



LASANTA BOTANICALS ANNOUNCES CLOSING OF \$6.4 MILLION FINANCING

CALGARY, ALBERTA, Wednesday, October 3, 2018 – LaSanta Botanicals Ltd. (the “Company” or “LaSanta”) is pleased to announce that it has completed a non-brokered private placement offering of 10.7 million units (“Units”) at a price of C\$0.60 per Unit, for gross proceeds of approximately C\$6.4 million. Each Unit consists of one common share (a “Common Share”) and one-half common share purchase warrant. Each whole warrant (“Warrant”) is exercisable into one Common Share at an exercise price of C\$0.90 per share and has an expiry date that is 24 months from the issue date.

LaSanta intends to use the net proceeds of the private placement to advance the Company’s cannabis cultivation and extraction facilities in Colombia and for general working capital purposes.

Since its launch in late 2017, LaSanta has obtained licenses from the government of Colombia to cultivate psychoactive and non-psychoactive cannabis, fabricate and export cannabis extracts and trade in cannabis genetics. The Company has assembled a strong leadership team in Canada and Colombia that includes individuals with expertise in cultivation, pharmaceutical manufacturing and medical research. Over the next 12 months, LaSanta plans to continue development of its initial cultivation project, building out capacity to produce 36,000 kilograms of dried cannabis flower per year by 2020, which will be processed in a state-of-the-art, GMP-compliant extraction facility.

LaSanta operates more than 20 hectares of prime agricultural land north of the capital city of Bogota. The land base includes a 12-hectare farm that was formerly used for organic tomato cultivation and is ideally situated for cannabis production due to its high elevation (2,100 metres), powerful solar radiation and low relative humidity. The farm has approximately 15,000 square metres of operating greenhouse and the Company plans to develop a further 18,000 square metres of cultivation space over the next 12 months.

ABOUT LASANTA BOTANICALS

LaSanta is a pharmaceutical company with management in Canada and Colombia and is licensed in Colombia to cultivate cannabis and manufacture and export cannabis extracts and genetics. The Company is combining agricultural and scientific expertise with product branding and distribution know-how to service legal cannabis markets in Colombia and around the world.

LaSanta produces low cost, premium-quality, organic medical cannabis using craft growing, all-natural principles. The Company has a world-class genetic bank and has partnered with a leading Colombia university to perform independent laboratory testing of its extracts to ensure patients have access to a standardized, safe and consistent product.

FOR MORE INFORMATION

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CAUTIONARY STATEMENTS

This news release contains forward looking statements and forward-looking information within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "objective", "ongoing", "may", "will", "project", "should", "believe", "plans", "intends" and similar expressions are intended to identify forward looking statements or information. Forward-looking statements and information in this news release includes, but is not limited to, the use of proceeds of the private placement, the development of the Company's cultivation projects, and general market conditions. Although the Company believes that the expectations and assumptions on which the forward-looking statements and information are based are reasonable, undue reliance should not be placed on the forward-looking statements and information because the Company cannot give any assurance that they will prove to be correct. Since forward looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results and developments may differ materially from those that are currently contemplated by these statements depending on, among other things, risks relating to future legislative and regulatory developments involving cannabis; inability to access sufficient capital from internal and external sources, and/or inability to access sufficient capital on favourable terms; the ability to access, hire and retain employees; and the cannabis industry in Colombia generally. The Company cautions that the foregoing list of risks and uncertainties is not exhaustive. The forward-looking statements and information contained in this news release are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statement or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.