

EMPOWER ANNOUNCES SALE OF ITS CANNABIS RELATED ASSETS

Exclusive non-binding term sheet signed to allow Empower to fully divest of its cannabis businesses

VANCOUVER BC: July 21, 2021 – EMPOWER CLINICS INC. (CBDT: CSE) (8EC: Frankfurt) (EPWCF: OTCQB) (“Empower” or the “Company”) an integrated healthcare company - serving patients through medical centers, telemedicine platforms and a high complexity medical diagnostics laboratory processing thousands of COVID-19 specimens – The company has received and signed a non-binding term sheet to enter into an agreement that would allow Empower to divest of its legacy cannabis assets and fully focus on its integrated healthcare business.

The associated non-binding agreement outlines that Andrea Klein and Dustin Klein (together the “Kleins”) will acquire 100% of Sun Valley Health Holdings LLC, Sun Valley Health Franchising, LLC, Sun Valley Health, LLC, Sun Valley Health West, LLC, Sun Valley Health Tucson, LLC, Sun Valley Health Mesa, LLC, Sun Valley Alternative Health Centers NV, LLC, and all subsidiaries thereof (together “Sun Valley”).

“This transaction will allow Empower to complete the divestment of its legacy cannabis assets and focus on its integrated healthcare vision”, said Steven McAuley. “We also expect this divestment to allow Empower to engage with a different breadth of partners – such as banks, auditors and advertising companies - who had restrictions against engaging companies in the cannabis space”.

The structure of the agreement is on a cash-free, debt-free basis wherein the consideration of \$1,000,000 USD, is to be settled by the transfer from the Kleins to, or as directed by, the Seller, of such number of common shares in the capital of Empower (each, a “Share”) as is equal to \$1,000,000 USD divided by the United States dollar equivalent (based on the Bank of Canada daily exchange rate for the conversion of Canadian dollars to United States dollars on the applicable date) of the volume weighted average trading price of the Shares on the Canadian Securities Exchange (the “CSE”) for the 10 trading days ending on the date that is two business days prior to the date of closing of the Acquisition (collectively, the “Consideration Shares”).

Completion of the transaction is subject to customary closing conditions, including completion of due diligence, negotiation of definitive agreements and receipt of all necessary approvals. If such conditions are not satisfied it is possible that the proposed transaction will not be completed on the terms set forth herein or at all. The parties anticipate completing the definitive agreements within the next 30 to 60 days.

This non-binding transaction will permit Empower to robustly pursue its integrated health plan through initiatives such as the national clinic expansion and Kai Care Testing Solutions, along with an aggressive acquisition strategy.

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.

ON BEHALF OF THE BOARD OF DIRECTORS:

Steven McAuley
Chief Executive Officer

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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 expected benefits to the Company and its shareholders as a result of the acquisition of Kai Medical Laboratory; the transaction terms; the expected number of clinics and patients following the closing; the future potential success of Kai Medical Laboratory, Sun Valley's franchise model; launch of new healthcare centers and the occurrence thereof; that the Company can bring healthcare to millions of Canadians; that new healthcare services can be added 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 Kai Medical Laboratory will successfully win any US Government RFP; that the MedX Health pilot program will be successful; that Empower will place the MedX Health teledermatology product in health centers in North America; 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; that the Company will be able to commence and/or complete build-outs and tenants improvements for Canadian clinics or Kai Medical Laboratory expansion in 2Q 2021; that the sale of Sun Valley will close as anticipated; that 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.