



## **VIVO Announces Initial \$5 Million Strategic Investment in National Access Cannabis**

NAPANEE, ON, October 23, 2018 (GLOBE NEWSWIRE) – **VIVO Cannabis Inc.** (TSXV: VIVO, OTCQX: VVCIF) (“**VIVO**” or the “**Company**”) is pleased to announce that it has agreed to make a \$5 million strategic investment in **National Access Cannabis Corp.** (TSXV: META) (“**NAC**”), and committed to invest an additional \$5 million contingent on attainment of a growth-related milestone and the satisfaction of certain other conditions precedent. NAC intends to use the proceeds of the investment, and additional recent and proposed financings, to advance the roll out of its retail cannabis operations across Canada. NAC’s vision is to be one of the largest adult-use retailers in Canada, with over 200 locations providing safe and responsible access to legal cannabis in Canadian private retail markets, subject to licensing and regulatory approvals.

“VIVO sees great benefit in investing in and establishing strong relationships with leading recreational retail players in Canada, as represented by our two previously announced strategic investments and partnerships in the sector earlier this year. We believe that the retail side of the industry has great potential and with our strong cash position, we chose to make another strategic investment in a leading cannabis retailer,” stated Barry Fishman, CEO of VIVO. “NAC’s retail brands (META and Newleaf) are aligned with our philosophy of delivering top quality products through a premium and engaged customer experience. They are well-positioned to be a dominant player in the Canadian retail landscape. VIVO looks forward to working with the NAC team to provide Canadian adult-use consumers access to our premium portfolio of brands, including FIRESIDE™, Lumina™ and Canna Farms™.”

“The two main factors needed in creating growth in the legal adult-use industry are convenient access and demanded products,” stated Mark Goliger, CEO of NAC. “NAC will play a dominant role in providing safe and responsible legal access points across Canada, via an expected footprint of 200+ stores across five private retail provinces. We are very happy to have an investor and partner in VIVO who has developed premium quality products and compelling brands. We trust that as an investor in NAC, VIVO will impart some of the strategy, creativity and expertise that they put into their consumer brands to enable enhanced market potential for our retail store brands, META Cannabis Supply Co. and NewLeaf Cannabis.”

### **VIVO Strategic Investment**

VIVO has agreed to participate in private placements of NAC common shares for an aggregate amount of up to \$10 million, which, subject to satisfaction of certain terms and conditions precedent, will be completed in two tranches. Under the initial tranche, VIVO has agreed to acquire NAC common shares for an aggregate purchase price of \$5 million. Closing of the initial tranche is expected to occur on October 26, 2018.

If before October 26, 2019, NAC is granted approval to open an aggregate of 50 cannabis retail locations from applicable regulatory authorities in Canada, NAC may deliver a written notice to VIVO requiring VIVO to purchase and subscribe for \$5 million of additional NAC common shares at a price per share equal to the 15 day volume weighted average trading price of the NAC common shares on the TSX Venture Exchange (the “**TSXV**”) for the last 15 trading days of the calendar month immediately preceding the date of the notice, or if such trading price is lower than the maximum permitted discount for the second tranche of the LP Financing, the maximum permitted discount for the issuance of the Common Shares under TSXV policies.

### **About VIVO Cannabis™**

VIVO, based in Napanee, Ontario, is recognized for trusted, high-quality products and services. It holds production and sales licences from Health Canada and operates world-class indoor cultivation facilities with proprietary plant-growing technology. VIVO has a collection of premium brands targeting unique customer segments, including Beacon Medical™, FIRESIDE™, Canna Farms™ and Lumina™. In August 2018, VIVO acquired Canna Farms Limited, a premium cannabis company based in Hope, British Columbia. Canna Farms was B.C.’s first Licensed Producer and has many years of craft cultivation experience and expertise, as well as a significant patient base and positive cash flow. VIVO is significantly expanding its production capacity and pursuing partnership and product development opportunities domestically, as well as in select international markets, including Germany and Australia. In addition, VIVO also operates Harvest Medicine, a patient-centric and highly scalable network of specialty medical cannabis clinics. Harvest Medicine provides best-in-class education and support to over 22,000 patients in its clinics and via its free telemedicine platform. VIVO has a healthy balance sheet and is well-positioned to accelerate the growth of its business, in Canada and internationally.

### **More Information on VIVO**

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### **About National Access Cannabis**

NAC is a best practices leader in delivering secure, safe, and responsible access to legal cannabis in Canada. Through its Canada-wide network of medical cannabis clinics, partner pharmacies, NAC Bio's clinical research division, NewLeaf Cannabis™ and Meta Cannabis Supply Co.™ recreational cannabis retail stores, NAC enables patients and the public to gain knowledge and access to Canada's network of authorized Licensed Producers of cannabis. NAC is listed on the TSX Venture Exchange under the symbol (TSXV: META).

### **More Information on NAC**

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**ON BEHALF OF THE BOARD OF DIRECTORS**

**Barry Fishman (CEO and Director)**

*Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*

**Disclaimer for Forward-Looking Statements**

Statements regarding NAC's business, proposed use of proceeds of the financing and future goals are based solely on information provided by NAC. This news release contains forward-looking statements, including statements regarding the expected timing of the closing of the initial tranche of the financing, the proposed terms of VIVO's second potential investment in NAC common shares, the expected use of proceeds by NAC, NAC's proposed strategy to become a premium adult-use cannabis retailer in Canada and its innovative retail concept, and VIVO's future opportunities outlook. The forward-looking statements contained in this news release are based on certain assumptions and involve known and unknown risks and uncertainties and other factors that could cause actual events to differ materially from current assumptions and expectations, including that: either or both of the first investment and/or the second investment by VIVO in NAC common shares may not be completed on the terms expected or at all; timing of closing may not occur on the date expected, NAC may be unable to obtain necessary regulatory approvals for the financing; NAC may not be able to effectively operate a chain of cannabis retail stores in Canada; NAC may not become a successful premium adult-use cannabis retailer; regulations may restrict or prohibit the supply of cannabis by VIVO to NAC; cannabis marketing regulations may impede the execution of NAC's retail strategy; and other factors beyond the Company's control. The forward-looking statements contained in this news release should not be read as guarantees of future performance or results. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits the Company will obtain from them. Readers are urged to consider these factors, and the more extensive risk factors included in the Company's annual information form dated April 30, 2018 and other continuous disclosure filings, which are available on SEDAR at [www.sedar.com](http://www.sedar.com). Readers are cautioned not to place undue reliance on these forward-looking statements, which are qualified in their entirety by these cautionary statements. The forward-looking statements in this news release are made as of the date hereof and the Company disclaims any intent or obligation to update publicly any such forward-looking statements, whether as a result of new information, future events or results or otherwise, except as required by applicable securities laws.