

GLOBAL HEMP GROUP EXECUTES LOI WITH B-ORGANIC R&D CORP. TO CREATE 50% JOINT VENTURE AROUND ITS PATENTED BIOACTIVE LIPID AGENTS TECHNOLOGY

Vancouver, BC -- (October 11, 2023) -- **GLOBAL HEMP GROUP INC.** (“GHG” or the “Company”) ([CSE: GHG](#) / [FRANKFURT: GHG](#)) is pleased to announce that it has executed an Letter of Intent (“LOI”) with B-Organic R&D Corp. (“B-Organic”) to exclusively license its Bioactive Lipid Agents (“BLA”) technology, a patented innovative matrix which is able to increase the solubility and bioavailability of numerous “poorly soluble pharma ingredients” including cannabinoids. The application of BLA extends to numerous industries such as food, pharmaceuticals, healthcare, drugs, agriculture, and nutraceuticals.

This LOI marks the next step in the Company's strategic expansion of its bio pharma business segment. Earlier this year, GHG successfully launched this segment with the Exclusive Licensing of Apollon Formularies plc patents and intellectual property. Research is also an important component of this expanding business segment. The Company will work with the B-Organic team in collaboration with Prof. Víctor M. Castaño, Ph.D., head of GHG’s R&D team, to bring together additional advisors that can assist in developing this business segment.

Deal Terms

Exclusive Licensing - B-Organic, a bio-chemical research company that concentrates on the development of molecular structures that have scientific or commercial value for industry partners in the Pharmaceutical, Nutraceutical and Agricultural sectors is exclusively licensing the application of its Bioactive Lipid Agents technology for development/enhancement of products which include any form of cannabinoid, including terpenes or flavonoids, as well as compounds extracted from functional mushrooms, either alone or in any combination (the “Application”).



The Parties will look to work together by way of establishing a collaboration and/or joint venture (“JV”) through a new entity to be formed by way of a share allocation on a 50/50 basis (the “Proposed Transaction”).

Definitive Agreement - The Parties will now move forward on completing a definitive agreement (the “Definitive Agreement”) setting forth the detailed terms of the Proposed Transaction which shall contain, but not limited to, milestones, budgets, terms and conditions as set out in the LOI, and such other terms and conditions as are customary for transactions of the nature and magnitude contemplated herein. All Proposed Transaction documents shall be in form and content satisfactory to GHG and B-Organic and their respective boards of directors and counsel. GHG has been granted an exclusive period to November 30, 2023 to complete the Definitive Agreement, unless mutually extended in writing by the Parties.

Reimbursement of Investment - All initial revenues generated from any products developed by the JV will be used to reimburse GHG for its cumulative investment, before distribution of any remaining proceeds as defined in the Proposed Transaction documents. In the case of a mutual agreement by the founding JV partners to sell the JV company or to expand the ownership of the JV to third parties, GHG will have its cumulative investment repaid from proceeds prior to any allocations. Such reimbursement is not applicable in case of the termination of this Letter of Intent.

Termination of the Letter of Intent - This LOI may be terminated by: a) mutual written consent by both Parties; b) if the Parties have not entered or failed to agree and sign, at their sole discretion, the requisite Definitive Agreement on or before November 30, 2023; c) if the research funding is not reached, prior to signing the Definitive Agreement, unless mutually extended and signed by both Parties.

Background on Bioactive Lipid Agents (“BLA”)

Through many years of research, B-Organic has developed and patented an innovative matrix, which will change Pharmaceutical, nutraceutical and well as the hemp/cannabis industry. B-Organic’s Innovative Matrix has demonstrated to be able to increase the **solubility and bioavailability** of numerous “poorly soluble pharma ingredients” including cannabinoids.

The technology has been patented as Bioactive Lipid Agents Under Water Dispersible Solid Forms for Food, Nutraceutical, Agricultural and Pharmaceutical - Patent Number: PCT/CA2015/00017. Because of their ongoing work utilizing BLA on medical cannabis, B-Organic also possesses a Cannabis Research License issued by Health Canada.

With B-Organic’s patented technology, research has demonstrated that the following can be achieved with cannabinoids:

- Conversion of cannabinoids into solid powders permitting to broaden the application field under different dosage forms: tablets, capsules, patch for pharmaceutical application or for recreational use as powders (ready to use) in sugar sachet form, easily added to food, drinks, energy drinks, baking goods, dairy products, etc.
- 100 % Generally Recognized As Safe (“GRAS”)
- Excipient FDA Cleared
- Increase the bioavailability of the cannabinoids (and its analogues): *less active ingredient is required* in order to target the same dosage or effect, thus resulting in a decrease in cost and improve the safety
- Accurate dosing for immediate or controlled release of the cannabinoids or its derivatives
- Reduced side effects
- Conversion process requires **no chemicals, no solvents**, and no heat
- Cannabinoid odor can be reduced if desired
- Costs are low and product is simple to manufacture

With the recent addition of Ramsey Douglas as Director of GHG (see the Company’s news release of October 3, 2023) the Company has begun to build its marketing team for products that will be manufactured through outsourcing under various licences. Through his experience in the cannabinoid industry in the United Kingdom and Europe, Ramsey is creating for GHG a comprehensive, end-to-end solution designed to seamlessly connect prescribers, pharmacies, and patients. With meticulous attention to detail, he is honing a marketing strategy to showcase groundbreaking innovation in bioavailability, with the mission to redefine relief, ushering in a new era of health and wellness. This new plan is dedicated to fulfilling customers' needs with

an approach that stems from the belief that marketing and healthcare should not only provide but also inspire and empower individuals on their wellness journeys.

The vision behind the marketing strategy is to market through and with partners who already have routes to market, and by understanding their pain points across a complex industry, making sure that the message is consistent, collaborative and hitting the correct audiences. By working in collaboration, it is expected that the Company can generate better growth, with a stronger message, and together get more engagement and reach with brand exposure.

On the Biopharma side the whole marketing focus is geared towards education, and the targeted areas will be across the following areas, doctor, pharmaceutical and end user. By getting these verticals onside, this gives an easier route to market, and with the technology that we have in the form of a medicinal cannabis, hard format, and a managed dose tablet, our job is made easier in giving them a delivery method that they are familiar with. The products that will come under the Biopharma umbrella are: Apollon, B-organic and others as additional deals are completed in this business segment.

The same strategy will be employed on the wellness side, where the focus will be on partners as opposed to trying to drive sales through individual corporate websites. The Nevada manufacturer that is producing product utilizing the Apollon formulations for GHG's sublicensee also has numerous products accepted for marketing under the regulations in the United Kingdom. Discussions are underway to expand the relationship of the parties with the vision to increase the scope of products being marketed in the UK and Europe utilizing the Company's new connections through Mr. Douglas.

GHG is looking forward to an exciting future which will be built on two main business segments: Its legacy Industrial Hemp Division as well as its the new BioPharma / Health and Wellness Division. Both of these business segments will draw benefit from the Company's R&D and Marketing initiatives.

About B-Organic R&D Corp.

B-Organic's R&D efforts primarily focus on the solubilisation of Bio-active Lipid Agents (BLA) in the pharmaceutical and nutraceutical sector and on bacterial and antiviral agents based on natural mineral extract used as feed additive (Immunostimulant Mineral Complex) for applications in the aquacultural and agricultural sectors to control diseases in shellfish by strengthening nonspecific internal defense mechanisms.

About Global Hemp Group Inc.

Global Hemp Group Inc. (CSE: GHG / OTC: GBHPF / FRANKFURT: GHG) is focused on developing and promoting hemp-based products that are sustainable, environmentally friendly, and have a positive impact on society. To further support and innovate, GHG has established a R&D Division to actively pursue the development of Intellectual Property that can be patented for implementation at its projects and beyond. The Division is led by [Prof. Víctor M. Castaño, Ph.D.](#) whose career has focused in the areas of applied science and technology.

GHG has expanded its scope of business into natural biologic therapeutics having acquired the exclusive licensing of patents and IP from Apollon Formularies plc, a UK-based international pharmaceutical company developing cancer treatments from natural biologics, including cannabinoids, functional mushrooms, and combinations of these compounds, which to date

have shown successful independent, third-party results in pre-clinical testing. GHG will look to sub-license this IP where legally permitted to do so.

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Cautionary Note Regarding Forward Looking Statements

Certain information set forth in this news release may contain forward-looking statements that involve substantial known and unknown risks and uncertainties. These forward-looking statements are subject to numerous risks and uncertainties, certain of which are beyond the control of Global Hemp Group Inc., including, but not limited to, the impact of general economic conditions, industry conditions, volatility of commodity prices, currency fluctuations, dependence upon regulatory approvals, the availability of future financing and exploration risk, and the legality of cannabis and hemp. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements. Except as required by law, Global Hemp Group Inc. disclaims any intention and assumes no obligation to update or revise any forward-looking statements to reflect actual results, whether as a result of new information, future events, changes in assumptions, changes in factors affecting such forward-looking statements or otherwise.

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