



Pure Extracts Corporate Update

Vancouver, B.C., May 3, 2021 (GLOBE NEWSWIRE) – Pure Extracts Technologies Corp. (CSE: PULL) (OTC: PRXTF) (XFRA: A2QJAJ) (“Pure Extracts” or the “Company”) is pleased to provide the following corporate update.

We are extremely pleased to report that even though the Covid-19 pandemic continues to impact numerous business operations and even society itself, our enterprise has not only survived, but we are also thriving and growing.

With the early adoption of workplace anti-viral protocols in-place, we are proud to report that there have been no cases of Covid-19 at our facility despite our proximity to Whistler Village which has been hard hit by the pandemic. We sincerely offer our best wishes and thanks to our frontline workers across the nation and our thoughts are with all who have felt the impact of this awful disease. We are grateful to be working in an industry deemed ‘essential’ by the Canadian government and to be operating a safe and productive environment for our employees.

As we head into the Spring, and hope for an end to the pandemic builds, we decided to offer a few points of interest regarding the state of our growing business.

Cannabis business

Our Pemberton, BC facility is fully operational and in daily production and readily able to meet the increasing demand for gummies, vapes and white label products. We are concurrently working towards scalable entry into the US market via a Michigan-based joint venture which proposes to include strategically located equipment and processing operations within the state. To achieve this, we have signed a Letter of Intent with an Oregon based multi-state operator (MSO) and the definitive agreement is being drafted by Canadian and Michigan lawyers at this time. In addition to our branded products, we plan to produce white label products for both our MSO partner and for some of the smaller companies in the area as well as license other established, out-of-state, brands for the Michigan market.

Michigan is a massive green-field market that Pure Extracts can readily launch into, both from establishing our Pure Pulls and Pure Chews brands, and also in an attempt to achieve a dominant position as a leading regional extractor as well as serve as our beachhead for expansion into other cannabis approved states. Michigan is growing at 800 percent year-over-year and we believe we are ideally positioned to capture a meaningful share of the region’s growing edible and vape market. Also, as deregulation continues to advance under President Biden’s administration, we aim to carve out a strong foothold poised to capitalize upon the northern states’ demand for oil-based products throughout the ongoing cannabis legislation evolution.

Here at home, a hugely important success is underway as we ramp-up production in preparation for delivery of our first orders to the provincial distribution networks. We are very excited to see Pure Pulls and Pure Chews re-enter the market and we have an excellent informational/educational program in place which is specifically designed to familiarize the retail bud tenders with the benefits and features of our historically popular product lineup.

Additionally, our gummie product proprietary packaging has been a big hit with the provincial distribution networks. This product is considered ideal for the retail outlets as the blister-packaging is more shelf stable than traditional pouch designs. We believe this will be a differentiating factor for Pure Chews and should help us to obtain additional listings in all major markets in Canada where we expect it will be as successful as it has been for Taste-T, LLC, the US manufacturer of the famous Fireball Cinnamon and Margarita Chill gummie lines in Nevada, Massachusetts, Michigan and Oklahoma.

Another important element of our revenue model which we identified early on has turned into reality as we commenced our first tolling contract with a high-quality hemp grower. We are now in receipt of the first 500 kg of high potency CBD biomass in a relationship designed to instill customer loyalty with an ability to grow together towards mutual success.

White labeling has also begun to build momentum and gain sales traction for us. We are in the final stages of bringing on 2 large Licensed Producers as customers in order to manufacture their cannabis 2.0 products in the vape and tincture sectors. Although the sales cycle has been longer with Covid-19, we are now regularly engaging with potential customer leads who are sending us a growing number of requests for information.

Functional mushrooms

Our involvement in the functional and psychoactive mushrooms space is also gaining momentum. We have successfully launched our functional wellness line of products through our Pure Mushrooms branded Amazon direct-to-consumer sales channels in the US and Canada. To service demand, we have initially launched with 2 important products; Reishi and Maitake and are developing an additional Lion's Mane product for launch later this quarter.

We believe Pure Mushrooms can be a meaningful revenue generator in 2022 and that by entering the functional part of the mushrooms sector this will give us greater ability to develop meaningful psilocybin-based psychedelic formulations in future.

Psilocybin line

Regarding our outlook for psychoactive mushroom compounds, we continue to actively move forward with R&D efforts in this area. We are not alone in finding it hard to obtain psychedelic biomass as it is highly regulated by Health Canada with many people reporting that there is little or no product available for R&D purposes. Fortunately, we have entered an agreement with ShroomBloom, a BC-based psychedelic mushroom cultivator, to assist in providing us with ample product for our R&D efforts upon final receipt of their Health Canada approvals.

We are also excited to be working with Psyence Group (CSE: PSYG) who offer very strong R&D and production capabilities. They currently have clinical trial opportunities in two major Canadian universities for the use of psilocybin in palliative care, and through our JV we will have access to Psyence's team of doctors and researchers in Toronto, South Africa and Jamaica. This additional effort will prove invaluable as we work to formulate a psilocybin compound that will be fast-acting and effective in dealing with PTSD, anxiety and other mental illnesses.

In conclusion, although Covid-19 has lengthened our sales cycle somewhat, we are now enjoying renewed interest from producers and brands looking for new opportunities and partnerships. We are all extremely excited to be working together to unlock the potential value of what could soon be a continent-wide industry and an opportunity totally unique to our lifetime.

ON BEHALF OF THE BOARD

“Ben Nikolaevsky”

Ben Nikolaevsky
CEO and Director

About Pure Extracts (CSE: PULL) (OTC: PRXTF) (XFRA: A2QJAJ)

Pure Extracts Technology Corp. features an all-new, state-of-the-art processing facility located just 20 minutes north of world-famous Whistler, British Columbia. The bespoke facility has been constructed to European Union GMP standards aiming towards export sales of products and formulations, including those currently restricted in Canada, into European jurisdictions where they are legally available. On September 25, 2020, Pure Extracts was granted its Standard Processing License by Health Canada under the Cannabis Act and the company's stock began trading on the Canadian Securities Exchange (CSE) on November 5, 2020.

Find out more at <https://pureextractscorp.com/>.

For further information please contact Empire Communications Group at (604) 343-2724 and ir@empiregroupir.com.

The CSE has neither approved nor disapproved the contents of this press release.

This news release contains forward-looking statements relating to the future operations of Pure Extracts, and the other statements are not historical facts. Forward-looking statements are often identified by terms such as "will", "may", "should", "anticipate", "expects" and similar expressions. All statements other than statements of historical fact, included in this release, including, without limitation, statements regarding US expansion and the future plans and objectives of Pure Extracts', are forward-looking statements and involve risks and uncertainties. A number of factors could cause actual events, performance or results to differ materially from what is projected in forward looking statements. Although we believe that the assumptions underlying these statements are reasonable, they may prove to be incorrect, and we cannot assure that actual results will be consistent with these forward-looking statements. Given these risks, uncertainties and assumptions, investors should not place undue reliance on these forward-looking statements. Whether actual results, performance or achievements will conform to the Company's expectations and predictions is subject to a number of known and unknown risks, uncertainties, assumptions and other factors, including those listed under "Risk Factors" in the Company's Annual Information Form. The Company does not undertake to update any forward-looking information, except as, and to the extent required by, applicable securities laws.

This news release contains information about potential sales revenue from supply agreements, which may be considered as disclosure of financial outlook under applicable securities laws. Such information is subject to the same assumptions, risk factors, limitations, and qualifications as set forth in the above paragraph. Specifically, estimated sales revenue which may be derived from supply contracts has been calculated based on current wholesale prices and assume, among other things, that the Company will be able to find buyers for its products. Financial outlook contained in this news release was made by management as of the date of this news release and was provided for the purpose of providing readers with an understanding of the potential revenue which may be derived from supply agreement recently entered into by the Company, and are not an estimate of profitability or any other measure of financial performance. Readers are cautioned that the financial outlook contained in this document should not be used for purposes other than for which it is disclosed herein.