



Canada House Wellness Group Announces Convertible Debenture Unit Financing for \$2 to \$4 Million

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TORONTO, Nov. 06, 2017 -- Canada House Wellness Group Inc. (CSE:CHV) ("**Canada House**" or the "**Company**") announces that it intends to proceed with a financing of unsecured convertible debenture units for total gross proceeds to the Company of \$2,000,000 to \$4,000,000 (the "**Offering**").

Each Unit is comprised of: (i) \$1,000 principal amount of 8.5% unsecured convertible debentures ("**Convertible Debentures**") in the capital of the Company with a maturity date ("**Maturity Date**") of four years from the date of issuance; and (ii) 5,263 detachable common share purchase warrants of the Company (each, a "**Warrant**").

Each Convertible Debenture shall be convertible at the holder's option into fully-paid common shares of the Company (each, a "CD Share") at any time prior to the Maturity Date at a conversion price of \$0.19 per Common Share if converted within the first 12 months following the Closing Date and at a conversion price of \$0.40 per Common Share if converted at any time following the date that is 12 months and one day following the closing date of the Offering, being a ratio initially of 5,263 CD Shares per \$1,000 principal amount of Convertible Debentures.

Each Warrant shall be exercisable into one common share of the Company (each, a "**CD Warrant Share**") at an exercise price of \$0.30 for a period of 12 months; at an exercise price of \$0.40 from 12 months to 24 months; at an exercise price of \$0.60 from 24 months to 36 months; and at an exercise price of \$0.80 from 36 months to 48 months following the closing date of the Offering.

The Company may pay to an appropriately registered entity a cash commission of up to 8.0% of the aggregate gross proceeds from subscriptions from investors introduced to the Company by such finder and, subject to regulatory approval (where any such approval is required), warrants having terms substantially similar to the Warrants, to acquire from treasury an amount of common shares equal to up to 8.0% of the gross proceeds arising from subscriptions introduced to the Company by such finder.

The private placement details and subscription agreement also will be available to investors in the Stockhouse Deal Room (<http://www.stockhouse.com/dealroom>). The Stockhouse Deal Room is an equity investment platform created specifically for public companies to access investors. Stockhouse has more than 1 million unique visitors a month and provides access to a large number of qualified and accredited investors. Subscription agreements can be completed in full through Stockhouse Deal Room or are available directly from the Company to "Accredited Investors" (as defined in National Instrument 45-106 – *Prospectus Exemptions*).

The proceeds from the financing are expected to be used to provide capital for improvements and equipment at the Abba Medix grow facility; clinic expansion capital for the Company's Marijuana For Trauma division; R&D capital for its Knalysis Technologies division; support of MFT's new client acquisition program implementation; towards the repayment of debt; and for general working capital purposes.

Closing of the Offering is subject to the Company obtaining all necessary regulatory and stock exchange approvals and subject to the revocation of the management cease trade order issued by the Ontario Securities Commission in respect of the Company's securities. The Convertible Debentures and Warrants issued pursuant to the Offering, and any common shares issued on the conversion of the Convertible Debentures or exercise of the Warrants will be subject to a statutory hold period in Canada of four months and one day following the closing of the Offering in accordance with applicable securities laws. Additional resale restriction may be applicable under the laws of other jurisdictions, if any.

Certain subscribers under the Offering may be "related parties" to the Company and, accordingly, the Offering may be deemed to be a "related party transaction" as defined under Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**").

Other than subscription agreements between such related parties and the Company relating to the issuance of the Units pursuant to the Offering, the Company has not entered into any agreement with an interested party or a joint actor with an interested party in connection with the Offering.

The Company expects that the Offering will be exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 (pursuant to subsections 5.5(a) and 5.7(1)(a)) as the fair market value of the related party transactions are not expected to be more than 25% of the market capitalization of the Company. The material change report in connection with the Private Placement was not filed 21 days in advance of the closing of the Private Placement for the purposes of Section 5.2(2) of MI 61-101 on the basis that the funds of the Private Placement are urgently required by the Company to address working capital requirements.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities described herein, and these securities will not be offered or sold in any jurisdiction in which their offer or sale would be unlawful. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "1933 Act"), or any state securities laws of the United States. Accordingly, these securities will not be offered or sold to persons within the United States unless an exemption from the registration requirements of the 1933 Act and applicable state securities laws is available.

Canada House Wellness Group Inc.

Canada House is the parent company of Marijuana for Trauma Inc., Knalysis Technologies and Abba Medix Corp. The Company's goal is to become a marketplace leader through strategic partnerships, mergers, and acquisitions to create a fully integrated cannabis therapy company. For more information please visit <http://www.canadahouse.ca> or www.sedar.com.

Cautionary Statement Regarding Forward-Looking Information. *Certain statements within this news release pertaining to the Company constitute "forward-looking statements", within the meaning of applicable securities laws, including without limitation, statements regarding future estimates, business plans and/or objectives, sales programs, forecasts and projections, assumptions, expectations, and/or beliefs of future performance, are "forward-looking statements". Such "forward-looking statements" involve known and unknown risks and uncertainties that could cause actual and future events to differ materially from those anticipated in such statements. Forward-looking statements include, but are not limited to, statements with respect to the anticipated effects of the financing, regulatory changes, timeliness of government approvals for the granting of permits and licenses, changes in medical marijuana prices, actual operating performance of facilities, competition and other risks affecting the Company in particular and the medical marijuana industry generally, including those set out in the Company's public disclosure record. The Company assumes no responsibility to update or revise forward-looking information to reflect new events or circumstances unless required by law.*

Neither the CSE nor its Regulation Services Provider (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release.

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