

Golden Leaf Holdings Ltd Announces Update on Details of Extracts and Edible Sales in Oregon and April Sales Revenue

TORONTO, ONTARIO--(Marketwired – May 17, 2016) – Golden Leaf Holdings Ltd. ("GLH" or the "Company") (CSE:GLH), is pleased to update its shareholders on the status of the roll out of the "Early Start Program" in Oregon that allows for sales of cannabis-infused edibles and extracts. Golden Leaf Holdings will be able to sell single containers of its Golden and Proper brand extracts effective June 2, 2016. The sales will be allowed in the Oregon Health Authority ("OHA") regulated medical dispensaries until the Oregon Liquor Control Commission ("OLCC") implements the recreational or "Adult Use" program in Q4 2016.

The Early Start Program has allowed Oregonians to purchase recreational marijuana flower since October 1, 2015, however extracts and edibles were not initially included in the Early Start Program. Industry leaders have long asserted that edibles and extracts should be included in the Early Start Program for public safety reasons, as well as for the tax benefits law enforcement and other public services would receive from the additional tax allocations.

Given new regulatory requirements relating to edibles production and the recreational market, GLH's edible strategy is temporarily delayed due to regulatory change. The Company is in the process of developing a plan for launching edibles into the recreational market that will be compliant with the recently announced OHA and Oregon Department of Agriculture rules.

By some estimates, the extracts and edibles sectors make up between 25% to 40% of the total Oregon market, numbers consistent with both Washington and Colorado. In Oregon this conservatively represents between US\$100M to US\$175M in the regulated market.

Update on April Sales Revenue

GLH generated US\$1,021,000 in unaudited revenue for the month of April 2016 as compared to US\$843,000 in March 2016, representing a month over month increase of 21%. These revenues were notable considering that the Company was unable to produce and sell extracts to dispensaries for almost half the month of April.

CEO, Don Robinson stated, "We are pleased with the April results considering the regulatory challenges we faced. It is expected that we will continue to see positive momentum when the Early Start Program kicks off in June. It's a tremendous development for the industry and for the citizens of the state of Oregon. The legislators partnered closely with the industry to develop the legislation to make this happen. This makes complete and total sense and we cannot wait to get started."

Robinson added, "Now that the regulatory dust is settling, we are going to hit the market strong, utilizing our formidable arsenal of extractor and refinement equipment, and extraction experts."

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.

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