

ASX RELEASE

5 December 2018

Additional information regarding shareholding in Harvest One

Further to the announcement made by **MMJ Group Holdings Limited (ASX: MMJ) ("MMJ")** on 3 December 2018 regarding its shareholding in Harvest One Cannabis Inc. (TSX-V:HVT) ("Harvest One"), the board of directors of MMJ ("**MMJ Board**") wishes to advise that its current strategy is to remain a major shareholder of Harvest One and support its management team in the execution of its business plan.

In this regard, the MMJ Board notes that Harvest One appointed a new Chief Executive Officer, Chief Operating Officer and General Counsel, and members to the Company's Board of Directors during the last fiscal quarter 2019. This new team is in the process of executing a revised strategic direction for Harvest One, which includes:

- A 13,000 square foot expansion already underway of United Greeneries' primary operations in Duncan, British Columbia that will triple the output of the facility;
- Continued construction of a 60,000 square foot indoor flowering facility at its Lucky Lake property in Saskatchewan;
- Driving sales growth for Satipharm including the Gelpell® Microgel capsules in the EU and as Harvest One's primary brand for medical offerings throughout Canada;
- Continued sales growth of the Dream Water product ranges (which incurred record revenue growth for the last fiscal quarter) and development of cannabinoid infused product lines for the North American market;
- Furthering other commercial transactions, such as the multi-year Extraction Services Agreement with Valens GroWorks Corp. for cannabis extraction and value-added services and the investment in Burb, a new BC-based retailer of cannabis and cannabis-related products; and
- Harvest One also remains extremely well capitalised with approximately CAD\$48 million in cash at the end of the last quarter.

MMJ owns 55,557,994 shares in Harvest One for a 30.5% shareholding and this remains MMJ's most significant investment to date.

The MMJ Board is confident that the Harvest One management team will execute on its future business plan and that this should lead to an increase in the value of MMJ's shareholding in Harvest One.

Investor and Media Enquiries

Jason Conroy

Chief Executive Officer

About MMJ

MMJ Group Holdings Limited (ABN 91 601 236 417) is a global cannabis investment company. 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/>

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