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**CANADA HOUSE WELLNESS GROUP REPORTS SECOND QUARTER
FISCAL YEAR 2021**

Toronto – December 29, 2020 (CNW) - Canada House Wellness Group (CSE: CHV) (“**Canada House**” or the “**Company**”) is pleased to report its financial results for the three and six months ending October 31, 2020. All amounts are stated in thousands of Canadian dollars and can be found at www.sedar.com.

Financial Highlights:

- Cash position was \$1,616 as at October 31, 2020 compared to \$1,767 as at April 30, 2020.
- Revenue for the three and six months ending October 31, 2020 was \$2,263 and \$4,790, an increase of \$972 and \$2,209 or 75% and 86% compared to \$1,291 and \$2,581 for the same periods in the prior year.
- Loss and Comprehensive loss for the three and six months ending October 31, 2020 was \$2,059 and \$2,691 compared to \$1,717 and \$3,439 for the same periods in the prior year.
- Net cash used in operating activities for the six months ending October 31, 2020 was \$2,688 compared to \$2,810 for the same period in the prior year.

“Our diversified revenue growth from both the medical and recreational cannabis markets continued during our second quarter. We are receiving strong reviews on Abba’s product offerings from our medical patients, and their approval of our menu is clear from the growth we are experiencing in patient registrations and medical sales,” comments Chris Churchill-Smith, CEO of Canada House. “With medical sales growing at a consistent and stable rate, we have renewed our efforts in the adult-use markets in Quebec, Alberta, BC and elsewhere. Subsequent to the end of the quarter, we completed a \$2 million non-dilutive debt financing to finance our recreational growth and for working capital purposes.”

Business Highlights:

- On December 24, 2020, the Company closed a \$2,000 non-dilutive term loan financing at an annual interest rate of 10% (the “**Loan**”). The Loan is secured by the property and assets of the Company’s wholly owned subsidiary, IsoCanMed Inc. (“**ICM**”), in Louiseville, Quebec and is subject to monthly interest-only installments of approximately \$17, with the principal amount repayable at the end of one year. The Loan may be extended for an additional year, at the discretion of the lender, upon 30 days written renewal notice by the Company. The renewal notice will indicate if the Company intends to repay any portion of the loan, up to a maximum of \$1,000. A commitment fee, equal to 4% of the loan amount less the amount repaid, is payable at the time of renewal. The Loan will be used for general working capital purposes and will provide the Company with financial capacity to drive commercial initiatives during its next stage of recreational growth.
- On October 26, 2020, the Company entered into a Cannabis Products 2.0 Distribution Agreement with Rubicon Organics Inc. (TSXV: ROMJ) (OTCQX: ROMJF) (“**Rubicon Organics**”). Under the terms of the agreement, Canada House’s wholly owned subsidiary, Abba Medix Corp. (“**Abba**”), will distribute the Rubicon Organics line of concentrates through its established provincial distribution channels.
- On October 7, 2020, ICM processed its first purchase orders with SQDC and in-branch distribution of the ICM Air™ and ICM Terre™ brands began to all 46 current SQDC retail outlets, in addition to online sales at [https:// www. sqdc.ca/fr-CA/](https://www.sqdc.ca/fr-CA/).
- On October 5, 2020, the Company launched its ICM Air™ and ICM Terre™ brands – a comprehensive suite of adult-use recreational cannabis products by ICM, in collaboration with Abba. ICM Air™ and ICM Terre™ products are packaged and distributed by Abba. The Quebec home-grown dried cannabis products are cultivated by ICM.

About Canada House Wellness Group

Canada House Wellness Group is the parent company of Abba Medix Corp., a Licensed Producer in Pickering, Ontario that produces high quality medical grade cannabis; IsoCanMed Inc., a Licensed Producer in Louiseville, Québec growing best-in-class indoor cannabis, in its 64,000 sq. ft. production facility employing state-of-the-art vertical, aeroponic production methodologies; Canada House Clinics Inc., with clinics across the country that work directly with primary care teams to provide specialized cannabinoid therapy services to patients suffering from simple and complex medical conditions; and 690050 NB Inc. d.b.a. Knalysis Technologies, a provider of fully customizable, cloud-based software that links physician, provider, and patient to data that supports treatment with medical cannabis.

Canada House Wellness Group’s goal is to become the leading cultivator of premium craft cannabis and provider of cannabinoid therapy, targeting the medical cannabis markets globally. Please visit www.canadahouse.ca or the Company’s public filings at 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 forward-looking 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 and cannabis based edibles, vapes and oils legal for recreational use on October 17, 2018 and October 17, 2019; 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.

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