



Emerald Health Therapeutics Announces Private Placement and Shares for Debt Transaction and Changes to Board of Directors

VICTORIA, BC, August 8, 2016 – Emerald Health Therapeutics Inc. (TSXV: EMH) ("Therapeutics") is pleased to announce a proposed private placement (the "**Offering**") of up to 4,077,687 units (a "**Unit**") of the Company with Emerald Health Sciences Inc. ("**Sciences**"), a creditor and major shareholder of Therapeutics at a price of \$0.205 per Unit. Each Unit will consist of one common share and one common share purchase warrant (a "**Warrant**"). Each Warrant will entitle the holder thereof to acquire an additional common share at a price of \$0.27 per common share for a period of two years from the closing date. The closing of the Offering is expected to occur in multiple tranches over a period of twelve months from the initial closing. Closing of the initial tranche is conditional upon, among other things, negotiation of final documentation and approval of the TSX Venture Exchange. Closing of each subsequent tranche will be subject to satisfaction of customary closing conditions and approval of the TSX Venture Exchange.

The proceeds of the Offering will be used for general working capital purposes and all securities issued pursuant to the Offering will be subject to a hold period expiring four months and a day following the date of issue.

The Company also announces that it has entered into a debt settlement agreement (the "**Agreement**") with Sciences, pursuant to which Therapeutics has agreed to issue an aggregate of 4,494,955 common shares at a deemed price of \$0.205 per common share (the "**Shares for Debt Transaction**") in exchange for settlement of indebtedness of \$921,465 pursuant to a previously announced loan agreement and the interest accrued thereon. Therapeutics decided to satisfy this outstanding indebtedness with common shares as Therapeutics does not currently have the funds available to pay the amounts outstanding. Closing of the Shares for Debt Transaction is subject to approval from the TSX Venture Exchange.

Sciences currently holds approximately 28,254,441 of the issued and outstanding shares of Therapeutics and upon issuance of the common shares under the Offering and Shares for Debt Transaction, will hold approximately 68% on an undiluted basis.

As Sciences is an insider of the Company, the participation in the Offering and Shares for Debt Transaction is considered to be a "related party transaction", as defined under Multilateral

Instrument 61-101 (“**MI 61-101**”). The Company intends to rely on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(b) and 5.7(a).

Changes to Board of Directors

The Company announces the appointment of Bob Rai to the Board of Directors, effective immediately. Bob Rai is an entrepreneur with 18 years of experience in operating a string of Medicine Shoppe Pharmacy Outlets (www.pharmacybc.com) in Greater Vancouver, Canada. His pharmacies are the first in Canada to launch two new pilot programs - Point of Care HIV tests and screening for Chronic Kidney Disease. Both of these government-funded programs are being carried out at his Medicine Shoppe Pharmacy Outlets. These are pioneering and innovative programs, which are expected to help expand the scope of practice for the profession of pharmacy. He is a shareholder and sat on the Board of Directors of Perceptronix Medical Inc. (www.pmilabs.com), (www.perceptronix.com) from 2011-2014; a company focused on early cancer detection. He is also Chairman and Chief Executive Officer of Canadian Pacific Global Pharmaceuticals and Chairman of its subsidiary, PharmaCanada Inc. (www.earlycancerdetect.com).

The Company also wishes to announce that David Raffa has tendered his resignation from the Board to focus on his other endeavours. We wish to thank Mr. Raffa for all of his efforts on behalf of the Company, having served as the founding executive chair. His early efforts were instrumental in getting the Company launched. We wish Mr. Raffa all the best in the future.

Emerald Health Therapeutics Inc.

Emerald Health Therapeutics wholly owns Emerald Health Botanicals. Emerald Health Botanicals holds a License under the Marihuana for Medical Purposes Regulations (Canada) to cultivate and sell medical cannabis out of its facility located in Victoria, British Columbia. It also holds a Supplemental License to produce and sell medical cannabis oils and capsules.

ON BEHALF OF THE BOARD

"Avtar Dhillon"
Executive Chairman

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Cautionary Statements Regarding Forward Looking Information

Certain statements in this press release constitute forward-looking statements, within the meaning of applicable securities laws. All statements that are not historical facts, including without limitation, statements regarding future plans, programs, objectives, assumptions, expectations or beliefs of future performance, are "forward-looking statements".

We caution you that such "forward-looking statements" involve known and unknown risks and uncertainties that could cause actual and future events to differ materially from those anticipated in such statements.

Forward-looking statements include, but are not limited to, statements with respect to the private placement offering, debt settlement transaction and the number of and price of shares to be issued and other information that is based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management.

Emerald Health Therapeutics Inc. does not intend, and does not assume any obligation, to update these forward-looking statements except as required by law. These forward-looking statements involve risks and uncertainties relating to, among other things, failure to obtain approval of the TSX Venture Exchange, failure to negotiate final transaction documents, failure to meet conditions precedent to closing of the private placement offering. Actual results may differ materially from those expressed or implied by such forward-looking statements.

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