

Benchmark Provides Update on Financial Condition of Potanicals

Vancouver, British Columbia--(Newsfile Corp. - October 23, 2020) - **Benchmark Botanics, Inc. (CSE: BBT) ("Benchmark" or the "Company")** Benchmark announces that the ongoing working capital deficiency of Potanicals Green Growers Inc. ("**Potanicals**"), the Company's wholly owned subsidiary, may result in Potanicals being unable to meet all of its accounts payable at October 31, 2020, including its October 31, 2020 payroll obligations for all 39 of Potanicals' employees, which will cause material uncertainty about Potanicals' ability to continue as a going concern. During the period from January 1, 2019 to December 31, 2019, Potanicals had a net loss of approximately \$1,736,000. As at October 22, 2020, Potanicals had cash of \$102,493, and a working capital deficiency of \$134,605.

The Company is actively exploring various options to address the financial difficulty issues of Potanicals, including increasing its sales from inventory, cutting its costs, restructuring its operations, and undertaking an equity or debt financing. To meet such funding requirements, if the Company closes an additional equity financing, it would be dilutive to existing shareholders. Debt financing, if available, may also involve restrictions on financing and operating activities. There is no assurance that such additional financing will be available on terms acceptable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of the operations of Potanicals or any planned expansion. No assurances can be given that the Company will be able to raise the additional funding that may be required for such activities. The Company will provide further updates on this matter as it develops.

About Benchmark

Benchmark is a diversified multi-licensed cannabis producer focused on a three-way vertical business model targeting the medical and recreational markets in Canada. The Company's business plan also includes a strategy to become a Canadian licensed producer to pioneer selling medical cannabis and hemp throughout Asia, in countries where it is legal to do so.

Benchmark is focused on producing the highest-quality, indoor-grown cannabis for patients and adult recreational consumers, as well as developing international business partnerships to extend the Company's global footprint.

Benchmark's 100% owned subsidiary, Potanicals Green Growers Inc. ("Potanicals") is a Health Canada licensed producer under the Cannabis Act and its regulations. The Company is producing at its indoor Peachland, BC Cannabis Complex and is constructing a Phase II expansion of an additional 10,000 square foot extraction facility there. Along with cultivation and production, the company's Peachland BC facility also provides propagation, cultivation, cloning, storage, research and development, genetic improvements.

As part of its expansion strategy, the company and a joint venture partner completed a second facility, a 4-acre Greenhouse Operation in Pitt Meadows, BC. The Company, through Potanicals, has received its second cultivation license, effective November 29, 2019, from Health Canada for the Pitt Meadow greenhouse.

For further information, please visit the Company's website at www.benchmarkbotanics.com or the Company's profile at www.sedar.com.

If you would like to be added to Benchmark's news distribution list, please sign up at Investor Relations info@bbtinc.ca.

ON BEHALF OF THE BOARD OF

BENCHMARK BOTANICS INC.

"William Ying"

William Ying

Chief Executive Officer

The CSE has not reviewed and does not accept responsibility for the adequacy or accuracy of the content of this release.

Forward-Looking Statements

This news release contains forward-looking statements pertaining to various risks and uncertainties regarding future events. The use of any of the words "anticipate", "continue", "estimate", "expect", "may", "will", "project", "should", "believe" and similar expressions are intended to identify forward-looking statements. Such forward-looking information can include without limitation statements based on current expectations involving a number of risks and uncertainties and are not guarantees of future performance of the Company. Although the Company believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because the Company can give no assurance that they will prove to be correct. Actual results could differ materially from those currently anticipated due to a number of factors and risks including the risk factors discussed in this news release and in the Company's disclosure documents, which can be found under the Company's profile on www.sedar.com and on the CSE website. These statements speak only as of the date of this news release. Except as required by law, the Company does not intend to update these forward-looking statements.



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