



For Immediate Release

Surna Signs Two Project Contracts for a Combined Value of \$4.7 Million

\$2.5 million facility expansion project serves 40,000 square feet of cultivation space for Surna customer

Boulder, Colorado, April 9, 2019 – Surna Inc. (OTCQB: SRNA) announced today that it recently signed two contracts with a combined value of \$4.7 million.

1. **New facility construction project for \$2.2 million:** This contract is for a 90,000 square foot indoor cannabis facility that is being built in the Midwest. Our customer has been pre-approved for a state cannabis cultivation license and is moving forward with construction plans. We have received an advance payment of \$167,000 on this contract, which is partial payment for engineering and design services expected to be completed in Q2 2019. Payment for the remaining value of the contract, about \$2.1 million, is primarily for delivery of HVAC equipment, the timing of which remains uncertain due to construction permitting and typical construction delays—which are outside of our control. We estimate that the equipment portion of this contract could be delivered in Q3 and Q4 2019. However, this is only an estimate and there is no assurance when or if our customer will obtain construction permitting and be able to accept delivery of our equipment.
2. **Facility expansion project for \$2.5 million.** This contract is for the sale of equipment for a customer's 40,000 square foot expansion of a fully operational and licensed indoor cannabis cultivation facility. We have received an advance payment of \$500,000 on this contract and have commenced preparing the initial equipment package. Since this project is not subject to typical new construction licensing and permitting risks and the expansion building infrastructure is already in place, the full value of this contract is expected to be recognized by the end of Q2 2019 or early Q3 2019.

"With these contracts in hand, Surna is off to a promising start in 2019. If fully realized, these contracts alone would represent almost 49% of our full year 2018 revenue. The facility expansion project reflects our new strategy that focuses on more consistent and predictable revenue streams. While there are risks in all of our projects, expansion and retrofit projects are typically already licensed and operational, thus reducing the risks associated with new facility construction," said Surna's President & CEO Tony McDonald.

About Surna

Surna Inc. (www.surna.com) designs, engineers and manufactures application-specific environmental control and air sanitation systems for commercial, state- and provincial-regulated indoor cannabis cultivation facilities in the U.S. and Canada. Our engineering

and technical team provides energy and water efficient solutions that allow growers to meet the unique demands of a cannabis cultivation environment through precise temperature, humidity, light, and process controls and to satisfy the evolving code and regulatory requirements being imposed at the state, provincial and local level.

Forward Looking Statements

This press release may contain statements of a forward-looking nature relating to future events. These forward-looking statements are subject to the inherent uncertainties in predicting future results and conditions. These statements reflect our current beliefs, and a number of important factors could cause actual results to differ materially from those expressed in this press release, including the factors set forth in "Risk Factors" set forth in our Form 10-K filed with the Securities and Exchange Commission ("SEC"), and subsequent filings with the SEC. Please refer to our SEC filings for a more detailed discussion of the risks and uncertainties associated with our business, including but not limited to the risks and uncertainties associated with our business prospects and the prospects of our existing and prospective customers; the inherent uncertainty of product development; regulatory, legislative and judicial developments, especially those related to changes in, and the enforcement of, cannabis laws; increasing competitive pressures in our industry; and relationships with our customers and suppliers. Except as required by the federal securities laws, we undertake no obligation to revise or update any forward-looking statements, whether as a result of new information, future events or otherwise. The reference to Surna's website has been provided as a convenience, and the information contained on such website is not incorporated by reference into this press release.

Statement about Cannabis Markets

The use, possession, cultivation, and distribution of cannabis is prohibited by U.S. federal law. This includes medical and recreational cannabis. Although certain states have legalized medical and recreational cannabis, companies and individuals involved in the sector are still at risk of being prosecuted by federal authorities. Further, the landscape in the cannabis industry changes rapidly. This means that at any time the city, county, or state where cannabis is permitted can change the current laws and/or the federal government can supersede those laws and take prosecutorial action. Given the uncertain legal nature of the cannabis industry, it is imperative that investors understand that investments in the cannabis industry should be considered very high risk. A change in the current laws or enforcement policy can negatively affect the status and operation of our business, require additional fees, stricter operational guidelines and unanticipated shut-downs.

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