

## EARLY WARNING REPORT FILED PURSUANT TO CANADIAN NATIONAL INSTRUMENT 62-103

**June 14<sup>th</sup>, 2022 – Vancouver, British Columbia:** Frank Otto (the "**Insider**") is issuing this release under Section 3.1 of Canadian National Instrument 62-103 – *The Early Warning System and Related Take-Over Bid and Insider Reporting Requirements* ("**NI 62-103**"). Pursuant to a Sale and Purchase Agreement dated March 24, 2022 (the "**Agreement**") among Greenrise Global Brands Inc. (the "**Company**"), the Insider, and the other shareholders (together with the Insider, the "**Sellers**") of CannaCare Health GmbH ("**CannaCare**"), the Company acquired an aggregate of 51% of the issued and outstanding shares of CannaCare from the Sellers on April 5, 2022 (the "**Share Acquisition**") in consideration for a cash payment of €250,000 (C\$345,000), of which the Insider received €125,000 (C\$172,500) (the "**Cash Consideration**"), and an aggregate of 5,000,000 Common Shares at a deemed price per share of C\$0.26, of which the Insider received 2,500,000 Common Shares (the "**Share Consideration**").

On June 14<sup>th</sup>, 2022, and also pursuant to the Agreement, the Company acquired all of the Insider's right, title and interest, in and to a shareholder loan dated March 21, 2022 between CannaCare and the Insider (the "**Shareholder Loan**"), pursuant to which the Insider provided a loan in the principal amount of €600,000, bearing interest at a rate of 2.00% to CannaCare (the "**Loan Acquisition**"). In consideration for the Loan Acquisition, the Company issued an unsecured convertible debenture to the Insider (the "**Convertible Debenture**") in the principal amount of €608,920.55 (C\$840,310.36) bearing interest at a rate of 2.00% per annum, with a maturity date of December 31, 2024 (the "**Maturity Date**").

Pursuant to the terms of the Convertible Debenture, at any time prior to the Maturity Date, the Insider will have the right to convert all or part of the entire principal amount and all accrued and unpaid interest thereon and all other money owing or accrued due to Insider then outstanding under the Convertible Debenture into units of the Company ("**Units**"), at a conversion price of C\$0.20 per Unit (the "**Conversion Right**"). Each Unit is comprised of one Common Share, one common share purchase warrant exercisable into one Common Share at a purchase price of C\$0.35 per Common Share, expiring on April 30, 2023 (each, a "**Thirty Five Cent Warrant**"), and one common share purchase warrant exercisable into one Common Share at a purchase price of C\$0.50 per Common Share, expiring on April 30, 2024 (each, a "**Fifty Cent Warrant**"), and together with the Thirty Five Cent Warrants, the "**Warrants**").

Amounts payable to the Insider in Euros (€) will be converted to Canadian dollars (C\$) at a rate of €1.38 per C\$1.00 for the purposes of any such conversions.

On May 11<sup>th</sup>, 2022, the Insider was also appointed to the board of directors of the Company.

Immediately prior to the completion of the Loan Acquisition, the Insider held 2,500,000 Common Shares, which he received as consideration for the Share Acquisition.

As a result of the Loan Acquisition, the Insider was deemed to have acquired control and direction and beneficial ownership of 4,201,552 Units underlying the Conversion Right (with respect to the principal amount of the Convertible Debenture only), comprised of 4,201,552 Common Shares

and 8,403,104 Warrants convertible into 8,403,104 Common Shares, for aggregate beneficial ownership of 12,604,655 Common Shares, representing approximately 18.29% of the issued and outstanding Common Shares.

If interest is accrued up to the Maturity Date, the Conversion Right would entitle the Insider to acquire control and direction and beneficial ownership of a further 224,083 Units, comprised of 224,083 Common Shares and 448,166 Warrants convertible into 448,166 Common Shares, for aggregate beneficial ownership of a further 672,248 Common Shares, representing a further 0.97% of the issued and outstanding Common Shares. The foregoing percentages are based upon 69,590,443 Common Shares issued and outstanding as of the date hereof.

The Shareholder Loan with accrued and unpaid interest has an aggregate value of €608,920.55 (C\$840,310.36).

Furthermore, pursuant to the Share Acquisition, the Insider sold an aggregate of 17,429 CannaCare Shares with an aggregate deemed value of €471,014.49 (C\$650,000).

An early warning report (the "**Report**") will be filed by the Insider pursuant to NI 62-103 on SEDAR at [www.sedar.com](http://www.sedar.com) under the profile of the Company. The Company's head office is located at 224 5<sup>th</sup> Avenue West, Vancouver, British Columbia, V5Y 1J4. For further information or to obtain a copy of the Report, please contact Frank Otto as follows:

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*The CSE nor its market regulator does not accept responsibility for the adequacy or accuracy of this news release. The CSE has neither approved nor disapproved the contents of this news release.*