



THC BIOMED INTL LTD.
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THC BioMed Turns a Profit and Exceeds \$1,000,000 in Revenue in First Quarter of 2020

CSE:THC

OTC:THCBF

F.TFHC

SUMMARY OF QUARTERLY RESULTS

	Quarter Ended	Revenue	Net Income (Loss)	Income (Loss) Per Share
Q1/2020	October 31, 2019	\$ 1,044,510	\$ 688,925	\$ -
Q4/2019	July 31, 2019	\$ 382,096	\$ (4,177,572)	\$ (0.04)
Q3/2019	April 30, 2019	\$ 354,326	\$ (4,905,797)	\$ (0.03)
Q2/2019	January 31, 2019	\$ 474,041	\$ (4,722,819)	\$ (0.04)
Q1/2019	October 31, 2018	\$ 279,140	\$ 1,106,841	\$ 0.01
Q4/2018	July 31, 2018	\$ 163,883	\$ (3,208,291)	\$ (0.02)
Q3/2018	April 30, 2018	\$ 179,771	\$ (89,245)	\$ -
Q2/2018	January 31, 2018	\$ 305,448	\$ (9,348,704)	\$ (0.09)

KEY HIGHLIGHTS

- Achieved revenues of over \$1,000,000⁽¹⁾ in the first three months of the fiscal year with an average selling price of \$4.20 per gram to medical patients and recreational buyers, such as the Ontario Cannabis Store and BC Cannabis Stores, much less than the average price reported for other Licensed Producers overall.
- Revenue for the quarter increased 274% compared to the same quarter last year
- Achieved a gross profit before fair value adjustments of \$295,480
- Achieved Adjusted EDITDA of \$890
- Had our license amended to include the production and sales of cannabis edibles, topicals, and extracts
- Submitted a new product application to Health Canada for *Pure Cannabis Sticks*—pre-rolls that are filtered, paper cylinders filled with our own pure cannabis to be manufactured using our automated production machine
- Announced an alternative, brand new cannabis beverage product, *THC Kiss*
- Acquired an additional strata lot at the production facility to continue to increase grow capacity
- Issued two convertible debentures for a total of \$904,536

⁽¹⁾ Includes excise taxes

KEY HIGHLIGHTS SUBSEQUENT TO THE THREE MONTHS ENDED OCTOBER 31, 2019

- Submitted a new product application to Health Canada for *THC Kiss*

Vancouver, November 25, 2019 -- THC BioMed Intl Ltd. (CSE:THC) (“THC BioMed” or the “Company”) is pleased to report its financial results for the three months ended October 31, 2019.

MANAGEMENT COMMENTARY

“We are proud to report that we surpassed the \$1,000,000 revenue mark for the first three months of our fiscal year. Our financial statements for Q1 2020 reflect the improvements we have realized in all key indicators of economic progress. Over the last year, we have completed and started using new grow rooms to increase our output. Our focus on high quality, indoor-grown cannabis at reasonable prices has made our cannabis a best seller,” said THC BioMed President & CEO, John Miller. “These results demonstrate the vision and abilities of our management team and we expect to continue this high level of performance going forward.”

All financial information in this press release is reported in Canadian dollars, unless otherwise indicated. This press release is intended to be read in conjunction with the Company’s Condensed Interim Consolidated Financial Statements and Management’s Discussion & Analysis for the three months ended October 31, 2019, which has been filed on SEDAR (www.sedar.com).

Statement of Comprehensive Income Summary

	For the three months ended	
	(Unaudited)	(Unaudited)
	October 31	October 31
	2019	2018
Revenue	\$ 1,044,510	\$ 279,140
Inventory expensed to cost of sales	(749,030)	(302,503)
Gross profit before fair value adjustments	295,480	(23,363)
Net change in fair value of biological assets	1,364,404	2,511,313
Gross margin	1,659,884	2,487,950
Total expenses	(970,959)	(1,381,109)
Net and comprehensive income for the period	\$ 688,925	\$ 1,106,841

Non-IFRS Earnings Measure

	For the three months ended	
	(Unaudited)	(Unaudited)
	October 31	October 31
	2019	2018
Net and comprehensive income for the period	\$ 688,925	\$ 1,106,841
Add back		
Interest	62,313	17,280
Depreciation and amortization	238,666	103,290
EBITDA ⁽²⁾ from continuing operations	989,904	1,227,411
Foreign exchange loss	2,181	3,294
Realized fair value changes in biological assets included in inventory sold	125,678	68,657
Realized loss on sale of asset	-	(1,154)
Share-based compensation	373,209	936,008
Unrealized gain on changes in fair value of biological assets	(1,490,082)	(2,579,970)
Adjusted EBITDA ⁽²⁾	\$ 890	\$ (345,754)

(2) These non-IFRS measures are defined in the Company's MD&A for the period ended October 31, 2019 ("Q1 2020")

Balance Sheet Summary

As at	(Unaudited)	(Audited)
	October 31 2019	July 31 2019
Current assets	\$ 6,301,916	\$ 5,217,996
Total assets	\$ 6,301,916	\$ 5,217,996
Current liabilities	\$ 4,188,603	\$ 3,290,724
Total liabilities	\$ 4,188,603	\$ 3,290,724
Working capital	\$ 2,113,313	\$ 1,927,272
Accumulated deficit	\$ 27,711,710	\$ 28,400,635

Cash Flow Statement Summary

	For the three months ended	
	(Unaudited) October 31 2019	(Unaudited) October 31 2018
Net and comprehensive income for the period	\$ 688,925	\$ 1,106,841
Cash, end of the period	\$ 180,856	\$ 1,810,903

About THC

THC BioMed is a *Cannabis Act* Licensed Producer of medical and recreational cannabis. It is licensed to cultivate and sell dried, extract, edible and topical cannabis. THC BioMed is Canada's largest supplier of legal Cannabis Genetics. The Company is on the leading edge of scientific research and the development of products and services related to the medical cannabis industry. Management believes THC BioMed is well-positioned to be in the forefront of this rapidly growing industry.

Please visit our website for a more detailed description of our business and services available.
www.thcbiomed.com

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Forward-Looking Information:

This press release may include forward-looking information within the meaning of Canadian securities legislation, concerning the business of THC BioMed Intl Ltd. ("THC"). Forward-looking information is based on certain key expectations and assumptions made by the management of THC. In some cases, you can identify forward-looking statements by the use of words such as "will," "may," "would," "expect," "intend," "plan," "seek," "anticipate," "believe," "estimate," "predict," "potential," "continue," "likely," "could" and variations of these terms and similar expressions, or the negative of these terms or similar expressions. Forward-looking statements in this press release include that THC will (a) continue this high level of performance going forward, and (b) be in the forefront of this rapidly growing industry. Although THC believes that the expectations and assumptions on which such forward-looking information is based are reasonable, undue reliance should not be placed on the forward-looking information because THC can give no assurance that they will prove to be correct. Forward-looking statements contained in this press release

are made as of the date of this press release. THC disclaims any intent or obligation to update publicly any forward-looking information, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.

The Canadian Securities Exchange (CSE) has not reviewed and does not accept responsibility for the adequacy or the accuracy of the contents of this release.