



ADASTRA HOLDINGS LTD. ANNOUNCES 10:1 SHARE CONSOLIDATION

LANGLEY, BC / ACCESSWIRE / October 9, 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 it is seeking approval from the Canadian Securities Exchange (the "**CSE**") for the consolidation of the Company's issued and outstanding common shares (the "**Common Shares**") at a ratio of one (1) post-consolidation Common Share for every ten (10) pre-consolidation Common Shares (the "**Consolidation**").

The Consolidation will reduce the number of issued and outstanding Common Shares of the Company from 55,970,547 Common Shares to approximately 5,597,055 Common Shares. Proportionate adjustments will be made to the Company's outstanding options.

No fractional Common Shares will be issued pursuant to the Consolidation. Any fractional Common Share resulting from the Consolidation will be rounded to the nearest whole number of post-Consolidation Common Shares, with any fractional interest representing 0.5 or more Common Shares entitling holders thereof to receive one whole post-Consolidation Common Share. In calculating such fractional interests, all Common Shares registered in the name of each registered shareholder will be aggregated.

Subject to the approval of the Consolidation by the CSE, the Common Shares are expected to begin trading on the CSE on a consolidated basis on or around October 15, 2024 and will continue to trade on the CSE under the trading symbol "XTRX". New CUSIP and ISIN numbers will be assigned to the Common Shares following the Consolidation.

National Securities Administrators Ltd. ("**NSA**"), acting as the transfer agent for the Consolidation, has mailed a letter of transmittal to the Company's registered shareholders in respect of the Consolidation. Registered shareholders will be required to send their certificate(s) representing pre-Consolidation Common Shares of the Company, along with a properly executed letter of transmittal, to NSA in accordance with the instructions provided in the letter of transmittal. Beneficial shareholders (i.e., non-registered shareholders) who hold their Common Shares through an intermediary such as a bank, trust company, securities dealer or broker should note that these intermediaries may have their own procedures for processing the Consolidation which may differ from those described above for registered shareholders. Non-registered shareholders who have questions should contact their intermediary for more information.

A copy of the letter of transmittal will be available on the Company's profile on SEDAR+ at www.sedarplus.ca, and will also be posted on the Company's website at www.adastraholdings.ca.

Pursuant to the provisions of the *Business Corporations Act* (British Columbia) and the Articles of the Company, the Consolidation was approved by way of resolutions passed by the board of directors of the Company. The Company has applied to the CSE for approval of the Consolidation.

About Adastra

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, the Langley Facility 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.

Cautionary Statement Regarding Forward-Looking Information

This news release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "will", "outlook" and similar expressions are intended to identify forward-looking information or statements. More particularly and without limitation, this news release contains forward-looking statements and information regarding the expectation that the Consolidation will receive regulatory approval; and the date on which the Common Shares are expected to start trading on the CSE on a consolidated basis.

Investors are cautioned that forward-looking information is not based on historical fact but instead reflects management's expectations, estimates or projections concerning future results or events based on the opinions, assumptions and estimates of management considered reasonable at the date the statements are made. Although the Company believes that the expectations reflected in such forward-looking information are reasonable, such information involves risks and uncertainties, and undue reliance should not be placed on such information, as unknown or unpredictable factors could have material adverse effects on future results, performance or achievements of the Company. Among the key factors that could cause actual results to differ materially from those projected in the forward-looking information are the risk factors set out in the Company's management's discussion and analysis for the twelve months ended December 31, 2023, which is available on the Company's profile on SEDAR+ at www.sedarplus.ca.

The forward-looking statements and information contained in this news release are made as of the date hereof and Adastra does not undertake any obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

For additional information, please contact:

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