December 3, 2018 - Toronto, Ontario: 48North Cannabis Corp. (“48North” or the “Company”) (TSXV:NRTH), a leading licensed cannabis producer focused on next-generation cannabis products, announced today that it has completed the previously announced transformational acquisition of 2599708 Ontario Inc. (“Good & Green”) (“Acquisition”).

With this Acquisition, 48North acquires a second Licensed Producer, as defined under the Cannabis Act, with a 2019 production footprint which it expects will make it one of the largest and lowest-cost producers of dried cannabis, cannabis oil, as well as a leader in next-generation cannabis infused products including cosmetics, topicals, beverages, and edibles.

In addition, 48North announced earlier today that it completed a $3 million strategic investment financing agreement (“Financing Agreement”) with Canopy Growth Corporation (“Canopy Growth”) (TSX:WEED, NYSE:CGC). On October 30, 2018, 48North announced a $10 million non-brokered private placement (“Private Placement”), and today’s Financing Agreement with Canopy Growth, together with the previously announced lead order of $7 million from a leading US-based private investment fund, provides 48North with a full commitment on the $10 million Private Placement.

As part of the Financing Agreement, 48North will issue 4 million Units to Canopy Growth at a price of $0.75 per Unit for gross proceeds of $3 million, representing approximately 3.6% of the issued and outstanding shares of 48North, after giving effect to both the Private Placement and Acquisition. Each Unit will be comprised of one Common Share and one quarter Common Share Purchase Warrant (each whole Common Share Purchase Warrant, a “Warrant”). Each Warrant will entitle the holder to acquire an additional Common Share of 48North for a period of 12 months from the date of issue at a strike price of $1.15, provided that, the expiry of the warrants can be accelerated if the closing price of 48North’s common shares on the TSX Venture Exchange (“TSXV”) is at least $1.50 for a minimum of 10 consecutive trading days.

“Both of today’s announcements mark a significant transformation of 48North. This strategic acquisition of Good & Green, Private Placement and partnership with Canopy Growth work to strengthen and accelerate 48North’s ability to deliver on its business plan,” said Alison Gordon, Co-Chief Executive Officer at 48North. “48North is now well capitalized, fully in control of its supply chain, a truly vertically-integrated company, and well positioned to continue to develop next-generation cannabis products,” continued Ms. Gordon.

This Acquisition provides 48North with a total expected 2019 production of at least 45,000 kilograms of cannabis. Good & Green’s cultivation and production facilities include a 46,000 square foot indoor
facility situated on five-acres of commercial land in Brantford, Ontario, as well as a 100-acre farm in Southwest Ontario. This significant production footprint includes 48North's existing 2019 indoor expected production of 2,500 kilograms from DelShen Therapeutics Corp., the Company's existing wholly-owned Licensed Producer.

As part of the Acquisition, 48North is also announcing that Jeannette VanderMarel will become co-CEO and join the company's Board of Directors.

“Jeannette is uniquely qualified to co-lead 48North based on her previous experience as founder of The Green Organic Dutchman (TSX:TGOD), one of Canada’s largest licensed producers,” said Gordon. “Jeannette brings with her a deep knowledge of both the production and retail sides of the business, and a proven track record of delivering results.”

"I am pleased to be joining the 48North team. Without question, we are best positioned to become the industry leader in developing cannabis brands and products with a future-focus that looks beyond flower and oil," said Ms. VanderMarel. "48North is the cannabis brand that people can trust. I have been in this industry since the very beginning, and I know that there is room in the sector for a company focused on profitability, good governance, and diversity. I am confident that 48North can authentically deliver on that commitment."

Daniel Goldberg, CEO of Good & Green, becomes Senior Advisor of 48North. "This is a particularly exciting time for 48North. The combination of Good & Green and 48North provides significant opportunities, including the pursuit of strategic partnerships with like minded, blue-chip companies, to fully leverage 48North’s substantial and low cost 2019 production footprint," said Goldberg.

**Acquisition Highlights:**

**Further Strengthens a Values-Based Vertically-Integrated Cannabis Company:** 48North is a vertically-integrated cannabis company focused on building strong brands and developing innovative, next-generation cannabis products. The Acquisition provides a significant increase in indoor and low-cost outdoor cannabis production, a substantial expansion into organic cannabis production, and further strengthens 48North's brand portfolio.

**Second Licensed Indoor Cultivation and Manufacturing Facility:** The Acquisition provides an additional 46,000 square feet of licensed indoor cultivation and manufacturing facility, situated on five-acres of land in Brantford, Ontario. This site has an initial production area of 14,000 square feet with another 25,500 square feet immediately available for additional indoor cultivation, pre and post-production, laboratory, large-scale extraction, as well as next-generation product, research, development and manufacturing. The Brantford indoor facility is expected to produce 2,500 kilograms of dried cannabis in 2019.

**Low-Cost 100-Acre Outdoor Cultivation Site to Provide an Expected 40,000 Kilograms of Organic Dried Cannabis in 2019:** The Acquisition provides 48North with a 100-acre organic farm situated in close proximity to the indoor Brantford, Ontario facility. This is in addition to 48North's existing licensed facility in Kirkland Lake, Ontario. The farm is expected to produce at least 40,000 kilograms of sun-grown dried cannabis in 2019. This outdoor grow has a targeted production cost of $0.25 per gram of dried cannabis. Good & Green submitted a cultivation license application to Health Canada in relation to the farm in October 2018 and expects to receive that license in early 2019. The farm will provide 48North
with organic, sun-grown cannabis and provides a significant first-mover advantage in the production of low-cost, next-generation, extract-based cannabis products.

Enhanced Management Team: Good & Green’s strong management team has best-in-class cultivation, facility development and construction, government relations, marketing, and branding experience, as well as M&A and corporate development capabilities. Good & Green’s senior team have all been involved in the MMPR/ACMPR/Cannabis Act since its inception. Together they have 12-plus years of experience and have developed over a million square feet of federally-licensed cannabis cultivation space.

Complementary Portfolio of Brands: The Acquisition provides 48North with the opportunity to leverage a combined portfolio of authentic, socially responsible, high-quality cannabis brands. The diversity and range of brands will increase access to multiple demographic segments through complimentary values-driven brands including 48North, Good & Green, Latitude and Mother & Clone.

Grant of Stock Options

48North Cannabis Corp. has granted an aggregate of 2,410,000 stock options (each an “Option”) to certain directors, officers, and employees of the Company. The Options vest through the passage of time or the achievement of specific goals. Each Option is exercisable into one common share (“Share”) of the Company at a price of $0.47 per Share for a period of 3 years from the date of grant, being November 30, 2021. All of the Options have been granted pursuant to the Company’s Stock Option Plan which has been previously approved by the Company’s shareholders and the TSX Venture Exchange.

About 48North

48North Cannabis Corp. (TSXV: NRTH) is a vertically-integrated cannabis company focused on the health and wellness market through cultivation and extraction, as well as the creation of innovative, authentic brands for next-generation cannabis products. 48North is developing formulations and manufacturing capabilities for its own proprietary products, as well positioning itself to contract manufacture similar products for third parties. 48North operates two indoor-licensed cannabis production sites in Ontario with over 86,000 square feet of production capacity. 48North cultivates unique genetics at its wholly-owned subsidiaries, DelShen Therapeutics Corp. (“DelShen”) and Good and Green Cannabis Corp. (“Good & Green”), both Licensed Producers under the Cannabis Act. In addition, 48North operates a 100-acre organic farm providing 48North with organic, sun-grown cannabis and a significant first-mover advantage in the production of low-cost, next-generation, extract-based cannabis products. 48North has a growing portfolio of brands that include Latitude, a women’s cannabis platform (explorrelatitude.com) and Mother & Clone, a rapid-acting sublingual cannabis nanospray (momandclone.com).

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