



Emerald Health Therapeutics Signs Cannabis Supply Memorandum of Understanding with British Columbia Liquor Distribution Branch

VICTORIA, British Columbia, July 24, 2018 – Emerald Health Therapeutics, Inc. (TSXV:EMH; OTCQX:EMHTF) (“Emerald”) has signed a Memorandum of Understanding (“MOU”) with the British Columbia Liquor Distribution Branch (“BCLDB”) to supply its high-quality cannabis products to the BCLDB to serve the adult-use market throughout the province.

“Emerald has a strong relationship with the BCLDB team, and our new supply partnership will allow us to provide them with local access to our large cannabis production capacity,” said Chris Wagner, CEO at Emerald. “We have been in negotiations with the BCLDB for a number of months and elected to wait until we could achieve suitable pricing before committing to an MOU. The initial MOU references 1,086 kg of cannabis products, which aligns with our production ramp-up while allowing for adequate supply for other provincial supply agreements and our medical strategy. Based on our assessment of the BC market opportunity and our expected production capacity, we are now allowing for approximately 13,000 kg of product allocation for the BC non-medical market over the next year and a half.”

“Our relationship with the BC government is a cornerstone of Emerald’s nationwide distribution and sales strategy and we aim to be a key cannabis supplier in the province. We are in similar discussions with other provinces and expect to announce additional supply commitments in the near future. As with BC, our focus is not on how quickly we can enter into supply agreements. Our aim is to ensure we achieve terms that provide the best long-term return for Emerald and its shareholders.”

Emerald is focused on product innovation that will command high profit margins; differentiating marketing, distribution, and sales strategies; and securing significant supplies of safe, quality, and low-cost production, whether internally cultivated or externally sourced.

Emerald currently has two facilities in commercial production. Emerald’s Pure Sunfarms joint venture has a cultivation site license for its 1.1 million square foot (25 acre) greenhouse in Delta, BC, with 225,000 square feet converted and operating. Conversion of the entire 25 acre greenhouse is expected to be completed before year end. Emerald’s 75,000 square foot Agro-Biotech indoor cultivation facility in Montreal, Quebec is operating with an initial 20,000 square feet. We expect the Agro-Biotech facility to also be completed by year end.

About Emerald Health Therapeutics, Inc.

Emerald Health Therapeutics (TSXV: EMH; OTCQX: EMHTF; Frankfurt: TBD) is a Licensed Producer under Canada’s Access to Cannabis for Medical Purposes Regulations and produces and sells dried cannabis and cannabis oil for medical purposes. Emerald is preparing to serve the fully legalized Canadian adult-use cannabis market starting October 17, 2018. Emerald owns 50% of Pure Sunfarms, which is converting a licensed existing 1.1 million square foot (25 acres) greenhouse in Delta, BC and is in commercial production. It also wholly owns Agro-Biotech, a Montreal-based licensed cannabis grower with a 75,000 square foot indoor facility and is planning to add a 500,000 square foot wholly owned greenhouse in Metro Vancouver.

Emerald's team is highly experienced in life sciences, product development, large-scale agri-business, and marketing, and is focused on developing value-added cannabis-based products with potential wellness and medical benefits. Emerald is part of the [Emerald Health group](#), which is broadly focused on developing pharmaceutical, botanical, and nutraceutical products that provide wellness and medical benefits to people through interacting with the human body's endocannabinoid system.

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We cannot guarantee that any forward-looking statement will materialize, and readers are cautioned not to place undue reliance on these forward-looking statements. These forward-looking statements involve risks and uncertainties related to, among other things, failure to obtain regulatory approvals; failure to obtain necessary financing; results of production and sale activities; results of scientific research; regulatory changes; changes in prices and costs of inputs; demand for labour; demand for products; as well as the risk factors described in the Company's annual information form and other regulatory filings. The forward-looking statements contained in this press release represent our expectations as of the date hereof. Forward-looking statements are presented for the purpose of providing information about management's current expectations and plans and allowing investors and others to obtain a better understanding of our anticipated operating environment. Readers are cautioned that such information may not be appropriate for other purposes. The Company undertakes no obligations to update or revise such statements to reflect new circumstances or unanticipated events as they occur, unless required by applicable law.