

Chalice Brands Ltd. Announces Change of Auditor

PORTLAND, Ore., Oct. 04, 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, today announces that former independent auditor of the Company Baker Tilly US, LLP (“**Former Auditor**”) tendered its resignation effective September 28, 2022 and the Company has appointed M&K CPAS PLLC (“**Successor Auditor**”). The resignation was at the request of the Company. The Company had incorrectly reported that the Former Auditor had resigned effective August 10, 2022 and made disclosures in that respect on August 10, 2022. The Company’s public disclosure of the effective dates of the resignation of Former Auditor and the appointment of the Successor Auditor is incorrect, which dates should each be September 28, 2022.

In accordance with National Instrument 51-102 – *Continuous Disclosure Obligations* (“NI 51-102”), the Company will file a Change of Auditor Notice (the “**Notice**”) on SEDAR, together with letters from both the Former Auditor and Successor Auditor, with each letter confirming agreement with the statements contained in the Notice, as applicable. The Company is encouraged with our progress with the Successor Auditor and expects to issue audited financial statements for the year ended December 31, 2021, in October 2022.

About Chalice Brands Ltd.

Chalice Brands is a premier consumer-driven cannabis company specializing in production, processing, wholesale, distribution and retail, with 16 owned 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. Visit 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.