



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

VANCOUVER, BRITISH COLUMBIA – November 12, 2020 – CanaFarma Hemp Products Corp. (**CSE: CNFA**) (the “**Company**”) is providing this biweekly default status report in accordance with National Policy 12-203 – *Management Cease Trade Orders* (“**NP 12-203**”).

Further to its press release dated October 19, 2020 and October 29, 2020, 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. The British Columbia Securities Commission (the “**BCSC**”) has accepted the Company’s request for, and the BCSC has granted, a management cease trade order (the “**MCTO**”) against the Company’s chief executive officer and acting chief financial officer on October 29, 2020 in respect of the Annual Filings. The MCTO extended the filing deadline for the Annual Filings to December 28, 2020.

The Company also announces today that as a result of the restrictions and cross-border issues that continue due to COVID-19 and the Company’s change of auditor, as announced on November 10, 2020, it is likely that the Company may experience further delays in making the Annual Filings and consequently the Company anticipates delays in filing 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*.

As a result of the anticipated delay in filing the Annual Filings and the Q1 Filings, the Company has applied to the BCSC for an extension of the MCTO.

Pursuant to the requirements of section 10 of National Policy 12-203 – *Management Cease Trade Orders* (the “**Alternative Information Guidelines**”), the Company reports the following:

1. there have been no material changes to the information contained in the press release announcing the application for the MCTO on October 19, 2020 that have not been disclosed by the Company through press releases filed on SEDAR;
2. there has not been any failure by the Company in fulfilling its stated intentions with respect to satisfying the provisions of the Alternative Information Guidelines;
3. there has not been, nor is there anticipated to be, any specified default subsequent to the failure of the Company to file the Annual Filings and the Q1 Filings; and
4. there is no other material information about the affairs of the Company that has not been generally disclosed.

The Company confirms that it intends to satisfy the provisions of the Alternative Information Guidelines for so long as it remains in default of the filing requirements set out herein.

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, including the anticipated delay in filing the Annual Filings and the Q1 Filings, timing to complete the Company's audit and the potential granting of an extension to the MCTO and the Company's intention to satisfy the provisions of the Alternative Information Guidelines for so long as it remains in default of the filing requirements set out herein. 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; the Company will be subject to a general cease trade order in the event that the Annual Filings and/or Q1 Filings are not completed and filed; 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.