

EMPOWER CLINICS SIGNS DEFINITIVE AGREEMENT TO ACQUIRE MOMENTUM HEALTH WITH 7 CANADIAN CLINICS. BEGINS PLANNING FOR NATIONWIDE ROLLOUT.

Acquisition Will Expand Company's North American Footprint And Strengthen Vertical Integration From Patients To Laboratory, Strengthening Testing and Bubble Initiatives

VANCOUVER, BC, December 17, 2020, Empower Clinics (CBDT:CSE) (EPWCF:OTC) (SEC:FRA) (the "Company" or "Empower"), an integrated healthcare company serving patients through clinics, a telemedicine platform, and a leading medical diagnostics laboratory processing thousands of COVID-19 specimens and developing novel COVID-19 testing protocols for CE, FDA and Health Canada approval, is pleased to announce the execution of a definitive share purchase agreement dated December 16, 2020 (the "**Agreement**") to acquire Lawrence Park Health and Wellness Clinic Inc., 1100900 Canada Inc. dba Atkinson, and Momentum Health Inc. (collectively "**Momentum Health**").

Steven McAuley, Chairman and CEO of Empower stated "The acquisition of Momentum Health will be a significant milestone for both Empower and its shareholders that we expect will provide Empower with a growing accretive business, as well as, a winning business model with plans for immediate expansion across the Greater Toronto Area, the province of Ontario and then nationwide in very rapid succession. It is anticipated that this immediate and rapid nationwide expansion plan will be made possible by combining the winning Momentum Health model with the financial, marketing and operational control resources already successfully deployed by Empower in building its US operations, including the successful win of a \$1.2 million testing contract with a film and television studio within just 45 days of acquiring our KAI Medical Lab. Significant discussions are already underway with potential nationwide partners and we expect to have developments in the very near future."

ACQUISITION INCLUDES 7 CLINICS IN GREATER TORONTO AREA WITH IMMEDIATE PLANS TO EXPAND "CLINIC-IN-CLINIC" MODEL ACROSS CANADA.

Momentum Health operates a network of medical clinics with a team of healthcare professionals who provide para-medical care by applying a holistic and hands-on approach working with patients to unlock potential well-being. Key services include physiotherapy, chiropractic, massage therapy, traditional Chinese medicine, athletic therapy and others. The full range of services can be viewed at www.momentumhealthclinic.com.

The acquisition will include two standalone wellness clinics and five new co-located clinics in the Greater Toronto Area of Ontario, Canada, with immediate access to in excess of 20,000 patients.

More importantly, it is expected that expansion will be at a very attractive and cost-effective model of opening "clinics-within-clinics" in which the Company proposes to partner with large care facilities to provide para-medical clinics inside the physical location of the primary care facility. This model results in a win-win for both Empower and the primary care facility partner as follows:

- Substantially improved care for patients of the primary care facility
- Significantly reduced start-up costs for Empower
- Immediate access to the large patient base of the primary care facility
- Immediate rental income for the primary care facility

With this proven winning model, the nationwide roll-out it is planned to commence immediately upon closing of the acquisition with expansion in the Greater Toronto Area, followed by expansion throughout Ontario and finally West through all Provinces with a standardized brand and technology platform.

Moreover, the acquisition includes incentives for the two Co-Founders of Momentum Health to open an additional 30 clinics across Canada.

CEO McAuley added "Having Dr. Rabinowitz and Dr. Tsimerman join me in leadership to rapidly expand Empower's clinic footprint across Canada will be invaluable toward meeting our ambitious objectives."

Momentum Co-Founder Dr. Robinowitz commented "Joining Empower provides us with the opportunity to scale an intricately designed health care model alongside the outstanding professionals currently on their team. This transaction will not only allow our current patients to have increased access to integrative care, we also strive to exponentially increase our patient base with strategic, nationwide expansion."

Momentum Co-Founder Dr. Tsimerman commented "I am thrilled to be joining Empower Clinics with a shared vision of nationwide, truly integrative medical care based on patient - centric services. This unique opportunity allows us to provide an unparalleled patient experience and create a leading approach to modernized health care."

TERMS OF ACQUISITION

Pursuant to the terms of the Agreement, Empower will pay the vendors of Momentum Health \$275,000 cash at closing (including \$44,648 to settle an outstanding debt of Momentum Health) with an additional \$75,000 to be withheld as a holdback for adjustments, for an aggregate cash payment of \$350,000. In addition, at closing, Empower will issue Dr. Jordan Rabinowitz and Dr. Aviv Tsimerman or their affiliates 5,128,204 common shares in the capital of Empower (at a deemed price of \$0.0975 per share), 2,564,102 of which will be subject to contractual resale restrictions resulting in them being released quarterly from the date of closing in eight (8) equal instalments.

PERFORMANCE INCENTIVES TO OPEN 30 ADDITIONAL LOCATIONS

The acquisition also includes long-term performance incentives for Dr. Rabinowitz and Dr. Tsimerman. If, within 18 months from the closing date, the Company or its affiliates have opened and have operating an aggregate of ten (10) new clinic locations in Canada ("Milestone One"), each of Dr. Rabinowitz and Dr. Tsimerman shall be entitled to receive incentive stock options of Empower to purchase 1,875,000 common shares of Empower, vesting as follows:

- (a) 1/3 immediately;
- (b) 1/3 upon of the Company or its affiliates having opened and operating an aggregate of twenty (20) new clinic locations in Canada; and
- (c) 1/3 upon of the Company or its affiliates having opened and operating an aggregate of thirty (30) new clinic locations in Canada.

ADDITIONAL DETAILS

Empower has agreed to enter into employment agreements with Dr. Rabinowitz and Dr. Tsimerman on closing of the acquisition, to lead the Canadian clinic expansion strategy.

Completion of the acquisition contemplated by the Agreement is subject to customary closing conditions which the Company anticipates being completed on or before December 21, 2020.

This press release is available on the Empower Clinics Verified Forum on AGORACOM for shareholder discussion, questions and engagement with management <https://agoracom.com/ir/EmpowerClinics>

ABOUT EMPOWER:

Empower is an integrated healthcare company that provides body and mind wellness for patients through its clinics, with digital and telemedicine care, and world-class medical diagnostics laboratories. Supported by an experienced leadership team, Empower is aggressively growing its clinical and digital presence across North America. Our Health & Wellness and Diagnostics & Technology business units are positioned to positively impact the integrated health of our patients, while simultaneously providing long term value for our shareholders.

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DISCLAIMER FOR FORWARD-LOOKING STATEMENTS

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 Company's nationwide rollout and timing and results of such rollout; the Company expecting the acquisition will provide Empower with a growing accretive business, as well as, a winning business model with plans for immediate expansion across the Greater Toronto Area, the province of Ontario and then nationwide in very rapid succession; the Company's expectation for the costs of expansion; and the Company's plans to partner with large care facilities to provide para-medical clinics inside the physical location of the primary care facility and the results of such

model. 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 Kai Medical Laboratory 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 affect 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; as well as those risk factors discussed or referred to in the Company's disclosure documents filed with the securities regulatory authorities in certain provinces of Canada and available at www.sedar.com. 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.