

Adastra Labs Receives Health Canada Cannabis Processing Licence

LANGLEY, BC / ACCESSWIRE / March 16, 2020 / Adastra Labs Holdings Ltd. (CSE:XTRX) (“the Company”) a provider of same site cannabis extraction and analytical testing services, is pleased to announce it’s subsidiary Adastra Labs Inc. (“Adastra”) has been issued a Standard Processing licence under the *Cannabis Regulations* by Health Canada. The Standard Processing Licence received by Adastra will be valid for three years and authorizes Adastra to conduct cannabis processing activities at the Company’s newly renovated GMP compliant 13,000 sq ft facility located in Langley, British Columbia which is shared by subsidiary Chemia Analytics Inc., a Health Canada licensed Analytical Testing Laboratory.



“I am very proud of the Adastra Team for achieving this critical milestone in our business plan. We are eager to get started in refining and optimizing our cannabis processing operations as soon as possible,” stated CEO Andy Hale.

Under the terms of Adastra’s Standard Processing Licence Adastra will be able to possess cannabis, produce cannabis, by means other than cultivating it and to sell cannabis in accordance with the *Cannabis Regulations*. The issuance of a Standard Processor Licence will permit Adastra to execute its business plan and produce cannabis extract products and formulations. Upon the commencement of formal operations Adastra will be initially capable of processing approximately 10,000 grams of dried cannabis every hour into cannabis extracts. Adastra’s process will create high-value cannabis extracts by supercritical CO₂ extraction and secondary distillation that will be easily incorporated into a variety of value-added products such as, edibles, beverages, topicals, tinctures and vape cartridges that will serve the Canadian recreational and medicinal cannabis markets.

About Adastra Labs Holdings Ltd.

In Canada, Adastra Labs Holdings Ltd. is a British Columbia-based publicly traded cannabis company and, through its wholly owned subsidiaries, Adastra Labs Inc. and Chemia Analytics Inc., is a licensed Standard Processor and licensed 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 enable the Company’s 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.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION: This news release contains “forward-looking information” and “forward-looking statements” (collectively, “forward-looking statements”) within the meaning of the applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release. Any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as “expects”, or “does not expect”, “is expected”, “anticipates” or “does not anticipate”, “plans”, “budget”, “scheduled”, “forecasts”, “estimates”, “believes” or “intends” or variations of such words and phrases or stating that certain actions, events or results “may” or “could”, “would”, “might” or “will” be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements. In this news release, forward-looking statements relate, among other things, to: Adastra’s expectations concerning an increase in its production capacity. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to general business, economic, competitive, political and social uncertainties. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on the forward-looking statements and information contained in this news release. Except as required by law, Adastra assumes no obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change, except as required by law.

SOURCE: Adastra Labs Holdings Ltd.