



Up Cannabis Named Official Supplier to the Ontario Cannabis Store

Newstrike's Tragically Hip-backed Licensed Producer to Supply Canada's Largest Adult-Use Market

TORONTO, ONTARIO – August 21, 2018 – Newstrike Brands Ltd. (TSX-V:HIP) ("Newstrike" or the "Company"), is pleased to announce that its wholly-owned subsidiary, Up Cannabis Inc. ("**Up Cannabis**"), has entered into an agreement naming it to the list of official suppliers to the Ontario Cannabis Store (OCS), positioning Up Cannabis to service Canada's largest adult-use cannabis market.

"We are absolutely thrilled to be among the select group of licensed producers to partner with the OCS to service the ground-breaking launch of Canada's largest adult-use cannabis market," said Jay Wilgar, CEO of both Newstrike and Up Cannabis. "This agreement marks yet another significant achievement for Newstrike and Up, bolstering our strategy to position Up Cannabis as a premier adult-use brand."

According to a 2018 report from Deloitte, Ontario represents approximately 38 per cent of Canada's entire adult-use cannabis market, which translates to a market size upwards of \$1.68 billion¹.

Added Wilgar: "We support Ontario's plan to ensure strict regulation of the retail environment and the need for a measured roll-out as we approach legalization on October 17th. We look forward to working with the OCS to ensure safe, regulated and reliable product at competitive prices, which will help eliminate the black market."

With the OCS signed agreement in place, along with a definitive Supply Agreement with the Alberta Gaming, Liquor & Cannabis Commission (AGLC), and a signed Memorandum of Understanding with the British Columbia Liquor Distribution (BCLDB), Up Cannabis is well positioned to provide Canadians with adult-use cannabis.

For further information, please contact:

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About Newstrike and Up Cannabis

Newstrike is the parent company of Up Cannabis Inc., a licensed producer of cannabis that is licensed to both cultivate and sell cannabis in all acceptable forms. Newstrike, through Up Cannabis and together with select strategic partners, including Canada's iconic musicians The Tragically Hip, is developing a diverse network of high quality cannabis brands. For more information, visit <http://www.up.ca> or <http://www.newstrike.ca>

Forward-Looking Information

This news release contains forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Newstrike to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. These forward-looking statements include, but are not limited to, statements relating to Newstrike's expectations with respect to the legalization, supply and sales of cannabis. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "estimates", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words

¹ Deloitte, A Society in Transition, an Industry Ready to Bloom, 2018 Cannabis Report, p. 5

and phrases or state that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. Accordingly, readers should not place undue reliance on the forward-looking statements and information contained in this press release. Since forward-looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties.

Actual results could differ materially from those currently anticipated due to a number of factors and risks. Readers are cautioned that the foregoing list of factors is not exhaustive. The forward-looking statements contained in this news release are made as of the date of this release and, accordingly, are subject to change after such date.

Newstrike does not assume any obligation to update or revise any forward-looking statements, whether written or oral, that may be made from time to time by us or on our behalf, except as required by applicable law.

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