

High Fusion Announces Receipt of Recreational Licences and Issuance of Securities Under the Earnout and Other Issuances

Toronto, Ontario--(Newsfile Corp. - November 24, 2021) - High Fusion Inc. (CSE: FUZN) ("**High Fusion**" or the "**Company**") is pleased to announce receipt of recreational licenses for both the Escondido and El Cajon, California dispensaries. The receipt of these licenses is further to the Company's press releases dated September 1, 2021 and October 22, 2021 regarding the acquisition of the business of OutCo Labs Inc. ("OutCo") and the approval from the San Diego County Board of Supervisors.

Receipt of the recreational licenses comes in accordance with the San Diego County Board of Supervisors approval of a series of changes specific to the five current cannabis operations running in the unincorporated area of San Diego County.

The board voted to:

- Allow all five operators to sell recreationally
- Allow the sale and manufacture of edible products
- Allow for expansion and build-out on existing properties
- Allow transferability of licenses
- Develop a social equity program for the county
- Create a new ordinance over the next 18-24 months, with input from the five operators

Source: San Diego County Board of Supervisors: <https://bosagenda.sandiegocounty.gov/cob/cosd/cob/doc?id=0901127e80da8d00>.

John Durfy, CEO, commented, "With these recreational licences in place, High Fusion has immediately commenced recreational sales from both of its dispensaries in California. The recreational market is over five times the size of the medical market¹ so we will be modifying our dispensaries to accommodate at least a doubling of foot traffic. Further, this approval will allow us to pursue plans to more than double the indoor cultivation area and build out a specialized lab for concentrates manufacturing. We anticipated this potential opportunity during the transaction negotiations and are extremely happy for the expedited timeline."

¹ Source: Headset, Marijuana Business Daily, University of California

Issuance of Securities under the OutCo Earnout

In accordance with the terms of the acquisition of the business of OutCo, with the receipt of recreational licenses for both of OutCo's retail facilities within 18 months of closing, OutCo will receive a US\$3 million earnout satisfied through the issuance of Multiple Voting Shares ("Earnout"). Based on the terms of the asset acquisition agreement, the Earnout calculation will result in the Company issuing 3,623,243 Multiple Voting Shares.

Other Issuances

The Company will also issue 544,242 Subordinate Voting Shares in settlement of \$119,471 in obligations to vendors.

About High Fusion Inc.

High Fusion Inc., (formerly Nutritional High International Inc.), is focused on developing and manufacturing branded products in the cannabis industry with a specific focus on flower, pro-rolls, vapes, edibles and oil extracts for medical and adult recreational use. The Company operates and controls license in California, Colorado and Oregon.

High Fusion has manufacturing, retail and grow operations in California through its acquisition of the business of OutCo and owns and operates oil extraction and edible manufacturing facilities in Colorado and Oregon. The Company's brand portfolio includes its award winning FLI™ edibles and vape product, along with a number of new brands including Red Octopus and Dubbi Brothers in addition to the OutCo and Thrive brands recently acquired.

Neural Therapeutics Inc. (formerly Psychedelic Science Corp.) is a wholly-owned subsidiary of High Fusion focused on ethnobotanical drug-discovery and development company. Neural Therapeutics is focused on developing products and conducting research on the psychoactive cacti plants with the primary objective to find where the historical use in traditional medicine has proven to be effective and capitalize on the opportunities that can be applied in modern medical and natural health product markets.

For updates on the Company's activities and highlights of the Company's press releases and other media coverage, please visit www.high-fusion.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: pursuing plans to more than double the indoor cultivation area and build out a specialized lab for concentrates manufacturing and the timing thereof. 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 execute their business plans; legal changes relating to the cannabis and psychedelic industries 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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