

Adastra Provides Update on Annual and Interim Financial Statements

LANGELY BC / May 30, 2020 / Adastra Labs Holdings Ltd.

(CSE:XTRX)(FRANKFURT:D2EP) ("Adastra"), a Health Canada Licensed cannabis processing and analytical testing services Company, announces, further to its April 24, 2020 news release in relation to the timing of the filing of its year-end financial statements, the corporation now expects to file such documents on or prior to June 12, 2020.

The Corporation also announces that due to the continuing logistics and delays caused by the COVID-19 virus, it will rely on the blanket relief exemptions provided by the Canadian Securities Administrators postponing the filing of the following continuous disclosure documents (collectively, the "Interim Documents"):

- the Corporation's unaudited financial statements for the interim period ended March 31, 2020, as required by section 4.4 of National Instrument 51-102 - Continuous Disclosure Obligations ("NI 51-102"); and
- the Corporation's Management's discussion and analysis for the interim period ended March 31, 2020, as required by section 5.1(2) of NI 51-102.

The Corporation expects to file the Interim Documents no later than July 14, 2020.

Until the Corporation has filed the required Interim Documents, members of the Corporation's management and other insiders are subject to an insider trading black-out policy reflecting the principles contained in section 9 of National Policy 11-207 -- Failure to File Cease Trade Orders and Revocations in Multiple Jurisdictions.

Other than as disclosed in the Adastra's press releases, there have not been any material business developments since the filing on April 24, 2020 of the Corporation's news release regarding the postponement of the filing of its annual financials.

About Adastra Labs Holdings Ltd.

Adastra Labs Holdings Ltd. is a Langley, BC-based cannabis company with a co-located Health Canada Licensed Standard Processing Facility and Analytical Testing Laboratory. Adastra can produce cannabis extract through supercritical CO₂ extraction and secondary distillation as well as conduct in-process quality testing. Such extracts can easily be incorporated into edibles,

beverages, topicals, tinctures, vape cartridges and other products that will serve the Canadian medical and adult-use cannabis markets.

www.adastralabs.ca

Andrew Hale
Executive Officer
Adastra Labs Holdings Ltd.
Phone: (778) 715-5011
Email: andy@adastralabs.ca

Stephen Brohman
Chief Financial Officer
Adastra Labs Holdings Ltd.
Phone: (778) 715-5011
Email: steve@adastralabs.ca

Address: 5451 275th Street, Langley, BC V4W 3X8
Telephone: 778-715-5011
Fax: 844-874-9893

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 fulfilling its obligations under its agreements, purchase orders and receiving the economic benefits of such agreements or purchase orders. 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.