

Canbud Provides Updates on Progress on Psychedelics Operations

Toronto, Ontario--(Newsfile Corp. - October 6, 2021) - Canbud Distribution Corp. (CSE: CBDX) (FSE: CD0) (the "Corporation" or "Canbud") Management would like to provide the following update on the developments in the Jamaican operations.

On December 7, 2020, Canbud announced that it had entered into a definitive agreement dated December 4, 2020 to acquire 100% of the issued and outstanding securities of 2688453 Ontario Ltd. in exchange for 7,600,000 common shares at a deemed price per share equal to 19.5 cents.

In furtherance of the agreement, the Company issued 1,520,000 shares (representing 20% of the consideration shares) on January 5, 2021. The agreement contemplated material capital investment (in excess of US\$3.5 million) by the Company, over the course of a three-year period, to build and operate a commercial production supported by local staff and establish a retreat facility.

During the subsequent period, the company completed the manufacturing and installation of the initial production facility in Jamaica at a cost of US\$49,000 and entered into an MOU with the College of Agriculture, Science and Education ("CASE") to focus on the research and development of healing practices facilitated by psilocybin producing mushrooms.

Following a review process undertaken by management and approved by the Board, the Company has determined that the current and anticipated commercial state of the psychedelics market over the 18 to 24 month period will continue to remain sluggish and anticipated economic benefits of Canbud's commercialization plan are not conducive to continued financial commitment for the project at this time other than the research and development project which requires a financial commitment of up to CA\$10,000 over the next 12-month period. As a result, Canbud and 2688453 Ontario Ltd. have agreed to a mutual termination of the 'agreement' entered into on December 4, 2020, whereby the Company has agreed to issue 3,040,000 common shares to cancel the agreement (at a deemed price per share equal to \$0.05 or a total price of CA\$152,000). The shares to be issued as part of the termination agreement will remain in escrow and released in 3 different tranches during 2022.

Canbud continues to monitor the potential opportunities in the psychedelics market, in keeping with its continued commitment to research and development at this time. The facility is currently on the site assigned by CASE, with management of the facility under the research in-charge at CASE. The Company expects a more focused and cautionary approach from a capital allocation perspective, which will enable the Company to support the high growth areas of the business

About Canbud Distribution Corp.

Canbud is a science and technology health and wellness company carrying on business in the plant based, psychedelic pharmaceutical and non-psychedelic nutraceutical, and hemp cannabinoid (CBD) vertical markets.

www.mscience.ca

www.canbudcorp.com

<https://www.instagram.com/canbudcorp/?hl=en>

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Notice Regarding Forward-Looking Information

The information in this news release includes certain information and statements about management's view of future events, expectations, plans and prospects that constitute forward-looking statements. Forward-looking statements in this news release include, but are not limited to the Corporation's business and the industry and markets in which it operates. These statements are based upon

assumptions that are subject to significant risks and uncertainties, including assumptions about the operations, financial condition, and future performance of the Corporation. Although the Corporation considers these assumptions to be reasonable based on information currently available to them, they may prove to be incorrect, and the forward-looking statements in this news release are subject to numerous risks, uncertainties and other factors that may cause future results to differ materially from those expressed or implied in such forward-looking statements. Although the Corporation's management believes that the expectations reflected in forward-looking statements are reasonable, the Corporation can give no assurances that the expectations of any forward-looking statements will prove to be correct. Except as required by law, the Corporation disclaims any intention and assume 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.

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