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## CORPORATE UPDATE TO ARROWSTAR'S SHAREHOLDERS

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**Vancouver, B.C. – November 4, 2019 Phillip Thomas, President of Arrowstar Resources Ltd. (“Arrowstar” or the “Company”)** (TSX.V AWS), is pleased to supply the following Corporate update to the Company’s shareholders.

The Company has received conditional approval from the Canadian Securities Exchange (the “CSE”) to have its shares listed on the CSE. On August 8, 2019 the Company issued a comprehensive news release detailing a letter of intent (the “LOI”) to enter into a Share Exchange Agreement with Adastra Labs Holdings Ltd. (“Adastra”) whereby the parties will complete a business combination by way of a transaction that will constitute a reverse takeover of the Company by Adastra (the “Transaction”).

The Company has also called an Annual General and Special Meeting for November 22, 2019 to approve the Transaction, delisting from the TSX Venture Exchange and listing on the CSE, approval of a name change to Adastra and other Corporate matters.

The Company is also please to announce that Adastra’s subsidiary Chemia Analytics Inc. (“Chemia”) has been granted an Analytical Testing Licence by Health Canada under the *Cannabis Act* and *Cannabis Regulations*. “It’s been a long road, but we’re happy to be here,” said Andy Hale CEO of Adastra. Last year on October 18<sup>th</sup>, Chemia was one of the first Analytical Testing licence applicants under the new Cannabis Tracking and Licensing System (“CTLS”) that had been rolled out by Health Canada.

“This year has been a learning process for our team and now we have demonstrable proof that we can reach critical milestones,” stated Andy Hale. Following the completion of the licence application in CTLS, Chemia completed the design of the lab space, nearly completed construction and selected equipment. Chemia expects the completion of construction by November and operations commencing by Q1 2020.

### **About Adastra Labs Holdings Ltd.**

Adastra (through its wholly owned subsidiaries, Adastra Labs Inc. and Chemia Analytics Inc.) is in the application process to become a Standard Processor and has received an Analytical Testing Licence by Health Canada under the *Cannabis Act* and *Cannabis Regulations* to become an analytical testing laboratory under the Cannabis Act administered by Health Canada, with licences to produce cannabis extracts and provide third party analytical testing services. These licences will further enable Adastra and its subsidiaries to produce, package, sell (wholesale), and export medically focused and recreational cannabis extract and concentrate products in Canada to other licensed entities and internationally in jurisdictions where medical cannabis extraction products are legal.

The Company’s operations include a facility in British Columbia, Canada. The Company is developing its 13,035 square feet facility to be fully devoted to standard processing and laboratory testing by late 2019, from which it expects to produce significant amounts of cannabis oil and/or hemp oil for the Canadian wholesale medical and recreational markets.

The Company will offer a suite of unique products under several existing consumer-focused brands, including tinctures, medicinal oils, concentrates, gel capsules and vaporizer pens. Through acquisition of existing cannabis extraction brands and careful development of its new brands, Adastra is working to position itself to become a leader in branded, commercialized products in both the medical and adult-use markets across North America and internationally.

For more information, please contact:

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On Behalf of the Board of Directors,  
Arrowstar Resources Ltd.

***“Phillip Thomas”***

President

*The TSX Venture Exchange Inc. has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this news release.”*

**Forward-Looking Statements:** This document includes forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning the Company's transaction. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may," "potential," "should," and similar expressions are forward-looking statements. Although Arrowstar believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements. Important factors that could cause actual results to differ from these forward-looking statements are disclosed under the heading "Risk Factors" and elsewhere in the corporation's periodic filings with Canadian securities regulators.

*Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accept responsibility for the adequacy or accuracy of this press release.*