



WAYLAND

For Immediate Release

Wayland Announces Court Approval of Amended DIP Facility

Toronto, ON, December 16, 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 a second amended and restated initial order (the “**Comeback Order**”) from the Ontario Superior Court of Justice (Commercial List) under the *Companies’ Creditors Arrangement Act* (the “**CCAA**”).

The Comeback Order authorizes the Wayland Group to obtain additional debtor-in-possession financing from the House of Turlock Ltd. (the “**DIP Lender**”) pursuant to an amended DIP Commitment Letter (the “**Amended DIP Facility**”). Under the terms of the Amended DIP Facility, the DIP Lender has agreed to provide advances under the Amended DIP Facility up to a maximum amount of \$10.05 million, subject to the satisfaction of applicable conditions. This amount includes the initial advance of \$1.15 million previously disclosed on December 5, 2019. The Amended 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 4% per annum. No additional commitment fees will be payable with respect to subsequent advances under the Amended DIP Facility.

The Amended DIP Facility is intended to provide the Wayland Group with financing to continue operations during their CCAA proceeding, to fund necessary capital expenditures that are agreed to by the DIP Lender, with the consent of PricewaterhouseCoopers Inc., in its capacity as monitor of the Wayland Group, and to conduct a sale and investment solicitation process (“**SISP**”) and consummate any transaction resulting from that process. The Wayland Group intends to work with its advisors and the monitor to identify and consider potential sale, investment, recapitalization and restructuring transactions and anticipates that it will seek court approval of the proposed terms and timelines of its SISP in early 2020. Wayland can offer no assurance that the conditions to drawing further amounts under the Amended DIP Facility 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 anticipated SISP order.

In addition, the Comeback Order extended the stay of proceedings against the Wayland Group until January 31, 2020. The stay extension will allow the Wayland Group to continue operating as a going concern as they develop the SISP and pursue various restructuring options.

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 Amended DIP Facility; availability of further advances under the Amended DIP Facility; the effect of the CCAA protection and the Amended DIP Facility; and the Company’s plans with respect to seeking the SISP 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 Amended 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 Amended 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 Comeback Order and other information is 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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