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22nd Century Raises 2017 Revenue Projection to \$16Million – Another Record Year

Factory will be profitable in 2018

CLARENCE, N.Y.--(BUSINESS WIRE)-- 22nd Century Group, Inc. (NYSE MKT:[XXII](#)), a plant biotechnology company, announced today that the Company's wholly-owned subsidiary, NASCO Products, recently entered into substantial new manufacturing agreements for the production of filtered cigars and other tobacco products. The products to be manufactured by 22nd Century as a result of these executed new contracts are currently supplied to more than 250 distributors and wholesalers and more than 40,000 retail stores across the United States.

In order to accommodate this sizeable increase in business, 22nd Century has already hired 37 new employees, more than doubling its workforce at the Company's NASCO factory in Mocksville, North Carolina. When combined with existing business, 22nd Century is raising its 2017 total revenue projection from a previously announced \$12,000,000 to more than \$16,000,000. In 2018, 22nd Century anticipates total revenues will significantly exceed \$20,000,000 and the Company's factory will be cash flow positive.

"Our manufacturing facility is a vital strategic asset for 22nd Century Group," explained Henry Sicignano, III, President and Chief Executive Officer at 22nd Century. "The factory enables 22nd Century to develop and manufacture the Company's SPECTRUM® government research cigarettes, our X-22 smoking cessation cigarettes in development, and 22nd Century's proprietary MRTP candidates: BRAND A Very Low Nicotine cigarettes, and BRAND B low tar-to-nicotine ratio cigarettes. Now, considering the newly signed contract manufacturing agreements, our NASCO production facility will also contribute positively to 22nd Century's bottom line."

About 22nd Century Group, Inc.

22nd Century is a plant biotechnology company focused on technology which allows it to increase or decrease the level of nicotine in tobacco plants and the level of cannabinoids in cannabis plants through genetic engineering and plant breeding. The Company's primary mission in tobacco is to reduce the harm caused by smoking. The Company's primary mission in cannabis is to develop proprietary cannabis strains for important new medicines and agricultural crops. Visit www.xxiiicentury.com and www.botanicalgenetics.com for more information.

Cautionary Note Regarding Forward-Looking Statements: This press release contains forward-looking information, including all statements that are not statements of historical fact regarding the intent, belief or current expectations of 22nd Century Group, Inc., its directors or its officers with respect to the contents of this press release, including but not limited to our future revenue expectations. The words "may," "would," "will," "expect," "estimate," "anticipate," "believe," "intend" and similar expressions and variations thereof are intended to identify forward-looking statements. We cannot guarantee future results, levels of activity or performance. You should not place undue reliance on these forward-looking statements, which speak only as of the date that they were made. These cautionary statements should be considered with any written or oral forward-looking statements that we may issue in the future. Except as required by applicable law, including the securities laws of the United States, we do not intend to update any of the forward-looking statements to conform these statements to reflect actual results, later events or circumstances, or to reflect the occurrence of unanticipated events. You should carefully review and consider the various disclosures made by us in our annual report on Form 10-K for the fiscal year ended December 31, 2016, filed on March 8, 2017, including the section entitled "Risk Factors," and our other reports filed with the U.S. Securities and Exchange Commission which attempt to advise interested parties of the risks and factors that may affect our business, financial condition, results of operation and cash flows. If one or more of these risks or uncertainties materialize, or if the underlying assumptions prove incorrect, our actual results may vary materially from those expected or projected.

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