

Nutritional High Provides an Update on Acquisition Closing and Share Consolidation

Toronto, Ontario--(Newsfile Corp. - August 27, 2021) - Nutritional High International Inc. (CSE: EAT) ("Nutritional High" or the "Company") is pleased to announce that August 31, 2021 is the anticipated date for closing of the acquisition of the business of OutCo Labs Inc. ("OutCo") previously announced on June 21, 2021. ("Acquisition"). Further, in connection with the Acquisition of OutCo, the Company announces that it will proceed with a previously approved 20:1 share consolidation which shall take effect on September 3, 2021.

OutCo Acquisition

Based in San Diego California, OutCo is a leader in the cannabis industry with 2020 revenues of approximately US\$8 million. Specializing in manufacturing and retailing premium quality cannabis flower, high margin extract products, award-winning vape cartridges, tinctures, topicals, capsules and flower products.

OutCo operates two licensed dispensaries located in unincorporated San Diego County California as well as a 15,000 sq. ft. vertically-integrated cultivation, extraction and product manufacturing facility situated in El Cajon, California. OutCo also owns and operates an outdoor cultivation operation and nursery in Mendocino County.

Pursuant to the terms of the Agreement and subject to the closing of the Acquisition, Lincoln Fish, OutCo's CEO, will join the Board of Directors of the Company and continue to lead the OutCo team.

Terms of the Acquisition

The Company will acquire the business of OutCo through the purchase of substantially all the assets of OutCo and its subsidiaries including, control and management of three licenced entities, intellectual property, equipment, land and buildings.

Subsequent to the initial press release dated June 21, 2021, adjustments have been made to the consideration which reflect the final amounts of assumed liabilities and changes in closing working capital.

Total consideration shall be as follows (all amounts being based on pre-consolidated figures):

1. 72,464,861 special warrants. Each special warrant will entitle the holder to acquire, for no additional consideration one (1) multiple voting share (a "Multiple Voting Share") of the Company provided that the holders of common shares of the Company approve the creation of the Multiple Voting Shares on or before October 8, 2021 (the "MVS Approval Date") and otherwise ten (10) common shares in the capital of the Company ("Common Shares"), with such Special Warrants to be automatically converted forthwith after the earlier of (i) the date of the meeting of holders of Common Shares called to approve, among other things, the creation of the Multiple Voting Shares and (ii) October 8, 2021.
2. 40,666,667 Class A Common Share purchase warrants ("Class A Warrants") each entitling the holder to acquire one Common Share at any time on or before the 24 month anniversary of the closing of the Acquisition at an exercise price of Cdn\$0.03. The exercise of the Class A Warrants shall be subject to the Company completing a share consolidation whereby the warrant exercise price will be, in effect, over Cdn\$0.03 per Class A Warrant. The expiry date of the Class A Warrants will be accelerated if the volume weighted average price of the Common Shares for the 10 consecutive trading days ending on the date that is 90 days following the one-year anniversary of the closing date of the Acquisition (the "Class A VWAP Date") is equal to or greater than \$0.048. In such case the accelerated expiry date will be the date that is 60 days following the

Class A VWAP Date.

3. 24,400,000 Class B Common Share purchase warrants ("Class B Warrants") each entitling the holder to acquire one Common Share at any time on or before the 24 month anniversary of the closing of the Acquisition at an exercise price of Cdn\$0.05. The expiry date of the Class B Warrants will be accelerated if the volume weighted average price of the Common Shares for the 10 consecutive trading days ending on the date that is 90 days following the 18 month anniversary of the closing date of the Acquisition (the "Class B VWAP Date") is equal to or greater than \$0.08. In such case the accelerated expiry date will be the date that is 60 days following the Class B VWAP Date.
4. Assumption of debt of US\$3.2 million representing a US\$2.65 million mortgage over the land being acquired in Mendocino California, the issuance of a US\$220,000 convertible debenture⁽¹⁾ of the Company and the assumption of US\$375,500 in obligations due to creditors of OutCo.⁽²⁾
5. Up to US\$3 million earnout based on both of OutCo's retail facilities obtaining recreational marijuana licenses within 18 months of closing with such amount to be satisfied through the issuance of Special Warrants, Multiple Voting Shares or Common Shares depending on when such securities become issuable.

(1) The convertible debenture will have a term of 3 years and have an interest rate of 10% per annum. Conversion terms convertible into Common Shares at any time at the option of the holder at a conversion price equal to the greater of (i) 135% of the average closing price of the Common Shares on the Canadian Stock Exchange (the "CSE") (or such other exchange on which the Company's common shares may then trade) for the 10 trading days preceding the closing of the Acquisition and (ii) the minimum price permitted by the CSE

(2) The Company will be assuming other current liabilities of the licenced entities which are included in working capital.

FMI Capital Advisory Inc., a financial advisory firm of which Adam Szweras (a director of the Company) is a director, will receive an advisory fee in connection with the transaction which will be satisfied through the issuance of 36,452,533 common shares in the capital of the Company.

Terms of the Share Consolidation

The Company is pleased to announce that its common shares will consolidate with a record and effective date of September 3, 2021, on a twenty (20) for one (1) basis. There is no change in the Company's trading symbol. Any fractional shares arising upon the consolidation will be rounded down to the nearest whole number of common shares. Outstanding stock options, share purchase warrants and other convertible securities will also be adjusted by the consolidation ratio and the respective exercise prices adjusted accordingly.

Letters of transmittal describing the process by which shareholders may obtain new certificates representing their consolidated common shares will be mailed shortly to registered shareholders. Shareholders holding their shares through a broker or other intermediary and consequently not having shares registered in their name will not be required to complete a letter of transmittal.

The new CUSIP and ISIN numbers for the Company's common shares are as follows:

Type of Security	CUSIP	ISIN
Common shares	670684877	CA6706848778

Prior to the conversion of Special Warrants associated with the OutCo acquisition, following the consolidation and subject to rounding, the Company will have approximately 51,345,910 common shares outstanding and 20,447,281 common shares reserved for issuance.

The Company will provide an update on its three business units, product launches, branding and future outlook in the coming days.

About Nutritional High International Inc.

Nutritional High is focused on developing and manufacturing branded products in the cannabis industry, with a specific focus on edibles and oil extracts for medical and adult recreational use. The Company works exclusively in jurisdictions where such activity is permitted and regulated by state law. Nutritional High has brought its flagship FLI™ edibles and vape product lines from production to market in various markets including Colorado where its award winning FLI™ products are manufactured by Palo Verde, LLC, which was recently purchased by the Company. Also, the Company is launching a new brand of products to be manufactured at its facility in LaPine Oregon.

With the closing of the OutCo acquisition, Nutritional High will significantly increase its footprint with vertically-integrated cultivation, extraction, manufacturing and retail of in-house brands across three states.

The Company also owns Psychedelic Science which is working with Rangsit University in Thailand to consider the medical benefits of various psychedelic cacti.

For updates on the Company's activities and highlights of the Company's press releases and other media coverage, please follow Nutritional High on [Facebook](#), [Twitter](#) and [Instagram](#) or visit www.nutritionalhigh.com.

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Caution Regarding Forward-Looking Information:

NEITHER THE CANADIAN SECURITIES EXCHANGE NOR OTC MARKETS GROUP INC., NOR THEIR REGULATIONS SERVICES PROVIDERS HAVE REVIEWED OR ACCEPT RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.

This news release may contain forward-looking statements and information based on current expectations. These statements include statements regarding: the closing of the Acquisition, the timing thereof and the impact it will have on the Company's business. These statements should not be read as guarantees of future performance or results. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by such statements. This forward-looking information reflects the Company's current beliefs and is based on information currently available to the Company and on assumptions the Company believes are reasonable. These assumptions include, but are not limited to: the ability of the Company to successfully satisfy the conditions to closing the acquisition of OutCo, the ability of the Company to successfully execute its business plans; legal changes relating to the cannabis industry proceeding as anticipated; and the Company's continued response and ability to navigate the COVID-19 pandemic being consistent with, or better than, its ability and response to date.

The Company's securities have not been registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or applicable state securities laws, and may not be offered or sold to, or for the account or benefit of, persons in the United States or "U.S. Persons", as such term is defined in Regulation S under the U.S. Securities Act, absent registration or an applicable exemption from such registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in the United States or any

jurisdiction in which such offer, solicitation or sale would be unlawful.

Additionally, there are known and unknown risk factors which could cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information contained herein. Such risks and other factors may include, but are not limited to: general business, economic, competitive, political and social uncertainties; general capital market conditions and market prices for securities; the actual results of the Company's future operations; competition; changes in legislation affecting the Company; obtaining and maintaining regulatory approvals including acquiring and renewing U.S. state, local or other licenses, the uncertainty of existing protection from U.S. federal or other prosecution, regulatory or political change such as changes in applicable laws and regulations, including U.S. state-law legalization, market and general economic conditions of the cannabis sector or otherwise; the timing and availability of external financing on acceptable terms; lack of qualified, skilled labour or loss of key individuals; risks related to the COVID-19 pandemic including various recommendations, orders and measures of governmental authorities to try to limit the pandemic, including travel restrictions, border closures, non-essential business closures, service disruptions, quarantines, self-isolations, shelters-in-place and social distancing, disruptions to markets, economic activity, financing, supply chains and sales channels, and a deterioration of general economic conditions including a possible national or global recession; and a deterioration of financial markets that could limit the Company's ability to obtain external financing.

A description of additional risk factors that may cause actual results to differ materially from forward-looking information can be found in the Company's disclosure documents on the SEDAR website at www.sedar.com. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. Accordingly, readers should not place undue reliance on forward-looking information. Readers are cautioned that the foregoing list of factors is not exhaustive. Readers are further cautioned not to place undue reliance on forward-looking information as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated.

Forward-looking information contained in this press release is expressly qualified by this cautionary statement. The forward-looking information contained in this press release represents the expectations of the Company as of the date of this press release and, accordingly, are subject to change after such date. However, the Company expressly disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as expressly required by applicable securities law



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