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CLS Holdings USA Comments on Recent Department of Justice Guidance

LAS VEGAS, NV -- (Marketwired) -- 01/08/18 -- CLS Holdings USA, Inc. (OTCQB: CLSH)

Many State Officials Say They Will Continue with Business as Usual

CLS Holdings USA, Inc. (OTCQB: CLSH) "CLS," a development stage diversified cannabis company operating as Cannabis Life Science, provides its analysis of Attorney General Jeffrey Sessions' memo issued last week regarding federal marijuana enforcement.

The Cole Memo, which had been a Department of Justice (DOJ) guideline since August of 2013, cleared up some of the uncertainty about how the federal government would respond as states began allowing sales for recreational and medical purposes. It said the DOJ would not stand in the way of states that legalize marijuana and outlined the enforcement priorities that were particularly important to the federal government. Last week, the DOJ rescinded the cannabis guidance outlined in the Cole Memo.

Jeff Binder, Chairman and CEO of CLS Holdings USA, commented, "Although we are disappointed with Attorney General Sessions directive we do not believe this will have any discernible affect on the growing movement of states formulating responsible cannabis rules and regulations.

Additionally we are encouraged by the enormity of tax dollars being collected by states and the programs that are being supported by these dollars. In Colorado alone the state is expected to collect \$300 million dollars in tax revenues for 2017. This money is allocated to schools, healthcare, drug treatment, prevention and law enforcement programs.

In a country that is divided on so many issues, we are encouraged by the polling of all Americans, which shows a clear majority support responsible medicinal and recreational marijuana policies. People with diseases such as PTSD, cancer, depression, anxiety, and chronic pain, to name a few, are positively affected by the responsible use of cannabis as prescribed by their physician or caretaker.

<http://www.cnn.com/2018/01/07/opinions/jeff-sessions-marijuana-move-bad-for-him-cher-nis-opinion/index.html>

<http://www.thecannabist.co/2018/01/05/jeff-sessions-marijuana-legalization-movement/96124/>

<https://www.vox.com/platform/amp/policy-and-politics/2017/7/12/15956742/colorado-marijuana-taxes-schools>

We have so many exciting opportunities in front of us at CLS. We continue on our path to

close on our definitive agreement to acquire Oasis. Our recently allowed patent for our proprietary extraction and conversion process is expected to provide additional revenue opportunities by way of deploying and licensing the technology.

This is an exciting time to be a part of a rapidly growing industry that is being served by companies creating jobs for tens of thousands and bringing high demand products to market."

Oasis Cannabis is a fully integrated cannabis operation in Nevada. Las Vegas-based Oasis Cannabis' (<http://oasiscannabis.com>) operations include a grow, extraction and conversion processing and a retail dispensary. CLS has executed a definitive agreement to acquire the Oasis Cannabis companies. A non-refundable cash deposit has been paid by CLS. The closing of the transaction, which is subject to the satisfaction of conditions, is expected in the first quarter of 2018.

About Oasis Cannabis (<http://oasiscannabis.com>)

Oasis Cannabis has operated a cannabis dispensary in the Las Vegas market since dispensaries first opened in Nevada in 2015 and has been recognized as one of the top marijuana retailers in the state. Its location within walking distance to the Las Vegas Strip and Downtown Las Vegas in combination with its delivery service to residents allows it to efficiently serve both locals and tourists in the Las Vegas area. The company recently commenced wholesale offerings of cannabis in Nevada with the launch of its City Trees brand of cannabis concentrates and cannabis-infused products in August 2017. An expansion of its cultivation and production facility is currently underway and is expected to be completed during the second quarter of 2018.

Disclaimer

CLS Holdings USA has entered into a definitive agreement to acquire Oasis Cannabis, which is expected to close in the first quarter of 2018. See CLS Holdings USA filing with the SEC for additional details.

About CLS Holdings USA

CLS Holdings USA, Inc. (OTCQB: CLSH) plans to become a diversified cannabis company and is shifting its corporate strategy to becoming a fully licensed integrated cannabis producer and retailer in Nevada and other western states. Its strategy and business model will be similar to Canopy Growth, Aurora Cannabis and GB Sciences.

CLS stands for "Cannabis Life Sciences," in recognition of the Company's patent pending proprietary method of extracting various cannabinoids from the marijuana plant and converting them into products with a higher level of quality and consistency. The Company's business model includes licensing operations, processing operations, processing facilities, sale of products, brand creation and consulting services.

Twitter: @CLSHusa

Forward Looking Statements

This press release contains forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. These statements relate to anticipated future events, future results of operations or future financial performance. These forward-looking statements include, but are not limited to, statements relating to whether certain transactions

will be completed, the terms of such transactions, the descriptions of the companies and the business that any potential target companies could bring to CLS Holdings. In some cases, you can identify forward-looking statements by terminology such as "may," "might," "will," "should," "intends," "expects," "plans," "goals," "projects," "anticipates," "believes," "estimates," "predicts," "potential," or "continue" or the negative of these terms or other comparable terminology. These forward-looking statements are only predictions, are uncertain and involve substantial known and unknown risks, uncertainties and other factors which may cause our actual results, levels of activity or performance to be materially different from any future results, levels of activity or performance expressed or implied by these forward-looking statements. We cannot guarantee future results, levels of activity or performance and we cannot guaranty that the proposed transactions described in this press release will occur. You should not place undue reliance on these forward-looking statements, which speak only as of the date that they were made. These cautionary statements should be considered together with any written or oral forward-looking statements that we may issue in the future. Except as required by applicable law, we do not intend to update any of the forward-looking statements to conform these statements to reflect actual results, later events or circumstances or to reflect the occurrence of unanticipated events. CLS Holdings USA has entered into a definitive agreement to acquire Oasis Cannabis, which is expected to close in the first quarter of 2018. See CLS Holdings USA filing with the SEC for additional details.

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