

## Chalice Brands Ltd. Announces Flagship Superstore and Relationship with Aventine Property Group

PORTLAND, Ore., Dec. 08, 2021 (GLOBE NEWSWIRE) -- Chalice Brands Ltd. (CSE:CHAL) (OTCQB:CHALF) (“**Chalice**” or the “**Company**”), a premier consumer-driven cannabis company specializing in retail, production, processing, wholesale, and distribution, is pleased to announce it has successfully completed an agreement (the “**Agreement**”) to lease a retail property located in Portland, Oregon from Aventine Property Group, Inc. (“**Aventine**”).

“We have been working diligently to identify the ideal location for Chalice’s new, state-of-the-art flagship superstore. Establishing a centralized consumer headquarters in Portland will allow for better synergy of product awareness and delivery while presenting a meaningful draw for our customers. The Chalice team is excited to open the doors to this flagship location, allowing us to showcase our award-winning brands and fantastic dispensary experiences to the entire Oregon cannabis market,” said Jeff Yapp, President & Chief Executive Officer of Chalice. “We are thrilled to collaborate with Aventine on this significant step forward and look forward to our continued partnership as we improve our ability to accelerate expansion.”

“We are excited to launch a meaningful relationship with Chalice to facilitate their new flagship superstore facility in Central Portland and cement their leadership position in the market. I look forward to working with Chalice to further execute their long-term West Coast retail growth strategy,” commented Raymond J. Lewis, President and Chief Executive Officer of Aventine Property Group, Inc.

### Transaction Highlights:

- Under the terms of the Agreement, Chalice will lease a Portland, Oregon property located at 5341 SE McLoughlin Blvd from Aventine for a competitive market rate, inclusive of tenant improvements amortized over a ten-year period from the date of store opening.
- The property plans to be branded as the Company’s flagship superstore and is expected to be the largest store amongst all current owned and operated Chalice locations, by all metrics. The property includes 10,000 square feet of retail store space, ample parking, 301 feet of frontage on McLoughlin Blvd, landmark pylon signage, and is situated on a high-traffic street with approximately 51,000 vehicles passing by daily.
- Chalice’s retail portfolio increases to seventeen stores, strengthening the Company’s footprint in Central Oregon, making this over a 140% increase in the current fiscal year.
- The flagship superstore is expected to be equipped with an event and community space, an educational training center, delivery hub, and a product hub. The new flagship superstore is expected to provide considerable showcasing for Chalice partners and promote the advancement of the cannabis community as a whole. Additionally, the facility will allow the Company to provide a safe and efficient take-out option for customers to accommodate challenges stemming from the pandemic.
- The Chalice Farms flagship superstore is expected to be operational at the start of H2 2022.

“We are excited to open the new Chalice flagship superstore for many reasons. This location will offer our vendors and our trusted partners the opportunity to showcase their products like never before in the Oregon market. Our customers will be able to experience the best that Oregon has to offer in one location. We are especially looking forward to utilizing the superstore and its event space to become an important member of our local community,” noted Meghan Miller, Chief Operating Officer of Chalice.

“This transaction not only represents the beginning of an important partnership with Aventine, but a validation of the progress Chalice has made in cementing our position as one of Oregon’s leading cannabis companies. Our disciplined approach to capital allocation in the past year has resulted in four sequential quarters of positive cashflow and adjusted EBITDA, record third quarter revenues, and notable accretive acquisitions. We are proud of our efforts to increase the value of Chalice in the near-term while demonstrating our dedication to expanding our reach as part of the long-term strategy,” continued Jeff Yapp. “We will continue to pursue real estate investments on the West Coast to accelerate Chalice’s growth in a highly competitive U.S. cannabis market.”

### **About Chalice Brands Ltd.**

Chalice Brands is a premier consumer-driven cannabis company specializing in production, processing, wholesale, distribution and retail, with twelve owned and four managed dispensaries in and around Portland, Oregon. The Company is committed to developing a dynamic portfolio built around the recognized brands of Chalice Farms, with a focus on health and wellness. Chalice operates nationally through Fifth & Root and has operations in Oregon and California. Visit [investors.chalicebrandsltd.com](https://investors.chalicebrandsltd.com) for regular updates.

### **Investor Relations:**

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