



EMPOWER CLINICS ANNOUNCES CLOSING OF C\$3.0 MILLION PRIVATE PLACEMENT FINANCING

Vancouver, BC – JANUARY 6, 2022 – EMPOWER CLINICS INC. (CSE:CBDT)(Frankfurt:8EC)(OTCQB:EPWCF) (“Empower” or the “Company”) is pleased to announce that it has closed its previously announced private placement of units of the Company (each, a “Unit”) at a price of \$0.20 per Unit and unsecured convertible debenture units (each, a “**Debenture Unit**”) at a price of \$1,000 per Debenture Unit for aggregate gross proceeds of C\$3,000,000 (the “**Financing**”).

As previously disclosed, insiders of the Company, including Steven McAuley, the Chief Executive Officer and a director of the Company, purchased an aggregate of 1.75 million units under the Financing. In connection with the Financing, Mr. McAuley entered into a securities lending agreement (the “**Agreement**”) with a purchaser of Debenture Units (the “**Borrower**”) pursuant to which, immediately following the Closing, the Borrower will provide Debentures in the principal amount of \$1.2 million to Mr. McAuley as collateral for 6,000,000 unrestricted Shares to be lent by Mr. McAuley to the Borrower.

“I’m both proud and honoured that we closed this financing in the first week of 2022,” said Steven McAuley, CEO and Chair of the Board of Empower. “My team and I worked hard over the holiday season to deliver results for our shareholders and set the stage for this financing. The speed of closing reflects investor confidence in our team, vision and results to date.”

The Company intends to use the net proceeds raised under the Financing to advance its growth plans, and for working capital purposes and general administrative expenses.

In connection with the Financing, the Company paid aggregate fees of \$328,500 (of which \$113,000 was satisfied by the issuance of 565,000 Units) and issued certain eligible finders an aggregate of 1,592,500 finder’s warrants, each of which is exercisable into one common share in the capital of the Company at a price of \$0.20 per share for two years.

The subscriptions by insiders of the Company are deemed “related party transactions” as defined under Multilateral Instrument 61-101 (“**MI 61-101**”). The transactions are exempt from the formal valuation requirements of MI 61-101 since none of the securities of the Company are listed on a stock exchange specified in section 5.5(b) thereof. The transactions are exempt from the minority shareholder approval requirements of MI 61-101 since, at the time the transactions were agreed to, neither the fair market value of the transactions nor the fair market value of the consideration for the transactions, insofar as it involves interested parties, exceeded 25% of the Company’s market capitalization.

The securities issued pursuant to the Financing are subject to a four month hold period under applicable Canadian securities laws.

The securities have not been, and will not be, registered under the United States *Securities Act of 1933*, as amended (the “**U.S. Securities Act**”), or any state securities laws, and accordingly, may not be offered or sold within the United States except in compliance with the registration

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requirements of the U.S. Securities Act and applicable state securities requirements or pursuant to exemptions therefrom. This press release does not constitute an offer to sell or a solicitation to buy any securities in any jurisdiction.

ON BEHALF OF THE BOARD OF DIRECTORS:

Steven McAuley

Chief Executive Officer

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DISCLAIMER FOR FORWARD-LOOKING STATEMENTS

This news release contains certain "forward-looking statements" or "forward-looking information" (collectively "forward looking statements") within the meaning of applicable Canadian securities laws. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release. Forward-looking statements can frequently be identified by words such as "plans", "continues", "expects", "projects", "intends", "believes", "anticipates", "estimates", "may", "will", "potential", "proposed" and other similar words, or information that certain events or conditions "may" or "will" occur. Forward-looking statements in this news release include statements regarding the expected size of the Financing, the expected use of proceeds of the Financing, and expected insider participation in the Financing. Such forward-looking statements are based on assumptions known to management at this time, and are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the forward-looking statements, including that the Financing may not be completed on the terms expected or at all, and other factors beyond the Company's control. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits the Company will obtain from them. Readers are cautioned not to place undue reliance on the forward-looking statements in this release, which are qualified in their entirety by these cautionary statements. The Company is under no obligation, and expressly disclaims any intention or obligation, to update or revise any forward-looking statements in this release, whether as a result of new information, future events or otherwise, except as expressly required by applicable securities laws.