



WAYLAND

For Immediate Release

Wayland Announces Court Approval of DIP Financing

Toronto, ON, December 5, 2019 – Wayland Group Corp. (CSE:WAYL) (“**Wayland**” or the “**Company**”) today announced that the Company, Maricann Inc. and NanoLeaf Technologies Inc. (collectively, the “**Wayland Group**”) have been granted an amended and restated initial order (the “**Amended and Restated Initial Order**”) from the Ontario Superior Court of Justice (Commercial List) under the *Companies’ Creditors Arrangement Act* (the “**CCAA**”).

The Amended and Restated Initial Order authorizes the Wayland Group to obtain debtor-in-possession financing from The House of Turlock Ltd. (the “**DIP Lender**”). The DIP Lender has agreed to provide the Wayland Group with a debtor-in-possession financing facility (the “**DIP Facility**”) of up to approximately \$1.1 million during the period up to and including December 16, 2019 (the “**Interim Period**”), with the initial advance being subject to the satisfaction of certain conditions, including the Amended and Restated Initial Order having been obtained. The DIP Facility contemplates further advances to the Wayland in an amount to be agreed upon, with the DIP Lender’s obligation in respect of each subsequent advance being subject to the satisfaction of certain conditions, including court approval. The DIP Facility is secured by a priority security interest over all of the property of the Wayland Group and will accrue interest at a rate of 13% per annum. An initial commitment fee of \$50,000 is payable to the DIP Lender, with a subsequent commitment fee to be payable upon the granting of a further order of the court on the expiry of the Interim Period (the “**Comeback Order**”).

The DIP Facility is intended to address the Wayland Group’s near term liquidity issues and, together with the protection under the CCAA, including a stay of proceedings in favour of the Wayland Group and certain of its affiliates announced on December 2, 2019, to facilitate Wayland’s consideration of potential restructuring transactions. The Wayland Group intends to work with the monitor and its advisors to commence the process of identifying and considering potential restructuring transactions under a sale and investment solicitation process and anticipates that it will seek court approval of its sales process as part of the Comeback Order. Wayland can offer no assurance that the conditions to drawing on the DIP Financing will be satisfied or that any potential restructuring transaction will be identified or consummated by Wayland on terms satisfactory to it or at all. Wayland expects to provide a further update following the granting of the Comeback Order.

Wayland further announced that its auditor, NVS Chartered Accountants (“**NVS**”), resigned as auditors of the Company effective as of December 3, 2019. In accordance with National Instrument 51-102, Wayland sent a Change of Auditor Notice to NVS on December 4, 2019 and on December 5, 2019 received copies of the letter from NVS addressed to the Ontario Securities Commission as required by National Instrument 51-102. There were no reportable events arising in connection with NVS’s resignation. A copy of the Change of Auditor Notice together with a copy of NVS’s letter has been filed under Wayland’s profile on SEDAR and delivered to NVS, all in accordance with National Instrument 51-102. No successor auditor has been appointed by Wayland at this time.

Wayland has also determined that it will not consummate its previously announced transaction involving Theros Pharma Ltd. in the United Kingdom.

About Wayland Group Corp.

Wayland is a vertically integrated cultivator and processor of cannabis. Wayland was founded in 2013 and is based in Burlington, Ontario, Canada and Munich, Germany, with production facilities in Langton, Ontario where it operates a cannabis cultivation, extraction, formulation, and distribution business under federal licenses from the Government of Canada. Wayland also has production operations in Dresden, Saxony, Germany, Regensdorf, Switzerland, and Allesandria, Piedmont, Italy.

Forward Looking Information

This news release includes forward-looking information and statements, which may generally be identified by the use of the words “will”, “continues”, “anticipates”, “expects” and “intends” and variations or similar expressions which include, but are not limited to, information and statements regarding or inferring the future business, operations, financial performance, prospects, and other plans, intentions, expectations, estimates, and beliefs including, without limitation, the provision of the DIP Facility; availability of further advances under the DIP Facility; the effect of the CCAA protection and the DIP Financing; and the Company’s plans with respect to seeking the Comeback Order and with respect to the identification and consideration of potential restructuring transactions.

Forward-looking information and statements involve and are subject to assumptions and known and unknown risks, uncertainties, and other factors which may cause actual events, results, performance, or achievements of Wayland to be materially different from future events, results, performance, and achievements expressed or implied by forward-looking information and statements herein. Such assumptions, risks, uncertainties and other factors include, but are not limited to, that additional borrowings will be made available to Wayland under the DIP Facility on a timeline and terms acceptable to Wayland or at all, that the terms of any such financial arrangement will be approved by the court, that the stay will have the effect contemplated by Wayland in providing it with additional time to consider potential restructuring transactions; that changes in the CCAA proceedings, the restructuring process and Wayland’s ability to meet its obligations proceed on the basis anticipated by Wayland or at all; and that Wayland will be able to identify and consummate a reorganization transaction on the timelines and terms anticipated by Wayland or at all. Although Wayland believes that any forward-looking information and statements herein are reasonable, in light of the use of assumptions and the significant risks and uncertainties inherent in such information and statements, there can be no assurance that any such forward-looking information and statements will prove to be accurate, and accordingly readers are advised to rely on their own evaluation of such risks and uncertainties and should not place undue reliance upon such forward-looking information and statements. In particular, Wayland can offer no assurance that any additional borrowings will be made available to the Company under the DIP Facility on terms acceptable by the Company and by the court or at all or that it will be able to identify and/or consummate any potential reorganization transaction on terms satisfactory to Wayland and the court or at all. Any forward-looking information and statements herein are made as of the date hereof, and except as required by applicable laws, Wayland assumes no obligation and disclaims any intention to update or revise any forward-looking information and statements herein or to update the reasons that actual events or results could or do differ from those projected in any forward looking information and statements herein, whether as a result of new information, future events or results, changes in the CCAA proceedings or otherwise, except as required by applicable laws.

The Canadian Securities Exchange has not reviewed, approved or disapproved the content of this news release.

For more information regarding the Company’s CCAA Proceedings

A copy of the Amended and Restated Initial Order and other information will be available on the Monitor's website at www.pwc.com/ca/wayland

Additional enquiries for the Monitor may be directed to:

PricewaterhouseCoopers Inc.

In its capacity as Court-appointed Monitor of Wayland Group Corp., Maricann Inc., and NanoLeaf Technologies Inc.

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