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## Canada House Wellness Group Builds on Sales License, Closes Oversubscribed \$3.3 Million Unit Financing

Toronto March 21, 2019. Canada House Wellness Group Inc. (CSE: CHV) ("Canada House" or the "Company") is pleased to announce that it has closed its financing of units ("Units") resulting in total gross proceeds to the Company of \$3,300,000 (the "Offering"). The Offering was oversubscribed beyond the \$3 million maximum Offering initially announced by the Company.

Each Unit was sold at a price of \$0.12 per Unit and is comprised of: (i) one common share (each a "Common Share"); and (ii) and one detachable common share purchase warrant of the Company (each, a "Warrant").

Each Warrant is exercisable into one Common 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 paid finders' fees to appropriately registered entities in respect of investors introduced to the Company by such finders in the aggregate amount of \$21,900. The Company also issued in aggregate 182,500 warrants having terms substantially similar to the Warrants in respect of subscriptions introduced to the Company by such finders.

The net proceeds from the financing are expected to be used to provide clinic expansion capital for Canada House Clinics; Acquisition and developments costs for the Issuer's Vegreville and Pickering facilities; R&D capital for its Knalysis Technologies division, and support of Canada House Clinics' new client acquisition program implementation, and for general working capital purposes.

"This fundraising strengthens our balance sheet and sets us up to pursue the next phase of growth initiatives which include materially expanding our production capacity and buildout of our extraction lab in partnership with Nutritional High which we expect will result in oils and extracts coming to market this calendar year. We were very pleased with the market's interest in the Offering which acknowledges the strength of our story as a growing and impactful medical cannabis company entering into full commercial production" said Chris Churchill-Smith, CEO of Canada House.

The Common Shares and Warrants (including Warrants issued to finders) issued pursuant to the Offering, and any common shares issued on the 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 restrictions may be applicable under the laws of other jurisdictions, if any.

Certain subscribers under the Offering were "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 Offering is 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 more than 25% of the market capitalization of the Company.

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 <a href="http://www.canadahouse.ca">http://www.canadahouse.ca</a>. or www.sedar.com

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Cautionary Statement Regarding Forward-Looking Information. This press release contains forward-looking statements, including statements that relate to, among other things, the Company's clinic, production and technology businesses, its future plans, the Company's markets, objectives, goals, strategies, intentions, beliefs, expectations and estimates, and can generally be identified by the use of words such as "may", "will", "could", "should", "would", "likely", "possible", "expect", "intend", "estimate", "anticipate", "believe", "plan", "objective" and "continue" (or the negative thereof) and words and expressions of similar import. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, such statements involve risks and uncertainties, and undue reliance should not be placed on

such statements. Certain material factors or assumptions are applied in making forwardlooking statements, and actual results may differ materially from those expressed or implied in such statements. Material assumptions used to develop forward-looking information in this news release include, among other things, the regulations related to cannabis use under the Access to Cannabis for Medical Purposes Regulations and the act respecting cannabis and to amend the Controlled Drugs and Substances Act, the Criminal Code and other Acts, passed by the Canadian Federal government, making cannabis legal for recreational use by October 17, 2018; Company liquidity and capital resources, including the availability of additional capital resources to fund its activities; level of competition; the ability to adapt products and services to the changing market; the ability to attract and retain key executives; and the ability to execute strategic plans. Additional information about material factors that could cause actual results to differ materially from expectations and about material factors or assumptions applied in making forward-looking statements may be found in the Company's most recent annual and interim Management's Discussion and Analysis under "Risk and Uncertainties" as well as in other public disclosure documents filed with Canadian securities regulatory authorities. The Company does not undertake any obligation to update publicly or to revise any of the forward-looking statements contained in this document, whether as a result of new information, future events or otherwise, except as 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.