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CLS Holdings USA, Inc. Announces Acquisition Target "In Good Health" Receives Massachusetts State Approval for Final Recreational License

LAS VEGAS, NV, Sept. 17, 2019 (GLOBE NEWSWIRE) -- via NEWMEDIAWIRE -- CLS Holdings USA, Inc. (OTCQB: CLSH, CSE: CLSH.CN) ("CLS" or the "Company"), a diversified cannabis company operating as Cannabis Life Sciences, is pleased to announce that In Good Health, a licensed medical dispensary, which the Company has the exclusive right to acquire in January 2020, was granted on Friday, September 13, 2019 a final license for recreational use at its current location in Brockton, MA.

Started in September 2015, In Good Health operates a large medical cannabis dispensary business consisting of over 25,000 registered patients, delivery to 2,800 patients per month and maintains an 18,000 square foot grow with capacity to produce 9,000 pounds of finished flower per year. At today's retail price of \$7,000 per pound this fully built out operation is capable of generating \$60 million in annual revenue and gross profit of \$ 35 million. In Good Health has developed high-quality branded products from its headquarters in Brockton, Massachusetts located roughly 25 miles south of Boston. As a result of this approval, In Good Health becomes one of the first 30 dispensaries in the state of Massachusetts to offer both THC and CBD based cannabis products for recreational use. In Good Health anticipates a grand opening event in the coming weeks. Please stay tuned for future announcements.

Jeff Binder, Chairman and CEO of CLS, added, "This is tremendous news for our good friends at In Good Health and speaks to the high integrity of their entire team, from their extremely knowledgeable staff of bud tenders to their management group. To be among the first medical dispensaries in the state to navigate the rigorous gauntlet of regulatory oversight to obtain recreational or "adult use" status is a major accomplishment, especially in light of some of the growing pains experienced in the state as they add recreational cannabis sales to the existing medical only cannabis industry. As of early October, we expect the granting of only about 27 recreational cannabis retail dispensary licenses by the state's Cannabis Control Commission (CCC)* and we congratulate and commend the entire team at In Good Health on their steadfast commitment to join the ranks of recreational use sites."

Andrew Glashow, President and COO of CLS, commented, "What's great about the In Good Health location is the large parking lot connected to their dispensary, capable of accommodating 150 cars, which will allow for increased customer traffic especially during peak hours. This should prevent it from having to limit access and require customers to make advanced appointments, like we have seen happen at some of the other newly

awarded adult use dispensaries in the state. Just as In Good Health has been so successful in building one of the largest medical use customer bases in the area with a wide variety of top quality in-house and popular branded products coupled with easy customer access and close proximity to the large Boston metropolitan area, we expect that In Good Health will quickly build a large and loyal customer base in the recreational cannabis market and become one of the larger recreational use dispensaries in the state. We look forward with great anticipation to adding this fantastic team and solidly built business to the CLS family.”

David Noble, President of *In Good Health*, commented, “We are extremely pleased with this final license approval to open up shortly for adult use sales from the Cannabis Control Commission of the great state of Massachusetts. We especially appreciate all the time and effort put forth on our behalf by our late Mayor, Bill Carpenter, the City Council of Brockton and the local community at large as we know that without their vote of confidence this approval would not have been possible. In anticipation of this major event, we have been busily preparing our facility to handle what we expect to be a major increase in daily customers. To this end, we have expanded both floor space and checkout infrastructure allowing *In Good Health* to comfortably service as many as 1,500 customers per day. More importantly, with our recently added cultivation space to produce up to 9,000 pounds of finished cannabis flower annually, kitchen and our secondary processing equipment onsite, we are well positioned to be able to keep our shelves fully stocked with one of the best selections of both in-house and leading brands of leaf, vape and oil based THC/CBD products in the state.

We realize that this approval comes with great responsibility and trust in our ability to operate in full compliance with the standards set forth in the Massachusetts state charter for adult use sales. Therefore, we plan to operate our adult use business with the same high standards, integrity and attention to detail we have practiced with our medical cannabis business and have dedicated ourselves to building an adult use store that the city of Brockton will be proud to have in the region while at the same time servicing the recreational cannabis needs of our local community.”

CLS anticipates that it will complete the acquisition of In Good Health in January 2020, subject to satisfaction of applicable closing conditions. The purchase of In Good Health fits with the Company’s stated goal of becoming a multi-state-operator (MSO) adding the vertically integrated business of In Good Health to the Company’s Nevada operations, consisting of the Company’s 100% owned Oasis dispensary just off the Las Vegas strip, its City Trees line of THC/CBD and bulk flower products, its exclusive distribution license of CENTR brands CBD infused beverages for the state of Nevada and its patented proprietary process for extracting delta-9 THC from raw cannabis flower.

***source: www.boston.com and www.commonwealthmagazine.org**

About CLS Holdings USA, Inc

CLS Holdings USA, Inc. (CLSH) is a diversified cannabis company that acts as an integrated cannabis producer and retailer through its Oasis Cannabis subsidiaries in Nevada and plans to expand to other states. CLS stands for "Cannabis Life Sciences," in recognition of the Company's patented 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.

<http://www.clsholdingsinc.com>

Twitter: @CLSHusa

About Oasis Cannabis

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. In February 2019, it was named "Best Dispensary for Pot Pros" by Desert Companion Magazine. In August 2017, the company commenced wholesale offerings of cannabis in Nevada with the launch of its City Trees brand of cannabis concentrates and cannabis-infused products.

<http://oasiscannabis.com>

About City Trees

Founded in 2017, City Trees is a Nevada-based cannabis cultivation, production and distribution company. Offering a wide variety of products with consistent results, City Trees is one of the fastest growing wholesale companies in the industry. Its products are now available at 44 dispensaries.

<https://citytrees.com>

About In Good Health

In Good Health is located 25 miles south of downtown Boston and is one of the 48 licensed dispensaries in the state. In Good Health operates a dispensary that was the second licensed medical dispensary in the state and has been operational since September 2015. In Good Health is currently servicing 18,000 registered patients and delivering to 1,700 homes with key product offerings of flower, concentrates, vapes, edibles, pre-rolls and tinctures.

Disclaimer – In Good Health Closing Conditions

The Company has the exclusive right to acquire In Good Health, subject to the satisfaction of certain conditions contained in the applicable agreements, and the Company's receipt of financing to pay the cash portion of the purchase price. The transaction is expected to close in January 2020.

Forward Looking Statements

This press release contains certain "forward-looking information" within the meaning of applicable Canadian securities legislation and "forward-looking statements" as that term is defined in the Private Securities Litigation Reform Act of 1995 (collectively, the "forward-looking statements"). These statements relate to anticipated future events, future results of operations or future financial performance of CLS and In Good Health, and anticipated growth of CLS and In Good Health. These forward looking statements include, but are not

limited to, statements relating to whether and when certain transactions will be completed, including the proposed In Good Health acquisition. 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. See CLS Holdings USA filings with the SEC and on its SEDAR profile at www.sedar.com for additional details.

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