



Origin House Announces Completion of Early Warrant Conversion and Provides Update on AltMed Equity and Royalty Interests

All financial figures in Canadian Dollars (\$) unless otherwise noted.

Ottawa, Canada – December 17, 2018 - CannaRoyalty Corp. d/b/a Origin House (CSE: OH) (OTCQX: ORHOF) (“Origin House” or the “Company”), a leading North American cannabis products and brands company, today announced the results of the early exercise of its outstanding warrants and provided shareholders with an update on its investment in Alternative Medical Enterprises LLC (“AltMed”).

Early Exercise of Warrants

As [previously announced](#), on November 23, 2018, the expiry date of the Company’s outstanding common share purchase warrants issued pursuant to a warrant indenture dated April 13, 2018 (the “Warrants”) was accelerated to December 14, 2018. As of the close of market on December 14, 2018, approximately 99% of the Warrants had been exercised. Subsequent to the exercise of the Warrants, Origin House has approximately 61.2 million¹ common shares outstanding.

The Company generated approximately \$12.5 million in additional cash from the exercise of the remaining outstanding Warrants. This is in addition to Origin House’s recently reported cash balance of \$75.3 million at September 30, 2018.

Marc Lustig, Chairman and CEO of Origin House commented, “Our opportunity set today is larger than it has ever been and we are very well capitalized to continue to execute. We intend to use the additional funds from this warrant exercise for investment into our business in California and expansion into new selective markets.”

Update on AltMed Equity Interest and Royalty Ownership

[As announced](#) on August 27, 2018, Origin House entered into a letter of intent (the “LOI”) with Tidal Royalty Corp. (“Tidal Royalty”) for the sale of its equity and royalty in AltMed for a consideration of \$8 million in a combination of cash and Tidal Royalty stock. The expiry of the LOI was originally September 24, 2018. The Company consented to further extensions of the expiry date of the LOI to October 15, November 15, and December 15, 2018. On December 14, 2018, the LOI was terminated.

¹ Pro-forma as at December 17, 2018

Mr. Lustig commented, “Given AltMed’s strong revenue growth and market position in the key states of Florida and Arizona, we’re pleased to continue to hold on to our equity and royalty positions and will continue to work closely with the team at AltMed to build mutual strategic value. AltMed is on track to generate over USD\$9 million in revenue in the fourth quarter from their Florida and Arizona operations, and we believe that Origin House shareholders will continue to benefit from this investment.”

Origin House owns a 4.8%² equity interest in AltMed and a 3.5% gross product royalty on sales of certain MÜV products. During 2019, AltMed plans to open 14 additional retail dispensaries in target Florida cities as well as three additional delivery hubs to enable statewide delivery. The company will also begin an expansion to its cultivation facilities beginning in January 2019, which is expected to grow annual flower production capacity from 24,000 lbs to 32,000 lbs, to meet strong demand. AltMed has launched second-generation MÜV products in Florida and will be launching these products in Arizona, beginning in Q1-2019. The company has also signed an agreement with a well-known Colorado brand company to begin selling MÜV products in Colorado beginning in Q1-2019.

About Origin House

Origin House is a growing cannabis products and brands company operating across key markets in the U.S. and Canada, with a strategic focus on becoming a preeminent global house of cannabis brands. The Company’s foundation is in California, the world’s largest regulated cannabis market, where it delivers over 130 branded cannabis products to the majority of licensed dispensaries. Origin House’s brand development platform is operated out of five licensed facilities located across California, and provides distribution, manufacturing, cultivation and marketing services for its brand partners. The Company is actively developing infrastructure to support the proliferation of its brands internationally, initially through its acquisition of Canadian retailer 180 Smoke. Origin House’s shares trade on the Canadian Securities Exchange (CSE) under the symbol “OH” and on the OTCQX under the symbol “ORHOF”. Origin House is the registered business name of CannaRoyalty Corp. For more information, visit www.originhouse.com.

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² In the initial press release regarding the LOI with Tidal Royalty, the Company’s ownership percentage was reported to be 6.1%, the figure as at December 31, 2017. AltMed completed an equity financing in the first half of 2018 which reduced the Company’s ownership percentage to 4.8%.

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Forward Looking Statements

Statements in this news release that are forward-looking statements are subject to various risks and uncertainties concerning the specific factors disclosed here and elsewhere in Origin House's periodic filings with Canadian securities regulators. When used in this news release, words such as "will, could, plan, estimate, expect, intend, may, potential, believe, should," and similar expressions, are forward- looking statements.

Forward-looking statements may include, without limitation, statements relating to the execution of the Company's strategy, new opportunities, AltMed's timing and process for expansion, the Company's timing and process for expansion in Canada and globally, timing for the Company's acquisition of 180 Smoke, new opportunities, future growth and other statements.

Although the Company has attempted to identify important factors that could cause actual results, performance or achievements to differ materially from those contained in the forward-looking statements, there can be other factors that cause results, performance or achievements not to be as anticipated, estimated or intended, including, but not limited to: dependence on obtaining regulatory approvals; investing in target companies or projects that are engaged in activities currently considered illegal under US federal law; changes in laws; limited operating history; reliance on management; requirements for additional financing; competition; hindering market growth and state adoption due to inconsistent public opinion and perception of the medical-use and adult-use marijuana industry and; regulatory or political change.

There can be no assurance that such information will prove to be accurate or that management's expectations or estimates of future developments, circumstances or results will materialize. As a result of these risks and uncertainties, the results or events predicted in these forward-looking statements may differ materially from actual results or events.

Accordingly, readers should not place undue reliance on forward-looking statements. The forward-looking statements in this news release are made as of the date of this release. The Company disclaims any intention or obligation to update or revise such information, except as required by applicable law, and the Company does not assume any liability for disclosure relating to any other company mentioned herein.