



ORCHID VENTURES RELEASES A LETTER FROM THE CEO AND ANNOUNCES UPCOMING SHAREHOLDER MEETING

IRVINE, CA / ACCESSWIRE / November 20, 2019 / Premium cannabis brand company **Orchid Ventures, Inc.** (CSE:ORCD)(OTC:ORVRF) ("**Orchid**" or the "**Company**") releases a letter from its CEO, Corey Mangold.

Dear Shareholders,

We operate every day focused on building an ever increasingly strong and profitable business, all serving to enhance shareholder value. Given the pace of change within the cannabis industry and its challenges, I thought it important to provide an update to all shareholders so everyone is aware of Orchid's focus and resolved commitment, despite the headwinds of the past few months. We will also be holding a Shareholders Meeting on Monday, November 25 in Lake Forest, CA (see below for details) to review in more detail the current state of the business and our plans for the balance of Fiscal 2020.

KEY BUSINESS OBJECTIVES

Given recent developments in the Cannabis industry we have aligned our focus on a few key objectives. We are accelerating efforts in 1) new product development to diversify our portfolio; 2) expanding into new markets and developing a line of CBD products through e-commerce and select traditional trade channels; and 3) maintaining an agile and streamlined organization that continues to eye potentially valuable and strategic partnerships.

OREGON UPDATE

Our primary focus remains fixated on Orchid's growth and strengthening our position in the marketplace. A little more than a month ago, Oregon placed a ban on vape cartridges containing botanical derived terpenes. This ban cut into our Oregon revenue until we were able to launch an entirely new line of vape cartridges containing only cannabis derived terpenes. This new product line began presales last week and hit the shelves of retailers in Oregon earlier this week. Our sales of this new product line have exceeded previous sales records for Orchid ... we have sold nearly 90% of inventory in the first week of pre-sales. With the ban on botanical derived terpenes lifted last week by the Oregon Court of Appeals, we now have the opportunity to provide customers in Oregon with more product options, which will provide us with further revenue upside.



CALIFORNIA UPDATE

Orchid also experienced a slowdown in California sales given negative press relating to the issues with illegal vape products. In fact, the entire California vape category was down in sales for August and September versus year-to-date trends according to BDS. However, despite the challenges, year-over-year California sales in these two months remained up +8%. And Orchid's business in this state has seen a significant increase in sales over the last 4 weeks, primarily from our new product launch activities, expanding our sales team, as well as lowering the wholesale price of our product to retailers. Additionally, we are finalizing development on a new line of CBD products, as well as launching additional cannabis products in the dispensary sales channel over the coming months.

REVENUE DIVERSIFICATION

When the vape ban in Oregon arose, it highlighted the importance of revenue diversification. Our product development team has excelled over the last couple of months by creating a portfolio strategy and finalizing the readiness of our initial new product diversification efforts, which we are in the process of launching. This has enabled us to capitalize on and strengthen our relationship with key, high volume retail partners along with successfully opening up new sales channels for our products. By responding quickly, we have stabilized the business and positioned Orchid for growth in the future.

Another key objective is to leverage our core competencies by expanding into new channels like ecommerce and traditional retail which will create additional revenue streams for our business. Our management team has over 20 years of ecommerce experience in developing platforms, marketing, conversion optimization, and fulfillment management. Accordingly, we will be developing our own ecommerce presence to focus on CBD sales, hardware sales, and other products that do not contain THC and can be shipped over state lines and internationally.

PRODUCT EFFICACY

Our mission is to "Create the Highest Standards in Cannabis" and we intend to live up to this by developing high quality products that our customers can depend on. Despite the negative press around vape, the vape category remains large and continues to grow year-over-year. Consistent with our mission, all Orchid products are thoroughly tested to ensure that they meet our own high standards as well as all specific legal standards set by governing bodies in the states and countries where we do business. Importantly, we have never used any of the cutting agents suspected of causing vape-related illnesses in our products, and we perform emissions testing on our hardware in order to fully understand the performance of our products and the impact on the customer experience.



MOVING FORWARD

We compete in a very young and in many ways immature industry. But despite the downturn in the capital markets, the vape situation and the interference of black market influence on legitimate and legal businesses, I thought it important for you to know that Orchid is responding by focusing on our business plans and growth priorities for the remainder of Fiscal 2020. We have momentum on various fronts and we remain confident in our ability to achieve our revenue and profit commitments.

Most in the industry have taken some body shots and are dealing with many of the same obstacles. We should expect further peaks and valleys in the days and months ahead as the industry continues to grow and mature. We are fully aware of this and believe that our experience, dedication and importantly the strength of the Orchid brand and our many loyal customers will get us through any adversity that may come our way.

I remain optimistic about Orchid's future and I am excited about the challenges and opportunities that lie ahead. You can be assured that our executives and their teams are taking an offensive approach and diligently working to build on our growth trajectory. We will demonstrate, through solid financial performance and a focus on ethical business practices that we are moving in the right direction and adding value to our key constituents: Orchid customers, employees, shareholders and business partners.

IN-PERSON SHAREHOLDER UPDATE MEETING

We would like to invite all shareholders to a shareholder update meeting. Details are below.

When:

Monday November 25th
6:00 pm PST

Where:

Orchid Corporate Headquarters
9930 Irvine Center Drive
Lake Forest, CA 92630



Snacks and beverages will be available

Sincerely,

*Corey R. Mangold
CEO, Founder & Director*

ABOUT ORCHID ESSENTIALS

Orchid Essentials is an Irvine, Calif.-based brand that launched in Oregon and California in August 2017 and has since developed a mass-market brand and loyal consumer following with its premium vape products. Orchid's product lines are currently sold in 350+ dispensaries across California and Oregon and are handcrafted and designed for maximum flavor and overall enjoyment. The company's proven processes and passion for what it does carry through into its products. The end result is an unparalleled experience for new and practiced cannabis users alike. Orchid plans to expand its brand into new national markets, as well as global markets such as Latin America and Europe. With a continued focus on brand and intellectual property development, Orchid will execute strategic acquisitions to solidify an integrated cannabis manufacturing and distribution infrastructure with the goal of becoming a dominant premium cannabis brand in the United States. Orchid's management brings significant branding, product development and distribution experience with a proven track record of scaling revenues, building value-generating partnerships and creating enterprise value. Learn more at <https://orchidessentials.com/>

ON BEHALF OF THE BOARD OF DIRECTORS

Orchid Ventures, Inc.

**Corey Mangold,
CEO, Founder & Director
investors@orchidessentials.com
949-357-5818**

THE CANADIAN SECURITIES EXCHANGE HAS NOT REVIEWED AND DOES NOT ACCEPT RESPONSIBILITY FOR THE ACCURACY OR ADEQUACY OF THIS RELEASE

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