

Golden Leaf Holdings Ltd. Announces Update on Details of Agreement with BMF Washington, LLC

TORONTO, ONTARIO--(Marketwired – April 20, 2016) – Golden Leaf Holdings Ltd. ("GLH" or the "Company") (CSE:GLH), is pleased to provide an update on the status of its Washington state initiatives. As previously announced, GL Management, Inc. ("GLM"), a wholly-owned subsidiary of GLH, entered into an agreement with BMF Washington, LLC. ("BMF") pursuant to which GLM purchased certain valuable intellectual property from BMF, including trade names but not limited to the brands Liberty Reach, Liberty Reach Pure and Jackpot Seaweed.

GLM has licensed BMF to use the purchased trade names and other trade names and intellectual property (including processes, recipes, etc.) owned by GLM in connection with BMF's Washington operations. BMF's operations are not yet carrying GLH's flagship brands in Washington; which is a highly anticipated move based on current revenue projections and the growth that the state offers. BMF anticipates taking advantage of the growing cannabis market and is expected to begin launching GLH branded products into the Washington market in late Q2 2016.

Demand in Washington state is already robust. A December 2015 study conducted by BOTEC Analysis on behalf of the state of Washington estimates the total Washington market at \$1.3B. Demand in Washington is larger than the other three adult-use markets in Colorado, Oregon and Alaska. There are currently 229 operating retail outlets in the state of Washington (Source: Washington Liquor Board Dashboard - April 19, 2016), out of an allocated market of 334 retail outlets. The state of Washington is also transitioning the medical dispensary into the retail system, adding an additional 222 retail outlets in 2016/2017. After this transition begins on July 1, 2016, there will be a total of 556 retail outlets authorized by the state.

BMF has entered into certain equipment leases with Greenpoint Equipment Leasing, LLC, a subsidiary of GLH, to provide BMF with advanced technology extraction equipment and expects BMF will be entering into leases for additional equipment, as it is needed. It currently operates two state-of-the-art MRX supercritical extraction machines and all of the required post-processing equipment.

GLM and BMF are finalizing an employee leasing agreement pursuant to which GLM would provide Professional Employer Organization (PEO) services to BMF. GLM and BMF are collaborating to share their significant knowledge and experiences in the cannabis business for their shareholders.

CEO Don Robinson stated, "We are elated as we grow closer to seeing our Washington state projects come online. We have the utmost faith in the team there and could not have chosen better partners in this exciting new industry. We continue to hit our operational milestones and look forward to continuing to do so."

About Golden Leaf Holdings:

Golden Leaf Holdings Ltd. is one of the largest cannabis oil and solution providers in North America. It's a leading cannabis products company in Oregon built around recognized brands. GLH leverages a strong management team with cannabis and food industry experience to complement its expertise in extracting, refining and selling cannabis oil.

For further information, please contact:

Golden Leaf Holdings Ltd. Investor Relations:

John Aird

Investor Relations, Golden Leaf Holdings Ltd.

T: 416.725.6458

E: jaird@goldenleafholdings.com

Disclaimer: This press release contains "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking information includes, but is not limited to, statements with respect to the Company's future business operation, expectations of gross sales, the opinions or beliefs of management, and future business goals. Generally, forward looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including but not limited to general business, economic and competitive uncertainties, regulatory risks including risks related to the expected timing of the early roll out of oils and edibles, market risks, risks inherent in manufacturing operations and other risks of the cannabis industry. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. Forward-looking information is provided herein for the purpose of presenting information about management's current expectations relating to the future and readers are cautioned that such information may not be appropriate for other purpose. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.