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Clever Leaves First Colombian Company to Export Medical Cannabis to Canada

Health Canada has authorized Clever Leaves to import dry cannabis flower for scientific purposes

BOGOTÁ, Colombia, Feb. 7, 2019 /PRNewswire/ -- Ecomedics S.A.S., ("Clever Leaves" or the Company"), a leading vertically-integrated Colombian licensed producer of pharmaceutical-grade medical cannabis serving the global market, has become the first Colombian company authorized to export cannabis into Canada. This will be the first inter-permit to bring cannabis into Canada for scientific purposes from Colombia.

"This is a milestone in the history of Colombia and the medical cannabis industry, as it illustrates that Colombia is positioned to become a global leader in a highly technical industry. Foreign investment, job creation, innovation in pharmaceutical technology are just some of the benefits that Clever Leaves generates for the country and the global cannabis and pharmaceutical markets," says Andrés Fajardo, CEO of Clever Leaves.

Health Canada, Canada's government agency responsible for national public health and oversight of the medical cannabis industry, issued six authorizations to Clever Leaves on January 16 to import dry cannabis flower for scientific purposes. On January 29, the Colombian National Narcotics Fund (El Fondo Nacional de Estupefacientes or the "FNE") granted the approvals necessary to export the material from Colombia. Clever Leaves will begin the export in mid-February.

"Colombia has the unique potential to become a global leader in the cannabis value chain, creating a sustainable plank of economic development for the country. As the demand for medical cannabis increases, Clever Leaves has the advantage to position itself as the leading exporter for pharmaceutical-grade cannabis," says Kyle Detwiler, Chief Executive Officer of Northern Swan Holdings, Inc. ("Northern Swan"), Clever Leaves' financial sponsor that helped secure the import permit with Health Canada.

Clever Leaves met all the requirements of Health Canada to obtain the import permit, which demonstrates the high quality of its cultivation practices, extraction facilities, operating procedures, and management team. The company is currently cultivating medical cannabis in the first phase of a 1.5 million square foot agricultural production facility.

Colombia has worked diligently in recent years to become one of the most sophisticated and comprehensive medical cannabis markets in the Southern Hemisphere. With a clear regulatory framework and the potential for large-scale, low-cost production, Colombia could become one of the largest global export leaders of medical cannabis.

About Clever Leaves

Founded in 2016, Clever Leaves is cultivating medical cannabis in the first phase of a 1.5 million square feet agricultural production facility which is compliant with Good Agricultural and Collection Practices ("GACP"). The Company began operating an EU Good Manufacturing Practices ("EUGMP")-compliant extraction laboratory in November 2018 which anticipates securing EUGMP certification in late 2019. Clever Leaves will produce approximately 29,000 kg and 77,000 kg of dried flower product in 2019 and 2020, respectively, which will be processed into approximately 2,900 kg and 7,700 kg of medical cannabis oil extract in 2019 and 2020, respectively. The Company is already recognized as a standard-bearer of job creation in Colombia with approximately 200 employees with plans to employ over 500 professionals by the end of 2019.

About Northern Swan

Northern Swan is an investment firm focused on transformative investments in the international cannabis industry in geographies where the sector is federally legal. With offices in New York, Toronto, Bogota, and Frankfurt, Northern Swan invests in and assists emerging companies develop low-cost production capacity and distribution capabilities to improve distribution globally and generate brand value. Prior to founding Northern Swan, its management team has collectively invested in excess of \$3 billion of capital at Blackstone, KKR, and Och-Ziff.

Forward Looking Information

This press release contains forward-looking information based on current expectations. These statements should not be read as guarantees of future performance or results. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by such statements. Although such statements are based on management's reasonable assumptions, the Company assumes no responsibility to update or revise forward-looking information to reflect new events or circumstances unless required by law. Although the Company believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because the Company can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. These statements speak only as of the date of this press release. Actual results could differ materially from those currently anticipated due to a number of factors and risks including various risk factors.

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