



Emerald Health Therapeutics and Village Farms International Announce Cannabis Cultivation License for 1.1 Million Ft² Delta 3 Greenhouse Operation

***– Unmatched Experience and Expertise and Optimized Facility Design Will
Support Continuous Production and Consistent Quality and Supply –***

Vancouver, BC, March 5, 2018 – Emerald Health Therapeutics, Inc. (Emerald) (TSXV: EHT; OTCQX: EMHTF) and Village Farms International, Inc. (Village Farms) (TSX:VFF) (OTCQX:VFFIF) today announced that Health Canada has issued a Cultivation Licence for their co-owned Delta 3 greenhouse operation (the “Joint Venture”) under Canada’s Access to Cannabis for Medical Purposes Regulations (“ACMPR”). This optimally-designed 1.1 million ft² cannabis growing facility is located in one of the best growing climates in Canada in Delta, BC, and is conservatively projected to produce 75,000 kg of quality cannabis annually at full production.

Village Farms and Emerald aim for the Joint Venture to be one of the most consistent and reliable suppliers of quality cannabis products to wholesalers, distributors and retailers across Canada and internationally, with the goal to be the low-cost cannabis Canadian producer at an all-in production cost of less than \$1.00 per gram at full production.

The Joint Venture will immediately begin cultivating cannabis in the Delta 3 greenhouse following the transfer of existing starter plants from Emerald and expects to receive its Sales License under ACMPR by July 1, 2018.

“Our Joint Venture is well positioned to be a leading supplier in the imminent legal adult-use Canadian cannabis market, with potentially significant benefit to each of our companies and our shareholders,” said Avtar Dhillon, MD, Executive Chairman of Emerald. “With Emerald’s in-depth cannabis expertise, Village Farms’ know-how based on innumerable crop cycles over 30 years of large-scale greenhouse growing, and working with global agricultural leaders and high-tech facilities and systems experts, we configured this greenhouse for continuous weekly harvesting year-round, maximum operating efficiencies, and flexibility to adapt to an evolving market. We are accomplishing this on a very capital-efficient basis.”

“Growing any agricultural crop on a large scale and repeatedly delivering expected quantities and consistent quality, with full regulatory compliance, at a competitive price is an extremely challenging proposition for even the most experienced agricultural producers. The goal is for the Joint Venture to set the standard in this regard in the Canadian cannabis industry and establish itself as a preferred supplier for both the short- and long-terms,” said Michael DeGiglio, CEO, Village Farms International. “In addition to production ramp-up, in 2018 the Joint Venture will focus on product development and developing its marketing strategy to become a vertically integrated leader in the Canadian cannabis market.”

The Joint Venture is converting the Delta 3 greenhouse operation to cannabis production with meticulous attention to the growing environment and systems, processing areas, and production ramp-up, with a particular focus on management of climate and contaminants, optimizing yield, maximizing efficiencies, and achieving continuous year-round production. Key elements of the design, conversion, and operations include:

- Growing system with automation proven in different crops to provide optimal efficiencies;
- Industry-leading HVAC systems reflecting hundreds of aggregate years of climate management experience, with technically advanced data systems;
- High-tech light deprivation and light supplementation systems with individual control of over 15 growing zones within the 1.1 million ft² footprint;
- Fully automated 90,000 square feet nursery capable of supplying Delta 3 (as well as the 1.1 million ft² Delta 2 facility should the Joint Venture exercise its option to purchase that facility, as described below);
- State of the art drying, trimming and packaging areas;
- Core upgrades to facility infrastructure;
- Use of an established labour force and proprietary labour tracking systems; and,
- Secure supply of low-cost electricity from BC Hydro sufficient to power Delta 3 at full production (and, if required, to power the Delta 2 facility at full production).

Conversion of the first 250,000 ft² section of the 1.1 million ft² Delta 3 greenhouse to cannabis production is substantially complete and is expected to commence production in April 2018. Senior growing and operational personnel, including the established team transferred from Village Farms, are in place for production ramp up. Conversion of the remainder of the 1.1 million ft² is underway and the entire facility is expected to be in production in 2019.

The Joint Venture holds options on two additional state-of-the-art greenhouses owned by Village Farms (Delta 2 and Delta 1, with 1.1 million ft² and 2.6 million ft² of growing capacity, respectively). Exercising these options would expand the Joint Venture's production facility to 4.8 million ft² and make it one of the largest cannabis producers in Canada.

About Village Farms International, Inc.

Village Farms is one of the largest producers, marketers, and distributors of premium-quality, greenhouse-grown fruits and vegetables in North America. The food our farmers grow, along with other greenhouse farmers under exclusive arrangements are all grown in environmentally friendly, soil-less, glass greenhouses. The Village Farms® brand of fruits and vegetables is marketed and distributed primarily to local retail grocers and dedicated fresh food distributors throughout the United States and Canada. Since its inception, Village Farms has been guided by sustainability principles that enable us to grow food 365 days a year that not only feeds the growing population but is healthier for people and the planet. Village Farms is Good for the Earth® and good for you.

About Emerald Health Therapeutics

Emerald Health Therapeutics, Inc. (TSXV: EMH; OTCQX: EMHTF) operates through Emerald Health Therapeutics Canada Inc. ("EHTC"), a wholly owned subsidiary and Licensed Producer under Canada's Access to Cannabis for Medical Purposes Regulations. Through EHTC, Emerald is authorized to produce and sell dried cannabis and cannabis oil for medical purposes. It operates an indoor facility in Victoria, BC, and is building a 500,000 ft² greenhouse on 32 acres in Metro

Vancouver, with expansion potential to 1 million ft² to serve the anticipated legal Canadian adult-use cannabis market starting in 2018. Emerald owns 50% of a Joint Venture with Village Farms International, Inc. that is converting an existing 1.1 million ft² greenhouse in Delta, BC to grow cannabis. Emerald's team is highly experienced in life sciences, product development and large-scale agribusiness. 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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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 estimates, plans, programs, forecasts, projections, 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 build out of the Company's growing facility and the details thereof; rapid production capacity expansion; estimates of production of cannabis at the Initial greenhouse and the additional facilities discussed herein; the development and potential size of a non-therapeutic adult-use market for cannabis and cannabis extracts; contributions of cash to the JV; the JV becoming one of the world's premier greenhouse cannabis growers; 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 of the federal government to approve legislation legalizing sales of non-therapeutic adult-use cannabis; failure to obtain Health Canada and other regulatory approvals; failure to obtain necessary financing; results of production and sale activities; the Company's historical experience with medical marijuana operations; results of scientific research; uninsured risks; regulatory changes; difficulties in construction or in obtaining qualified contractors to complete construction or conversion of facilities; availability of production facilities; timeliness of government approvals and the granting of permits and licenses; changes in prices and costs; actual operating and financial performance of facilities; equipment and processes relative to specifications and expectations; as well as the other risk factors set out in the Company's annual information form and other filings with the applicable Canadian securities regulators, which may be viewed at www.sedar.com. Actual results may differ materially from those expressed or implied by such forward-looking statements.