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CLS Holdings USA's Proposed Acquisition of Oasis Cannabis Attains Cannabis Distribution License in Nevada

Expected to Improve Operating Efficiencies and Expand Growth

LAS VEGAS, NV / ACCESSWIRE / December 11, 2017 /CLS Holdings USA, Inc. (OTCQB: [CLSH](#)) "CLS," a development stage diversified cannabis company operating as Cannabis Life Science, announced today that its proposed acquisition for Oasis Cannabis, which is under definitive agreement, has been awarded a cannabis distribution license in Nevada.

Ben Sillitoe, CEO and Co-Founder of Oasis Cannabis, commented, "We are extremely excited about being awarded a coveted cannabis distribution license in Nevada. We were one of only approximately 24 distribution licenses to be granted to cannabis companies statewide. We believe this additional license will improve our operating efficiencies and open up new areas for revenue growth. Internally the distribution license will enable us to optimize the timing of supplies and products in and out of our existing grow and retail dispensary. Additionally, it offers us expansion opportunities to service and deliver to and from other retail dispensaries."

Initially, Nevada regulators permitted only existing alcohol distributors to be able to distribute cannabis. The alcohol industry was given the exclusive right for 18 months to distribute recreational marijuana under the ballot measure that legalized sales. But that exclusivity was based on having enough distributors to fill the need to the state's 50 licensed retail stores.

The Department of Taxation decided in August that there was an inadequate number of liquor distributors interested in transporting cannabis to Nevada's retail establishments, opening up the business to others. The decision was based on the feeling that the alcohol industry alone was not sufficient to distribute cannabis to points of sale around the state and that the market needed to be opened up.

Currently, approximately 12 alcohol distributors are licensed to distribute cannabis and another 20-30 licensed cannabis companies have been awarded additional licenses to distribute cannabis.

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 now 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 ([WEED.TO](#)), Aurora Cannabis ([ACB.TO](#)) and GB Sciences ([GBLX](#)).

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.

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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.

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