



23 Floor - 1066 West Hasting, Vancouver, B.C. V6E 4M1

May 18, 2018

Dear Valued Shareholder,

Thank you for your continued trust and confidence in Pacific West Canopy Holdings Ltd. (“**PacWest**”). You are helping us build an exceptional company; one whose future is bright. As I look back on the last several months, it is remarkable to note how quickly PacWest has progressed to achieve the planned objectives. We now look forward to meeting the objectives of our next stages of development.

We recently made a strategic decision to build a full production facility in the Town of Olds, Alberta; a welcoming community with a progressive view of our industry. Extensive research, as well as several successful meetings with both the Town of Olds and Modus Structures (“**Modus**”), determined that the Town of Olds is a much better opportunity than the previously planned facility in the Town of Sylvan Lake, Alberta. The Town of Olds is eager to facilitate and fast-track our planned development, a welcome change from the Town of Sylvan Lake. Additionally, the Town of Olds is a favourable choice in keeping with our desired timeline for completion of the facility as well as meeting cost objectives.

We have acquired a parcel of land in the Town of Olds just south of Sundial Growers, also a Licensed Producer. The first reading for a land use amendment to the property was brought forward to town council, and passed, in late April of 2018. It will go in for the second and third reading in mid-June 2018. We have confidence this meeting too will have a positive outcome. We will prepare and submit an application for a development permit for 2 acres of the lot subsequent to the third reading. In the meantime, we have engaged Modus to begin building plans for the facility and we intend to have a fully functioning facility with 20,000 square feet of cultivation space on site by October 2018.

Our Mission B.C build is moving stronger and quicker than anticipated. Omicron and Modus are working well together to ensure our timelines and objectives are met with the highest standards. Pre-construction is under way and Modus has provided us with a preliminary schedule for the facility build-out. The structures will be on-site in early July, 2018. Installation will begin on-site the following day with a completion date of August 2018.

We have engaged an international commercial HVAC company that specialises in indoor growing facilities. We have also engaged a commercial hydroponics system manufacturer, for automated cultivation equipment. It is paramount that all contractors meet PacWest, Modus and Omicron’s aggressive timeline for our builds.

For ongoing Shareholder Updates, I encourage you to visit our website which will be re-launched in late May 2018.

I will close where I started - with a thank you. Thank you for your support and continued interest in Pacific West Canopy Holdings Ltd. For more information please contact us at info@pacwestcanopy.com or at 1.888.426.9333.

Sincerely,

Kip Lindsay

CEO | Pacific West Canopy Holdings Ltd.

Certain statements included in this Investor's Update constitute "forward-looking statements" which involve known and unknown risks, uncertainties and other factors that may affect the results, performance or achievements of PacWest.

