



## **Empower Clinics Growth Strategy Accelerates With Recent Major Initiatives. Updates Status And Outlook Into 2021**

**VANCOUVER BC / November 2, 2020 / EMPOWER CLINICS INC.** Empower Clinics (CBDT:CSE)(EPWCF:OTC)(8EC:FRA) (the "**Company**" or "**Empower**"), an integrated healthcare company serving a database of 165,000 patients through clinics in the southwest United States, a telemedicine platform and medical diagnostics laboratory, is pleased to provide shareholders with a status report on many initiatives announced over the past several weeks for the purposes of providing greater visibility into the Company's outlook into 2021.

Steven McAuley, CEO of Empower Clinics stated "2020 is the year that established Empower Clinics as a formidable Health & Wellness Company with a solid foundation and great growth prospects. Given the speed at which we have been moving since I took over the leadership reigns in 2019, it is prudent to take a moment to provide our shareholders with both a current snapshot, as well as, our expectations for continued growth into 2021."

### **HIGHLIGHTS & UPDATES**

- **2020 Revenue Growth** The Company has experienced significant revenue growth over the past year as evidenced by the following results:
  - 2019 + 86% To \$2.03M
  - Q4 + 217% To \$625,000
  - Q1 + 416% To \$790,000
  - Q2 + 56% To \$923,000

This performance has translated into the following year-to-date in 2020:

- Revenue \$1.7M vs \$745K = 130% Growth
- Patient Visits 12,400 vs 5,500 = 125% Growth

Going forward, given the Company's diversification into telemedicine, COVID-19 testing, medical laboratory testing for enterprise customers, and the proposed clinic expansion into Canada, all of which serves to diversify Empower well beyond our Southwestern U.S. clinic operations, going forward "patient visits" will be just one of many of the Company's overall KPI's (Key Performance Indicators).

- **Kai Medical Laboratory COVID-19 Testing Growth Includes Film & Television Industry** Empower completed the closing of the Kai Medical Laboratory acquisition with the signing of the Member Purchase Interest Agreement October 5, 2020 and then subsequently completed the filing of all required regulatory documents with the State of Texas and other regulatory bodies.

The Company is now working through integration and implementing aggressive growth strategies including servicing new COVID-19 testing contracts for the film & television industry and supporting the Sun Valley Health COVID-19 RT-PCR and rapid antibody testing programs in the state of Arizona.

- **Sun Valley Health COVID-19 Regional Testing Growth** Sun Valley Health with the support of Kai Medical Laboratory testing and medical billing capabilities, is expanding its RT-PCR testing with the commencement of drive-up testing for consumers in Mesa, Arizona and within clinic locations. The program allows the Company to provide free COVID-19 testing for consumers with Medicare and Medicaid insurance coverage in Arizona and for consumers who do not have active health insurance coverage in the state.
- **\$1,100,000 Proposed Private Placement** The previously announced proposed private placement with Mackie Research Capital Corporation as sole agent and sole bookrunner (the "Agent") on October 21, 2020 remains on track for closing as planned on or about the week of November 2, 2020.
- **Canadian Clinic Acquisition** The recently announced non-binding term sheet for the acquisition of Lawrence Park Health and Wellness Clinic Inc., 1100900 Canada Inc. dba Atkinson, and Momentum Health Inc. collectively ("Momentum Health") is progressing as planned through the final due diligence phase with an anticipated closing in November 2020.
- **Q3 2020 Financial Statements** The Company anticipates filing its third quarter 2020 financial statements and MD&A well in advance of the November 30, 2020 filing deadline. Financial and accounting controls supported by CFO Kyle Appleby enable the Company to maintain high compliance standards.

McAuley went on to say "Our company is rapidly evolving into providing an integrated healthcare experience that spans from testing to treatment by combining cutting edge technologies including telemedicine and state of the art lab testing. Add to this the fact that we are now serving enterprise level clients as promised and partnering on initiatives such as our recently announced travel bubble, it's safe to say we are on the path to becoming a formidable small cap health & wellness company in 2021. I want to thank our loyal shareholders for trusting my leadership transition, welcome all of our newest shareholders and we look forward to delivering continued accelerated growth in 2021 and well beyond."

## **ABOUT EMPOWER:**

Empower is creating a network of physicians and practitioners who integrate to serve patient needs, in-clinic, through telemedicine, and with an expanded suite of physician-based services. A simplified, streamlined care model bringing key attributes of the healthcare supply chain together, always focused on patient experience. The Company provides COVID-19 testing services to consumers and businesses as part of a four-phased nationwide testing initiative in the United States. Empower recently acquired Kai Medical Laboratory, LLC as a wholly owned

subsidiary with large-scale testing capability and will lead our diagnostic and scientific advancement.

ON BEHALF OF THE BOARD OF DIRECTORS:

Steven McAuley

Chief Executive Officer

**CONTACTS:**

Investors:

Dustin Klein

Director

[dustin@svmmjcc.com](mailto:dustin@svmmjcc.com)

720-352-1398

Investors:

Steven McAuley

CEO

[s.mcauley@empowerclinics.com](mailto:s.mcauley@empowerclinics.com)

604-789-2146

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*This news release contains certain "forward-looking statements" or "forward-looking information" (collectively "forward looking statements") within the meaning of applicable Canadian securities laws. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release. Forward-looking statements can frequently be identified by words such as "plans", "continues", "expects", "projects", "intends", "believes", "anticipates", "estimates", "may", "will", "potential", "proposed" and other similar words, or information that certain events or conditions "may" or "will" occur. Forward-looking statements in this news release include, but are not limited to, statements regarding: the expected benefits to the Company and its shareholders as a result of the acquisition of Kai Medical Laboratory; the anticipated date of closing of the Momentum Health acquisition and the occurrence thereof; the expected number of clinics and patients following the proposed closing; the future potential success of Kai Medical Laboratory; the future success of the Sun Valley's franchise model; the completion of the private placement, date of closing or the occurrence of a closing; the impact if any of COVID-19 testing by Sun Valley Health and that the Company will be positioned to be a market-leading service provider for complex patient requirements in 2020 and beyond. Such statements are only projections, are based on assumptions known to management at this time, and are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the forward-looking statements, including: that the Momentum Health acquisition may not be completed on the terms expected or at all; that the Company's products may not work as expected; that the Company may not be able to expand*

*COVID-19 testing; that legislative changes may have an adverse effect on the Company's business and product development; that the Company may not be able to obtain adequate financing to pursue its business plan; general business, economic, competitive, political and social uncertainties; failure to obtain any necessary approvals in connection with the proposed transaction; and other factors beyond the Company's control. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits the Company will obtain from them. Readers are cautioned not to place undue reliance on the forward-looking statements in this release, which are qualified in their entirety by these cautionary statements. The Company is under no obligation, and expressly disclaims any intention or obligation, to update or revise any forward-looking statements in this release, whether as a result of new information, future events or otherwise, except as expressly required by applicable laws.*

**SOURCE:** EMPOWER CLINICS INC.