

Adastra Holdings Announces Record Total Purchase Orders Received in January and February

LANGLEY, BC / ACCESSWIRE / March 14, 2024 / Adastra Holdings Ltd. (CSE:XTRX)(FRA:D2EP) ("**Adastra**" or the "**Company**"), a leading cannabis processor and producer of two top Canadian concentrates brands, with a focus on product innovation and commercialization for adult-use and medical markets, is pleased to announce a record in total purchase orders ("**POs**") received in January and February 2024 of approximately CAD \$8.3M.

Adastra experienced a notable surge in POs throughout January and February 2024, predominately from Alberta, Ontario and British Columbia, resulting in a record total of POs for the period. The single largest purchase order ("**PO**") was received in February for CAD \$1,047,439 from Alberta Gaming, Liquor & Cannabis ("**AGLC**"), as previously announced in a news release dated March 1, 2024.

Adastra's in-house brand, Endgame Extracts ("**Endgame**"), won "Brand of the Year" at the 2023 Growup Awards and Gala ("**Growup**"), leading to increased sales and strong brand recognition. The Company bolstered production capacity at its Langley facility to accommodate the increased demand. Adastra launched new Endgame products in multiple provinces, contributing to the increase in POs experienced in January and February.

"This year has been off to a great start as demand for Adastra's products continues to reach unprecedented levels. We've set a new record for total purchase orders, reaching approximately \$8.3M in just two consecutive months. Winning Growup's Brand of The Year has not only reinforced our position as one of Canada's top cannabis concentrate brands, but it has led to increased demand for our products," said Michael Forbes, CEO of Adastra. *"Our record-breaking purchase orders is a testament to the trust our customers have in us and the hard work of our team. Moving forward, we are determined to maintain this momentum, set new records, and uphold our commitment to delivering exceptional products that exceed expectations."*

Board Update

Adastra announces the appointment of Andrew Hale, MBA, BSAE, PMP to its Board of Directors, effective March 13, 2024.

Mr. Hale is the founding CEO of Adastra and a seasoned leader of high performing teams delivering operations and complex program excellence. He brings decades of leadership and management experience to the Company. Mr. Hale commanded three nuclear-powered submarines in the U.S. Navy, overseeing \$4B in national assets. Later, he managed a \$3B CAD construction program at Seaspan Vancouver Shipyards as Program Director, before becoming Vice President, Program Delivery, overseeing all major projects under the Canadian National Shipbuilding Strategy. Mr. Hale holds a Bachelor of Science in Aerospace Engineering from the United States Naval Academy and an MBA from the University of Massachusetts at Amherst.

About Adastra Holdings Ltd.

Adastra has become one of Canada's leaders in the supply and manufacturing of ethnobotanical and cannabis products for lawful adult-use. It serves medical markets and engages in forward-looking therapeutic applications. With cannabis concentrate products sold through retailers at more than 2,000 locations across Canada, Adastra's Phyto Extractions and Endgame Extracts brands are now well established with a growing distribution presence. As a Health Canada licensed facility, it specializes in extraction, distillation and manufacturing of a range of cannabis-derived products. Adastra partners with

healthcare professionals and practitioners within the regulated environment to create products suitable for the medical cannabis market, with the ultimate aim of addressing the needs of patients. For more information, visit: www.adastraholdings.ca.

Contacts

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Forward-Looking Information

This news release contains forward-looking information within the meaning of Canadian securities legislation concerning the business of the Company. Forward-looking information is based on certain key expectations and assumptions made by the management of the Company. Although the Company 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 the Company can give no assurance that they will prove to be correct. Forward looking information is often identified by the words "may", "would", "could", "should", "will", "intend", "plan", "anticipate", "believe", "estimate", "expect" or similar expressions and in this news release includes statements regarding, but not limited to the expectation for future growth and increased demand for products, the expectation for even greater success for the Company, and expectations for other economic, business, and/or competitive factors. There are numerous risks and uncertainties that could cause actual results and the Company's plans and objectives to differ materially from those expressed in the forward-looking information. Important factors that could cause actual results to differ materially from those expressed in the forward-looking information include: the availability of a qualified workforce; changes in regulations or licensing affecting the Company's business; reduced demand for cannabis and cannabis related products; reductions in the Company's retail space and store locations; changes in consumer brand preferences; and other factors beyond the control of the Company, including the risk factors set out in the Company's annual report on Form 20-F dated May 16, 2023, filed with Canadian securities regulators and available on the Company's profile on SEDAR+ at www.sedarplus.ca. These and all subsequent written and oral forward-looking information are based on estimates and opinions of management on the dates they are made and are expressly qualified in their entirety by this notice. Except as required by law, the Company does not intend to update these forward-looking statements.

SOURCE: Adastra Holdings Ltd.