

**Early Warning News Release Issued Pursuant to National Instrument 62-103
Acquisition of Securities of Canada House Cannabis Group Inc.**

Toronto, Ontario, August 5, 2020 – Canada House Cannabis Group Inc. (CSE: CHV) (“Canada House”): This press release is being disseminated by Archerwill Investments Inc. (the “Acquiror”) as required by National Instrument 62-103 *The Early Warning System and Related Take-Over Bids and Insider Reporting Issues* in connection with its acquisition of securities of Canada House.

Pursuant to a subscription agreement dated July 15, 2020 between Canada House and the Acquiror (the “**Subscription Agreement**”), as further described in Canada House’s press releases dated July 16, 2020 and August 5, 2020, on August 4, 2020, Canada House issued to the Acquiror, and the Acquiror purchased from Canada House, on a private placement basis (i) a 8.00% secured convertible debenture due August 4, 2025 in the aggregate principal amount of \$6,500,000, convertible into common shares in the capital of Canada House (the “**Common Shares**”) at a price of \$0.05 per Common Share (the “**Convertible Debenture**”) pursuant to the terms of the certificate representing and evidencing the Convertible Debenture (the “**Convertible Debenture Certificate**”), and (ii) a warrant entitling the Acquiror, on the exercise thereof, to subscribe for and purchase, acquire, accept and receive from Canada House up to 130,000,000 Common Shares at an exercise price of at \$0.06 per Common Share exercisable any time, from time to time, until August 4, 2024 (the “**Warrant**”) pursuant to the terms of the certificate representing and evidencing the Warrant, for an aggregate subscription price of \$6,500,000 (the “**Investment**”).

Prior to the Investment, the Acquiror beneficially owned or had control or direction over 3,122,000 Common Shares and 4,973,635 securities of Canada House convertible into or exercisable for 4,973,635 Common Shares. Assuming all of the securities held by the Acquiror, including the Convertible Debenture and the Warrant, were converted or exercised in full on the closing of the Investment, the Acquiror would beneficially own or have control and direction over approximately 28.3% of the issued and outstanding Common Shares (calculated on a non-diluted basis).

In connection with the Investment, the Acquiror, Canada House and each material subsidiary of Canada House entered into a general security agreement whereby the Convertible Debenture is secured by a first-priority lien over all present and future property of Canada House and each of its material subsidiaries, except in the case of IsoCanMed Inc., where the Acquiror’s security interest is subordinated to the obligations of IsoCanMed Inc., as guarantor of promissory notes issued by Canada House in connection with its acquisition of IsoCanMed Inc.

In addition, at closing of the Investment, the Acquiror and Canada House entered into an investor rights agreement dated August 4, 2020 (the “**Investor Rights Agreement**”) pursuant to which the Acquiror has been granted certain rights so long as the Acquiror meets certain specified beneficial ownership thresholds of the then issued and outstanding Common Shares or not less than \$1,000,000 of obligations under the Convertible Debenture remain outstanding, including the right to nominate a specified number of directors to the board of directors of Canada House, approval rights over certain actions of Canada House and pre-emptive rights entitling the Acquiror

to participate in equity offerings in order to maintain its pro rata beneficial ownership in Canada House.

The Acquiror entered into the Subscription Agreement as part of a strategic investment in Canada House. The Acquiror intends to review its investment in Canada House on a continuing basis and may, from time to time and at any time, acquire or cause to be acquired additional equity or debt securities or other instruments of Canada House, or dispose or cause to be disposed such equity or debt securities or instruments, through open market transactions, private placements by Canada House and other privately negotiated transactions, or otherwise, in each case in accordance with the Acquiror's obligations to Canada House pursuant to the Subscription Agreement and the Convertible Debenture Certificate and with applicable securities laws.

An early warning report will be filed by the Acquiror under applicable securities laws and will be available on Canada House's SEDAR profile at www.sedar.com. A copy of the early warning report may also be obtained from Steven Pearce, Vice-President, Legal of Canada House at 289-980-3584 or spearce@canadahouse.ca.