

# SOL Global Adds California to Its MSO Portfolio with Proposed Acquisition of Premiere Cultivation, Processing, and Dispensary Companies

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*SOL Global to Acquire Northern Emeralds and One Plant-Branded Dispensaries*

*The Proposed Acquisitions Further Solidifies SOL Global's MSO Strategy Which Would Include Robust Operations in 3 of the Top 10 Cannabis Markets by Revenue in the U.S., Florida, Michigan and California*

SOL Global Investments Corp. (“**SOL Global**” or the “**Company**”) (CSE: SOL) (OTCQB: SOLCF) (Frankfurt: 9SB) is pleased to announce that it has entered into letters of intent to acquire ECD, Inc., which operates as Northern Emeralds (“**Northern Emeralds**”), an industry leading cannabis cultivation, processing and distribution company headquartered in Humboldt County, California, as well as six (6) licensed dispensary companies in California that will subsequently operate under the nationally recognized “One Plant” brand. SOL Global intends to open One Plant-branded dispensaries throughout California (a total of 20 operating and licensed dispensary companies), Florida, and Michigan.

SOL Global intends to establish a new separate cannabis multi-state operator (“**MSO**”) by combining its proposed acquisitions of Northern Emeralds and the six (6) One Plant California dispensaries with its previously announced proposed acquisition of Michigan-based MCP Wellness Inc. and the Company’s existing Florida-based cannabis company, 3 Boys Farms, LLC. If the proposed acquisitions are completed, SOL Global intends to pursue a “going public transaction” of the MSO by way of an initial public offering, reverse takeover, plan of arrangement or other similar transaction that will result in the listing of the shares of the MSO on a recognized Canadian stock exchange.

Pursuant to the terms of a binding letter of intent between the Company and ECD, Inc., the Company will acquire Northern Emeralds for an aggregate purchase price of US\$120 million, less certain adjustments. The purchase price will be satisfied by the issuance of common shares in CannCure Investments Inc. (“**CannCure**”), an affiliated entity of the Company, or such other subsidiary or affiliate of the Company. The transaction remains subject to the execution of a definitive purchase agreement, satisfactory due diligence by the Company and the receipt of all necessary governmental, corporate, and regulatory approvals. Closing is expected to occur on or about August 1, 2019 or as otherwise agreed to by the parties. There are no assurances that the acquisition of ECD, Inc. will be completed as proposed or at all.

Pursuant to the terms of a binding letter of intent between the Company and Three Habitat Consulting Holdco Inc. (“**Three Habitat**”), SOL Global will acquire six California dispensary companies from Three Habitat for an aggregate purchase price of US\$17,000,000, subject to adjustment based on the achievement of certain post-closing milestones. The purchase price will be satisfied by US\$5 million in cash and the remaining balance in common shares of CannCure or such other affiliate or subsidiary

of the Company as determined by the parties. The transaction remains subject to the execution of a definitive purchase agreement and the receipt of all necessary governmental, corporate, and regulatory approvals. Closing is expected to occur on or about August 1, 2019 or as otherwise agreed to by the parties. There are no assurances that the proposed transaction with Three Habitat will be completed as proposed or at all.

If completed, the two acquisitions will expand the Company's footprint to include robust vertically integrated operations in 3 of the top 10 cannabis markets by revenue in the U.S., as forecasted by ArcView market research.

Northern Emeralds is a premiere cannabis cultivator, producer, and distributor located in the Emerald Triangle in Humboldt County, California, one of the world's most renowned cannabis cultivation zones and the self-described birthplace of the American cannabis movement. Humboldt County is also home to the cannabis industry's most advanced genetics and cultivation and post-harvest processing techniques and the team at Northern Emeralds prides itself on its signature trademarked cannabis flower strains, including its top ranked Titan OG, OK Sapphire Kush, and Durban Poison strains. Northern Emeralds' operations are spread among five distinct facilities in Humboldt and will total a combined 35,000 square feet of eco-friendly cultivation, production and distribution facilities. The company's cultivation capacity for its best-in-class cannabis flower products totals more than 16,000 pounds per year. Northern Emeralds' industry-leading genetics, cultivation, processing and production techniques will be integrated across all of the MSO's planned One Plant-branded dispensaries in Florida, Michigan, and California alongside existing product lines and strains.

One Plant is a chain of nationally-recognized cannabis

dispensaries with additional planned locations throughout California, Florida, and Michigan. One Plant dispensaries are designed to offer both new and returning consumers an accessible and welcoming retail experience, complete with a robust multimedia-driven educational platform for easy purchasing. One Plant dispensaries will also feature some of the best-known brands in the cannabis industry, including products from Northern Emeralds, Honey, Plus Brands, Venice Cookie Company, Old Pal, DomPen, Big Pete's, Biscotti, and Cannabis Quencher, among many others. One Plant intends to open nine (9) dispensaries throughout California in 2019, and an additional eleven (11) dispensaries in the state in 2020 and is currently in various development and approval stages for dispensary locations in Monterey County, Palm Springs, Contra Costa, Atwater, Goleta, and Placerville, among others. One Plant intends to open five (5) dispensaries in Florida in 2019 and an additional eight (8) dispensaries in Florida in 2020. The MSO, once it is fully established, intends to convert three (3) existing Michigan dispensaries to One Plant-branded locations in 2019, intends to open an additional four (4) dispensaries in Michigan in 2019, and intends to open an additional six (6) locations in Michigan in 2020. In total, One Plant intends to have 46 dispensary locations in operation throughout the three states by the end of 2020.

SOL Global intends to announce in a further press release the MSO's management team to oversee the operations in Florida, California and Michigan. This management team will be selected from among top executives and industry players at leading cannabis and consumer product goods companies.

"Simply put, Northern Emeralds is the most advanced cannabis producer in the most famous cannabis-producing region in the world, and SOL Global is thrilled to integrate the Northern Emeralds family within our comprehensive U.S. cannabis strategy

via the MSO,” said Brady Cobb, CEO of SOL Global. “This partnership enables SOL Global to deploy Northern Emeralds’ best in class genetics, method and data-based cultivation, and processing operations across our entire portfolio. This integration, combined with the carefully curated retail concept and dispensary locations offered by One Plant – as well as SOL Global’s roster of consumer-favorite brands – further cements SOL Global’s and ultimately the MSO’s position as a vertically-integrated multi-state powerhouse that is poised to drive substantial revenue growth in three (3) of the most important cannabis markets in the United States.”

“I am thrilled to join the Northern Emeralds team and brands with the SOL Global and One Plant families” said Cody Stross, founder and C.E.O. of Northern Emeralds. “We are passionate about ‘sharing with the world’ that which we started in a garage in Humboldt County over eight years ago. We cultivate the ‘highest intent of the seed’ and I can think of no better partnership to realize this dream.”

Spending on legal cannabis in California reached a total of \$2.5 billion in 2018 and is expected to grow to as much as \$5.6 billion by 2022, according to leading cannabis research firm ArcView. ArcView also predicts that spending on legal cannabis in Florida and Michigan could reach \$1.6 billion and \$1.4 billion, respectively, by 2022.

### **About SOL Global Investments Corp.**

SOL Global is an international investment company with a focus on, but not limited to, cannabis and cannabis related companies in legal U.S. states, the hemp and CBD marketplaces and the emerging European cannabis and hemp marketplaces. Its strategic investments and partnerships across cultivation, distribution and retail complement the company’s R&D program with

the University of Miami. It is this comprehensive approach that is positioning SOL Global as a future frontrunner in the United States' medical cannabis industry.

### **Cautionary Statements**

*This press release contains "forward-looking information" within the meaning of applicable securities laws. All statements contained herein that are not clearly historical in nature may constitute forward-looking information. In some cases, forward-looking information can be identified by words or phrases such as "may", "will", "expect", "likely", "should", "would", "plan", "anticipate", "intend", "potential", "proposed", "estimate", "believe" or the negative of these terms, or other similar words, expressions and grammatical variations thereof, or statements that certain events or conditions "may" or "will" happen, or by discussions of strategy. The forward-looking information contained in this press release include, but are not limited to, statements with respect to: the proposed terms of the Company's acquisition of Northern Emeralds and the acquisition of the licensed dispensary companies from Three Habitat, the Company's business strategy and expansion plans including plans to establish a new MSO and take it public, the plans to appoint a new management team for the MSO and the Company's, expectations regarding the future growth of the legal cannabis markets in California, Michigan and Florida.*

*By their nature, forward-looking information is subject to inherent risks and uncertainties that may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, that assumptions may not be correct and that objectives, strategic goals and priorities will not be achieved. A variety of factors, including known and unknown risks, many of which are beyond our control, could cause actual*

results to differ materially from the forward-looking information in this press release, including the failure to negotiate and execute definitive purchase agreements satisfactory to the respective parties, the failure to obtain all necessary approvals, delays in construction or in receiving any governmental approvals, and general market, economic and business conditions.

Other risk factors include, but are not limited to: the Company's ability to comply with all applicable governmental regulations in a highly regulated business; investing in target companies or projects which have limited or no operating history and are engaged in activities currently considered illegal under US federal laws; changes in laws; limited operating history; reliance on management and key personnel; requirements for additional financing; competition; inconsistent public opinion and perception regarding the medical-use and adult-use marijuana industry; and regulatory or political change. Additional risk factors can also be found in the Company's current MD&A and annual information form, both of which have been filed on SEDAR and can be accessed at [www.sedar.com](http://www.sedar.com).

Readers are cautioned to consider these and other factors, uncertainties and potential events carefully and not to put undue reliance on forward-looking information. The forward-looking information contained herein is made as of the date of this press release and is based on the beliefs, estimates, expectations and opinions of management on the date such forward-looking information is made. The Company undertakes no obligation to update or revise any forward-looking information, whether as a result of new information, estimates or opinions, future events or results or otherwise or to explain any material difference between subsequent actual events and such forward-looking information, except as required by applicable law.