



CanaFarma Hemp Products Corp. Provides Update on Management Cease Trade Order

VANCOUVER, BRITISH COLUMBIA – January 13, 2021 – CanaFarma Hemp Products Corp. (CSE: CNFA) (the “**Company**”) has received notice from the British Columbia Securities Commission (the “**BCSC**”) that the BCSC will be converting the Company’s previously received management cease trade order (the “**MCTO**”) into a failure to file cease trade order (the “**FFCTO**”).

- Further to its press releases dated October 19, 2020, October 29, 2020, November 12, 2020, November 26, 2020, December 10, 2020, December 24, 2020 and January 7, 2021, the Company has not yet filed its audited annual financial statements for the year ended June 30, 2020, the related management’s discussion and analysis and CEO and CFO certifications (the “**Annual Filings**”), which were required to be filed on October 28, 2020. On January 7, 2021, the Company requested an extension to the time provided in the MCTO. Under the MCTO, the Company had previously represented that it expected to be able to file its Annual Filings on or before January 8, 2021. However, as a result of continued complications caused by COVID-19, the Company estimates that it will require up to an additional two weeks for the completion of the Annual Filings and Q1 Filings (as hereinafter defined).

Further to the Company’s press releases dated November 12, 2020, November 26, 2020, December 10, 2020, December 24, 2020 and January 7, 2021 the Company also has not yet filed its unaudited interim financial statements for the three months ended September 30, 2020 and the related management’s discussion and analysis and officer certifications (the “**Q1 Filings**”) by the deadline set forth in National Instrument 51-102 – *Continuous Disclosure Obligations*.

The FFCTO, issued effective January 12, 2021, will prohibit the trading by any person of any securities of the Company in Canada, including trades in the Company’s common shares made through the Canadian Securities Exchange (the “**CSE**”). The Company expects the FFCTO to remain in place until such time as the Annual Filings and Q1 Filings have been filed and a full revocation of the FFCTO has taken effect.

The Company will issue a further press release when the Annual Filings and Q1 Filings have been made. The Company’s board of directors and its management confirm that they are working expeditiously with the Company’s auditors to have the Company’s Annual Filings and the Q1 Filings completed. The Company confirms as of the date of this news release that there is no insolvency proceeding against it and there is no other material information concerning the affairs of the Company that has not generally been disclosed.

About CanaFarma Hemp Products Corp.

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

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Forward Looking Statement

This news release contains statements and information that, to the extent that they are not historical fact, may constitute “forward-looking information” within the meaning of applicable securities legislation. Forward-looking information may include financial and other projections, as well as statements regarding future plans, objectives or economic performance, or the assumption underlying any of the foregoing. In some cases, forward-looking statements can be identified by terms such as “may”, “would”, “could”, “will”, “likely”, “except”, “anticipate”, “believe”, “intend”, “plan”, “forecast”, “project”, “estimate”, “outlook”, or the negative thereof or other similar expressions concerning matters that are not historical facts. Examples of such statements include, but are not limited to, statements with respect to the Annual Filings and Q1 Filings, the revocation of the FFCTO, and the listing and/or trading of its common shares. Forward-looking information is based on the assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect.

Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Company to differ materially from any future results, performance or achievements expressed or implied by the forward-looking information, including, without limitation, the Company may not complete its audit and file the Annual Filings and/or the Q1 Filings as currently anticipated, or at all; and other related risks as set out in the Company’s public documents filed on SEDAR. Accordingly, readers should not place undue reliance on any such forward-looking information. Further, any forward-looking information speaks only as of the date on which such statement is made. New factors emerge from time to time, and it is not possible for the Company’s management to predict all of such factors and to assess in advance the impact of each such factor on the Company’s business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking information. The Company does not undertake any obligation to update any forward-looking information to reflect information or events after the date on which it is made or to reflect the occurrence of unanticipated events, except as required by law, including securities laws.

The CSE does not accept responsibility for the adequacy or accuracy of this release.