is currently repayable on 10 March 2020.

Harvest One is a global cannabis company that develops and provides innovative lifestyle and wellness products to consumers and patients in regulated markets around the world.

A copy of the HVT announcement is attached to this ASX announcement.

#### Investor and Media Enquiries

Announcement authorised for release to ASX by:  
Jim Hallam  
Chief Financial Officer and Company Secretary  
E: Compsec@mmjgh.com.au

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<sup>1</sup> MMJ holds 55,557,994 HVT shares as at 27 February 2020

**About MMJ**

MMJ is a global cannabis investment company (ABN 91 601 236 417). MMJ owns a portfolio of minority investments and aims to invest across the full range of emerging cannabis-related sectors including healthcare, technology, infrastructure, logistics, processing, cultivation, equipment and retail. For MMJ's latest investor presentation and news, please visit: <https://www.mmjgh.com.au/investors/>

**Important Notice**

This announcement contains reference to certain intentions, expectations, future plans, strategy and prospects of MMJ. Those intentions, expectations, future plans, strategy and prospects may or may not be achieved. They are based on certain assumptions, which may not be met or on which views may differ and may be affected by known and unknown risks. The performance and operations of MMJ may be influenced by a number of factors, many of which are outside the control of MMJ. No representation or warranty, express or implied, is made by MMJ, or any of its directors, officers, employees, advisers or agents that any intentions, expectations or plans will be achieved either totally or partially or that any particular rate of return will be achieved. Given the risks and uncertainties that may cause MMJ's actual future results, performance or achievements to be materially different from those expected, planned or intended, recipients should not place undue reliance on these intentions, expectations, future plans, strategy and prospects. MMJ does not warrant or represent that the actual results, performance or achievements will be as expected, planned or intended. Nothing in this material should be construed as either an offer to sell or a solicitation of an offer to buy or sell securities. It does not include all available information and should not be used in isolation as a basis to invest in MMJ. This document does not constitute any part of any offer to sell, or the solicitation of an offer to buy, any securities in the United States or to, or for the account or benefit of any "US person" as defined in Regulation S under the US Securities Act of 1993 ("Securities Act"). MMJ's shares have not been, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold in the United States or to any US person without being so registered or pursuant to an exemption from registration including an exemption for qualified institutional buyers.

## **Harvest One Announces Sale of Non-Core Interest in Burb and Lillooet Property for Total**

### **Proceeds of \$2.3 million**

February 26, 2020 – Vancouver, British Columbia – Harvest One Cannabis Inc. ("Harvest One" or the "Company") (TSX-V: HVT; OTCQX: HRVOF) is pleased to announce that it has entered into definitive agreements to sell its interest in Burb Cannabis Corp. ("Burb"), a cannabis retailer located in British Columbia (the "Burb Transaction"), as well as its interest in the 398-acre site (the "Lillooet Property") in Lillooet, British Columbia (the "Lillooet Transaction").

Pursuant to the Burb Transaction, Harvest One has sold its 19.9% equity stake in Burb back to the founders of Burb and has forgiven a shareholder loan with a face value of \$250,000 in exchange for total cash consideration of \$1,512,600. In addition, Burb and Harvest One have concurrently agreed to terminate Harvest One's option to purchase a majority equity interest in Burb as well as outstanding warrants in the capital of Burb held by Harvest One. The Burb Transaction closed on February 25, 2020. Upon the closing of the Burb Transaction, Grant Froese, CEO of Harvest One has resigned from the Board of Directors of Burb.

Pursuant to the Lillooet Transaction, Harvest One has entered into a contract to sell the Lillooet Property for cash consideration of \$770,000. The transaction is scheduled to close on March 31, 2020.

"The sales of our equity interest in Burb and the Lillooet Property are part of our ongoing review of non-core assets, which we initiated as part of a broader enhanced strategic plan announced in November 2019," said Mr. Froese. "Cash proceeds from these transactions will have an immediate positive impact on our financial position and will support our continued branding and distribution efforts related to Cannabis 2.0."

### **About Harvest One**

Harvest One is a global cannabis company that develops and provides innovative lifestyle and wellness products to consumers and patients in regulated markets around the world. The Company's range of lifestyle solutions is designed to enhance quality of life. Shareholders have significant exposure to the entire cannabis value chain through its wholly-owned subsidiaries: United Greeneries, a Licensed Producer; Satipharm (medical and nutraceutical); Dream Water Global, and Delivra (consumer); as well as a controlling interest in Greenbelt Greenhouse (greenhouse cultivation and extraction). For more information, please visit [www.harvestone.com](http://www.harvestone.com).

### **Cautionary Note Regarding Forward-Looking Statements**

Certain statements contained in this press release constitute forward-looking information. These statements relate to future events or future performance. The use of any of the words "could", "intend", "expect", "believe", "will", "projected", "estimated" and similar expressions and statements relating to matters that are not historical facts are intended to identify forward-looking information and are based on the Company's current belief or assumptions as to the outcome and timing of such future events. Actual future results may differ materially. The forward-looking information contained in this press release is made as of the date hereof, and the Company is not obligated to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities laws. Because of the risks, uncertainties, and assumptions contained herein, investors should not place undue reliance on forward-looking information. The foregoing statements expressly qualify any forward-looking information contained herein.

Neither 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.