



Alta Supply and Vista Receive Temporary California Cannabis Distribution Licenses

Ottawa, Canada – January 3, 2018 – CannaRoyalty Corp. (CSE: CRZ) (OTCQX: CNNRF) (“CannaRoyalty” or the “Company”), today announced that on January 2, 2018, Alta Supply Inc. (“Alta Supply”) received a Temporary Cannabis Distribution License (Type 11 – Medical). Vista Distribution Inc. (“Vista”), an Oakland distribution company 49% owned by Alta Supply, received the same class of distribution license the date prior (collectively, the “Licenses”). These Licenses enable Alta Supply and Vista to engage in commercial cannabis distribution in the state of California, through facilities in Oakland, California. Alta Supply is a distributor of Bhang® vaporizer and Bhang® chocolate products, as well as products for over a dozen other well-known third-party cannabis companies throughout California. As announced on November 28, 2017, CannaRoyalty has executed a binding term sheet to acquire Alta Supply.

“Distribution is going to be an increasingly important part of the value chain moving through 2018 as California transitions to a full recreational adult-use market,” said Marc Lustig, CEO of CannaRoyalty. “In addition to the rapid growth expected in the overall California market, regulations will be enforced beginning July 1st that all sales of cannabis products be distributed through a licensed distributor, like Alta Supply. CannaRoyalty, through its investees, has the broadest disclosed exposure to California State Licenses today and we look forward to an exciting year for the Company and for shareholders as we execute on the opportunities we have in front of us.”

CannaRoyalty-affiliated entities have filed a number of license applications in California. Some highlights regarding those entities and applications may be found in the Company’s press release titled: [*CannaRoyalty welcomes the transition of California into a full recreational adult-use cannabis market with the public market’s broadest disclosed exposure to California State Licenses*](#), dated January 2, 2018.

About CannaRoyalty

CannaRoyalty is an active investor and operator in the legal cannabis industry. Our focus is building and supporting a diversified portfolio of growth-ready assets in high-value segments of the cannabis sector, including research, consumer brands, devices and intellectual property. Our management team combines a hands-on understanding of the cannabis industry with seasoned financial know-how, assembling a platform of holdings via royalty agreements, equity interests, secured convertible debt, licensing agreements and its own branded portfolio. CannaRoyalty’s shares trade on the Canadian Stock Exchange (CSE) under the symbol CRZ and internationally on the OTCQX under the symbol CNNRF.

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Forward Looking Statements

Statements in this news release that are forward-looking statements are subject to various risks and uncertainties concerning the specific factors disclosed here and elsewhere in CannaRoyalty's periodic filings with Canadian securities regulators. When used in this news release, words such as "will, could, plan, estimate, expect, intend, may, potential, believe, should," and similar expressions, are forward-looking statements.

Forward-looking statements may include, without limitation, statements including the Company's expectations with respect to pursuing new opportunities and its future growth and other statements of fact.

Although CannaRoyalty has attempted to identify important factors that could cause actual results, performance or achievements to differ materially from those contained in the forward-looking statements, there can be other factors that cause results, performance or achievements not to be as anticipated, estimated or intended, including, but not limited to: dependence on obtaining regulatory approvals; investing in target companies or projects which have limited or no operating history and are engaged in activities currently considered illegal under US Federal Laws; changes in laws; limited operating history; reliance on management; requirements for additional financing; competition; hindering market growth and state adoption due to inconsistent public opinion and perception of the medical-use and adult-use marijuana industry and; regulatory or political change.

There can be no assurance that such information will prove to be accurate or that management's expectations or estimates of future developments, circumstances or results will materialize. As a result of these risks and uncertainties, the results or events predicted in these forward-looking statements may differ materially from actual results or events.

Accordingly, readers should not place undue reliance on forward-looking statements. The forward-looking statements in this news release are made as of the date of this release. CannaRoyalty disclaims any intention or obligation to update or revise such information, except as required by applicable law, and CannaRoyalty does not assume any liability for disclosure relating to any other company mentioned herein.