



Emerald Health Therapeutics Completes Full Acquisition of Licensed Dealer Northern Vine to Advance Product Innovation

Acquisition expands Emerald's business to analytical testing services and import/export opportunities facilitated by dealer license

VICTORIA, British Columbia, July 19, 2018 – Emerald Health Therapeutics, Inc. (TSXV:EMH; OTCQX:EMHTF) (Emerald) has signed a definitive agreement (“Agreement”) to acquire the remaining shares of Northern Vine Canada Inc. (Northern Vine), owned by Abattis Biocenticals Corp. (Abattis) (CSE: ATT; OTC: ATTBF), for \$2 million in cash and \$4 million in shares of Emerald stock. This transaction increases Emerald's ownership of Northern Vine from 65% to 100%. Northern Vine is a Licensed Dealer (LD) under the provisions of the Canadian Controlled Drugs and Substances Act.

“Product innovation is a primary pillar of Emerald's global business strategy. The acquisition of Northern Vine allows us to leverage its dealer license and research and development facility to advance our research plans to develop cannabis formulations supporting new products for both recreational purposes and to treat a broad spectrum of human conditions and diseases,” said Chris Wagner, CEO of Emerald. “The dealer license would also enable Emerald to cost effectively source non-dried-flower cannabis products from suppliers in other countries.”

“Northern Vine will operate independently of Emerald and is committed to serving all clients, including Licensed Producers and patient-growers. Legalization of cannabis for medical and recreational purposes is expected to drive demand for analytical testing services to assess potency and concentration of toxic materials. The global market is expected to exceed \$1 billion in 2018¹. We expect significant growth potential for Northern Vine in the Canadian analytical testing marketplace.”

An LD is permitted to conduct certain activities that Licensed Producers (LP) are not permitted under Access to Cannabis for Medical Purposes Regulations (ACMPR), such as importing/exporting cannabis oils, as well as preparing the manipulation, formulation, dosage form, strength or package size of cannabis products, including mixtures with other additives, controlled substances, and non-controlled substances. In addition, it allows Emerald to participate in the growing market for cannabis analytical testing, which is expected to grow in conjunction with increasing cannabis production volumes in Canada.

In November 2017, Emerald acquired 53% of Northern Vine from Abattis for \$2 million. In May 2018, Emerald increased its stake to 65% for an additional \$2.75 million.

The Agreement also includes a milestone payment in the form of common shares of Emerald valued at \$4 million if Northern Vine and/or Emerald receive gross revenue of \$10 million from the sale of products or services introduced by Abattis.

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

¹ Market Insights - Cannabis Testing Market, Coherent Market Insights

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 greenhouse in Delta, BC and is now in commercial production. It owns Agro-Biotech, a Québec-based licensed cannabis grower with a 75,000 square foot indoor facility and is planning to add a 500,000 square foot 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 may provide wellness and medical benefits by 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.