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GrowGeneration Acquires HeavyGardens.com

HeavyGardens, Powered by GrowGeneration Leading Online Superstore for Cultivators

DENVER, CO, Sept. 17, 2018 /PRNewswire/ - [GrowGeneration](#) Corp. (OTCQX: GRWG), ("GrowGen" or the "Company") one of the largest specialty retail hydroponic and organic gardening stores, selling to both the commercial and home cannabis markets, with currently 19 locations, today announced it has purchased HeavyGardens.com, (HG) an online seller of hydroponic and grow supplies. HeavyGardens.com is projected to generate over \$5,000,000 in sales for GrowGen for fiscal year-end 2019. Today, HG generates over 100,000 views per month.



Key Initiatives of HeavyGardens.com Include:

- HG expands the GrowGen reach to every state, including every current and future grower that uses a computer or smart device
- HG brings a sophisticated, data-driven digital marketing platform that has proven scalability
- HG adds an easy to navigate search tool to over 10,000 cultivation products
- HG offers customers access to 100's of GrowGen's cultivation experts at the click of a mouse
- HG creates new vertical sales opportunities through technology-based consultation services and app-driven customer loyalty programs

Darren Lampert, Co-Founder and CEO, said, "The acquisition of HeavyGardens adds another sales channel for growers to find and shop with GrowGeneration. HeavyGardens has grown month over month by 10% and since its launch in July of 2017, it has quickly become a leader in the online sales of hydroponic supplies. GrowGen will leverage this online platform to increase its sales, add new commercial customers, as well as allow online shoppers to interact with our staff of over 100 professional growers and product specialists. In the near future, we will be introducing HeavyGardens in Canada and Mexico. Jeff Callison, the CEO of HeavyGardens will continue to operate the HeavyGardens website."

Jeff Callison, CEO of HeavyGardens said, "Our daily goal is to grow better growers. This yields us a loyal and inspired customer base. With GrowGeneration, we can take our shared mission to a whole new level. As a Company, we are aligning into a position to positively

affect the entire industry one grower at a time."

Hydroponic Equipment Market Overview:

U.S. Cannabis market is projected to reach \$25 billion by 2025, assuming that there are no changes to the current legal structure (9 adult use states, 29 medical states, 16 cannabis concentrates only states), and no additional states legalizing medical or recreational uses. Assuming cannabis was federally legal in all states, for both recreational and medical use, the total addressable market was estimated to be approximately \$35 billion in 2017 and is estimated to grow to nearly \$55.5 billion by 2025. Recreational laws passed in 2018 in Vermont, Medical laws passed in 2018 in Oklahoma. Recreational States under Consideration include: New Jersey, Michigan, Delaware, Rhode Island, Connecticut, Ohio. Medical States under Consideration: Kentucky, Utah, Missouri. With an estimated 65,000 growers, in CA, with over 20+ years of medical cannabis cultivation, the CA market is estimated to be \$20 billion of wholesale cannabis production and legal recreational growers.

About GrowGeneration Corp.:

GrowGeneration Corp. ("GrowGen") owns and operates specialty retail hydroponic and organic gardening stores. Currently, GrowGen has 19 stores, which includes 6 locations in Colorado, 6 locations in California, 1 location in Las Vegas, 1 location in Washington, 3 locations in Michigan, 1 location in Rhode Island and 1 location in Oklahoma. GrowGeneration also operates an online superstore for cultivators, located at HeavyGardens.com. GrowGen carries and sells thousands of products, including organic nutrients and soils, advanced lighting technology and state of the art hydroponic equipment to be used indoors and outdoors by commercial and home growers. Our mission is to own and operate GrowGeneration branded stores in all the major legalized cannabis states. Management estimates that roughly 1,000 hydroponic stores are in operation in the U.S. By 2020 the market is estimated to reach over \$23 billion with a compound annual growth rate of 32%.

Forward Looking Statements:

This press release may include predictions, estimates or other information that might be considered forward-looking within the meaning of applicable securities laws. While these forward-looking statements represent our current judgments, they are subject to risks and uncertainties that could cause actual results to differ materially. You are cautioned not to place undue reliance on these forward-looking statements, which reflect our opinions only as of the date of this release. Please keep in mind that we are not obligating ourselves to revise or publicly release the results of any revision to these forward-looking statements in light of new information or future events. When used herein, words such as "look forward," "believe," "continue," "building," or variations of such words and similar expressions are intended to identify forward-looking statements. Factors that could cause actual results to differ materially from those contemplated in any forward-looking statements made by us herein are often discussed in filings we make with the United States Securities and Exchange Commission, available at: www.sec.gov, and on our website, at: www.growgeneration.com.

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