



FOR IMMEDIATE RELEASE

News Release

March 31, 2020

Asterion Signs Exclusive Definitive Association Agreement for \$400 Million Financing, Development and Construction

Vancouver, British Columbia: Asterion Cannabis Inc. (“Asterion” or the “Company”), announces that the Company and its wholly-owned Australian subsidiary, Asterion (Australia) Pty Ltd., (“Asterion (Australia)”), has entered into an exclusive Definitive Association Agreement (DAA) on March 30, 2020, to finalize the development, construction, maintenance and financing of the first (\$400 million) phase of its facilities in Toowoomba, Queensland, Australia (“Project”) with entities within the **Watpac Limited** group (“**Watpac**”).

Watpac is a large and well-known contractor in Australia and part of the BESIX Group, a global construction, property development and concessions company.

The DAA sets out a process for the parties to rapidly enter into Design and Construct and Facilities Maintenance agreements (or agreements of similar nature). As part of the DAA Watpac will work with Asterion to finalise acceptable standard Australian commercial terms for these agreements and separately investigate opportunities for investment in the Project.

Asterion’s Chairman and CEO, Mr. Stephen Van Deventer, commented, “This is a significant milestone achieved during the current global economic uncertainty and dynamic cannabis capital markets. Watpac and Asterion are aligned in the vision to bring our facility into successful and efficient production. Together we will work to finalise acceptable standard Australian commercial terms for funding and maintenance. Over the next few years Asterion coupled with Watpac’s skillset will set benchmarks within this rapidly evolving medical cannabis industry in the pharmaceutical sector.”

Watpac’s CEO, Jean-Pol Bouharmont, commented, “We are excited to be working with Asterion on this unique, next generation project and we look forward to bringing our expertise in project development, design, detailed engineering and construction of large-scale infrastructure to their proposed new Toowoomba facility. It’s scale and unique combination of the advanced intensive horticulture and pharmaceutical grade processes and products presents an exciting opportunity for us. ”.

Asterion is currently in the process of completing a non-brokered private placement for \$10 million equity at \$1.50 per share with a half warrant, each whole warrant entitling the holder thereof to purchase an additional share at \$2.00 per share for two years subject to an accelerator. Only accredited and sophisticated investors may participate. The proceeds of these funds will be used for operations and implementing sales of medical cannabis to registered Australian medical

patients. All securities issued under the non-brokered private placement will be subject to a hold period of four months and one day in Canada.

This news release does not constitute an offer to sell or a solicitation of an offer to buy the securities described herein in the United States, or in any jurisdiction in which such an offer or sale would be unlawful. The securities described herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the “1933 Act”) or any United States state securities laws, and may not be offered or sold in the United States or to the account or benefit of a “U.S. person” (as defined in Regulation S under the 1933 Act) or a person in the United States absent registration or an applicable exemption from the registration requirements.

About Asterion

Asterion Cannabis Inc. is a Canadian medicinal cannabis company with a wholly-owned Australian subsidiary, Asterion (Australia) Pty Ltd. With its cultivation to market strategy, the company's focus is leading and advancing cannabis agriculture, producing the highest quality, low cost, genetically uniform cannabis strains and cannabinoid products for global supply. The Australian government formally recognizes the company with a Major Project Status and the company has been granted a medicinal cannabis license, a cannabis research license, and a manufacture license from the Australian Office of Drug Control.

Led by a highly experienced team with over 200 years of combined relevant credentials spanning – North America, Europe, the Middle East, and Asia-Pacific. Management experience with large scale projects includes medicinal cannabis, renewable energy, and capital markets.

About Watpac

Watpac is a leading national construction group with operations across Australia’s East Coast and South Australia and the Northern Territory. Watpac has been part of Australia’s communities for nearly four decades and through previous entities since the 1920s. Watpac employs around 700 people, and in December 2018, Watpac became a wholly owned subsidiary of BESIX Group. BESIX is a multidisciplinary contracting company founded in Belgium more than 100 years ago. The company specialises in complex construction, infrastructure and marine works with a focus on value creation across the project lifecycle. BESIX employs around 15,000 people globally. More information is available at www.watpac.com.au

On Behalf of the Board of Directors

“Stephen Van Deventer”
Chairman & CEO

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Forward-Looking Statements:

This news release contains forward-looking statements and forward-looking information (collectively, “forward-looking statements”) within the meaning of applicable Canadian and U.S. securities legislation, including the United States *Private Securities Litigation Reform Act of 1995*. All statements in this news release that are not purely historical are forward-looking statements and include statements regarding beliefs, plans, expectations and orientations regarding the future including, without limitation, the amount of the non-brokered private placement, the intended use of proceeds of the non-brokered private placement, the construction of the Project, the financial investment in the Project and provision of maintenance services following the completion of the construction of the Project by the Finance Company and the Company’s anticipated business plans and prospect of success in executing its plans. Often, but not always, forward-looking statements can be identified by words such as “plans”, “expects”, “may”, “will”, “intends”, “anticipates”, “believes”, “proposes” or variations of such words including negative variations thereof and phrases that refer to certain actions, events or results that may, could, would, might or will occur or be taken or achieved. Forward-looking statements are based on certain assumptions regarding the Company, including expected growth, results of operations, industry trends, growth opportunities, and the Company and Asterion Australia’s expectations that Asterion Australia will be granted the necessary permits and be able to continue to obtain the financing needed to complete the Project and to carry out its planned future activities, retain and attract qualified personnel and obtain and/or maintain the necessary rights or permits needed to carry out its future business activities.

Actual results could differ from those projected in any forward-looking statements due to numerous factors including, but not limited to, the inability of the Company and/or Asterion (Australia) to, among other things, successfully complete the non-brokered private placement, successfully complete the Project, obtain the required regulatory approvals and financing required for the construction and operation of the Project, execute its proposed business plans, and carry out its planned future activities. Other factors such as general economic, market or business conditions, outbreaks of infectious diseases or the occurrence of pandemics, such as the recent outbreak of the novel coronavirus COVID-19, or changes in laws, regulations and policies affecting the biotechnology or medical cannabis industry and delays in obtaining governmental and regulatory approvals, may also adversely affect the future results or performance of the Company and Asterion (Australia). These forward-looking statements are made as of the date of this news release and, unless required by applicable law, the Company assumes no obligation to update the forward-looking statements or to update the reasons why actual results could differ from those projected in these forward-looking statements. Although the Company believes that the statements, beliefs, plans, expectations, and intentions contained in this news release are reasonable, there can be no assurance that those statements, beliefs, plans, expectations, or intentions will prove to be accurate. Readers should consider all of the information set forth herein and should also refer to other periodic reports provided by the Company from time-to-time.

Readers are cautioned that forward-looking statements are not guarantees of future performance or events and, accordingly, are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty of such statements.