

## Chalice Brands Ltd. Announces Late Filing of Annual Financial Statements

PORTLAND, Ore., May 03, 2022 -- Chalice Brands Ltd. (CSE: CHAL) (OTCQB: CHALF) (the “**Company**” or “**Chalice Brands**”) a premier consumer-driven cannabis company specializing in retail, production, processing, wholesale, and distribution announced today that it was and is not in a position to file its annual audited financial statements for the year ended December 31, 2021 and its related management’s discussion and analysis and officer certifications (collectively, the “**Required Filings**”) by the prescribed filing deadline of May 2, 2022 (the “**Filing Deadline**”).

Despite its efforts, the Company has not been able to complete its year end audit process due to the change in auditors and related issues. Amongst other things, the new auditor’s internal staffing issues lead to extended timeframes for the audit close process, along with their internal quality control procedures that also has affected the ability to meet filing deadlines. The close process is ongoing. The work being conducted is assurance related and is not expected to materially impact financial results. Management does not expect the issues described above to impact the financial reporting for Q1 2022. The Company will submit the Required Filings as soon as possible and anticipates doing so not later than June 15, 2022.

The Company recognizes that this delay may result in the issuance of a failure to file cease trade order against the Company. In the event this occurs, the Company will issue further press release(s) with additional information.

### About Chalice Brands Ltd.

Chalice Brands is a premier consumer-driven cannabis company specializing in production, processing, wholesale, distribution and retail, with 12 owned and six managed dispensaries in and around Portland, Oregon. The Company is committed to developing a dynamic portfolio built around the recognized brands of Chalice Brands, including Chalice Farms, Left Coast Connection, Homegrown Oregon and Cannabliss & Co., 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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*Neither the Canadian Securities Exchange nor its Regulation Services Provider (as that term is defined in the policies of the Exchange) accepts responsibility for the adequacy or accuracy of this release.*

*Disclaimer: This press release contains “forward-looking information” within the meaning of applicable securities legislation. Forward-looking information includes, but is not limited to, statements with respect to the Company’s future business operations, the opinions or beliefs of management and future business goals. Generally, forward looking information can be identified by the use of forward-looking terminology such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might” or “will be taken”, “occur” or “be achieved”. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information. These risks include but are not limited to general business, economic and competitive uncertainties, regulatory risks, market risks, risks inherent in manufacturing and retail operations such as unforeseen costs and production shutdowns, difficulties in maintaining brand loyalty, and other risks of the cannabis industry. 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. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward looking information. Forward-looking information is provided herein for the purpose of presenting information about management’s current expectations relating to the future and readers are cautioned that such information may not be appropriate for other purpose. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws. This press release does not constitute an offer of securities for sale in the United States, and such securities may not be offered or sold in the United States absent registration or an exemption from registration or an exemption from registration.*