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CANAFARMA HEMP PRODUCTS CORP.

CSE Symbol: CNFA

May 8th, 2020

NEWS RELEASE

CANAFARMA HEMP PRODUCTS CORP. ANNOUNCES U.S.\$20 MILLION OFFERING

CanaFarma Hemp Products Corp. (CSE: CNFA) (the "Company" or "CanaFarma") is pleased to announce a private placement of units (each, a "Unit") at a price of Cdn\$0.63 per Unit for aggregate gross proceeds of up to U.S.\$20,000,000 (approximately Cdn\$28,300,000) (the "Offering"). Each Unit shall consist of one (1) common share (a "Common Share") and one common share purchase warrant (a "Warrant"), with each whole warrant entitling the holder to purchase one (1) Common Share at an exercise price of Cdn\$0.78 per Common Share for a period of five (5) years from the date of the first closing under the Offering.

Closing of the Offering is expected to occur upon completion of formal documentation and receipt of all necessary regulatory approvals. In accordance with applicable securities laws, all of the Common Shares and Warrants issued under the Offering will be subject to a four (4) month plus one day hold period.

The net proceeds of the Offering will be used for the purposes of funding the potential acquisition of manufacturing and extraction facilities, increasing the acreage of our grow business, scaling our sales and marketing activities, completing complimentary or synergistic mergers or acquisitions (if, as and when determined by the board of directors), R&D and for general working capital and corporate purposes.

The securities offered hereby have not and will not be registered under the *United States Securities Act of 1933* (the "1933 Act") and may not be offered or sold in the United States or to U.S. persons (as defined in Regulation S under the 1933 Act) unless the securities have been registered under the 1933 Act, or are otherwise exempt from such registration.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

About CanaFarma Hemp Products Corp.

CanaFarma is a full-service company operating in the hemp industry offering a full range of hemp-related products and services. These products and services include growing top-quality hemp, providing hemp-processing services, and offering hemp-based products to consumers utilizing a direct-to-consumer marketing approach.



CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS AND FORWARD-LOOKING INFORMATION: This news release includes certain "forward-looking information" within the meaning of applicable Canadian securities legislation and may also contain statements that may constitute "forward-looking statements" within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995. Such forward-looking information and forward-looking statements are not representative of historical facts or information or current condition, but instead represent only the Company's beliefs regarding its potential future growth, events, plans or objectives, many of which, by their nature, are inherently uncertain and outside of the Company's control. Forward-looking statements and forward-looking information are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements and forward-looking information. Such factors include, but are not limited to general business, economic, competitive, political and social uncertainties, world events and impacts of the COVID-19 virus; and delay or failure to receive board, shareholder or regulatory approvals. Readers should not place undue reliance on forward-looking statements and forward-looking information. The Company disclaims any intention or obligation to update or revise any forward-looking statements and forward-looking information, whether as a result of new information, future events or otherwise, except as required by law.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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