



Adastra Commences Full-Scale Cryo-Ethanol Extraction Operations

LANGLEY, BC / ACCESSWIRE / November 13, 2020 / Adastra Labs Holdings Ltd. (CSE:XTRX)(FRANKFURT:D2EP) ("Adastra") a Health Canada Licensed cannabis processing and analytical testing services Company, is pleased to announce the full-scale operation of its cryo-ethanol extraction system from Evolved Extraction Solutions ("Evolved").

"We are pleased to announce the successful commissioning of our industrial-scale cryo-ethanol system from Evolved Extraction Solutions. The EV-MASS cryo-ethanol extraction system has performed flawlessly as we put it through the paces at our facility in Langley, BC. With excellent cannabinoid recovery, the EV-MASS has tripled our capacity for production of cannabis oil." - Andy Hale, CEO Adastra.



Figure 1 - Commissioned Cryo-Ethanol Extraction System in Adastra

The Evolved team integrated with the Adastra production workforce to commission the EV-MASS system while leveraging remote support from the Yellowstone Falling Film Evaporator operations team. Both the EV-MASS cryo-ethanol system and the Yellowstone high-volume ethanol recovery system met all operational targets for the commissioning. The high quality cannabis oil has produced superior high potency cannabis THC distillate after follow-on processing with Adastra's molecular wiped-film distillation systems.

The EV-MASS cryo-ethanol system has commenced full operational capability after processing several hundred kilograms of cannabis biomass in a fraction of the time required by other extraction systems. The commissioning validated the ability of the system to process 650 KG of cannabis or hemp biomass per day, has made Adastra's CO₂ extraction line available for other concentrate products and reduced substantially the time required to produce cannabis oils and THC distillate. The industrial-scale EV-MASS system has become fully operation just in time to exploit the large processing demand the first outdoor Canadian cannabis harvest brings.

"We are very pleased the EV-MASS performed as well as it did. We are excited to continue operational performance testing with Adastra as they ramp up their production. This will provide valuable data to both Adastra and Evolved on optimal performance parameters to maximize efficiency and throughput." Adam Temple, CEO, Evolved Extraction Solutions.

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, cryo-ethanol 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

About Evolved Extraction Solutions

Evolved Extraction Solutions manufactures and distributes industry leading modular cannabis processing equipment. We integrate the EV-MASS ethanol extraction modules into a single, customized end-to-end processing system designed to fit with our client's specific objectives and facility layout. Our flagship EV-MASS solution design allows for versatile configuration and simplifies the installation at our client's facilities. By being the single touchpoint for our clients, we obtain a wholistic view on the client's entire process and business objectives. This heightens our ability to support them throughout their unique journey in founding, operating and scaling their business. We stock hundreds of products needed to operate a commercial cannabis processing facility, streamlining the procurement all of the supplies with one trusted source. This high touch model helps us understand our client's needs so we can optimize their operations and scale up their throughput quickly when they need more capacity. This is all backed by our industry leading "Evolved Performance Promise" meaning our job is not complete until our client has met their objectives. Evolved now serves small, medium and enterprise clients across Canada and the United States.

For more information about Evolved Extraction Solutions, please visit our website, www.evolvedextraction.com

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION:

Except for statements of historic fact, this news release contains certain "forward-looking information" within the meaning of applicable securities law including statements relating to repurposing production lines, expansion of services, capabilities of extraction equipment,

increasing production capacities, expected growth of the business, expected product quality and margins, capabilities to provide white label products. Forward-looking information is frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may" or "will" occur. Forward-looking statements are based on the opinions and estimates at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking statements including, but not limited to delays or uncertainties with regulatory approvals, including that of the CSE and Health Canada, economic, business, competitive, political and social uncertainties, failure to install and correctly utilize equipment, failure to effectively evaluate the equipment's capabilities and efficiencies, unexpected contamination of products, saturation of the market for the Company's current and proposed future product offerings, termination of expected supply agreements and loss of key personnel. There are uncertainties inherent in forward-looking information, including factors beyond the Company's control. There are no assurances that the business plans for the Company as described in this news release will come into effect on the terms or time frame described herein. The Company undertakes no obligation to update forward-looking information if circumstances or management's estimates or opinions should change except as required by law. The reader is cautioned not to place undue reliance on forward-looking statements. Additional information identifying risks and uncertainties that could affect financial results is contained in the Company's filings with Canadian securities regulators, which are available at www.sedar.com.

SOURCE: Adastralabs Holdings Ltd.