



FOR IMMEDIATE RELEASE

Inner Spirit Holdings Provides Corporate Update on Eve of Legalization

CALGARY, Alberta (October 16, 2018) – Inner Spirit Holdings Ltd. (“Inner Spirit” or “the Company”) (CSE:ISH) is pleased to provide an update on its progress over the last 18 months in anticipation of opening its first Spiritleaf corporate and franchise recreational cannabis dispensaries in the coming weeks. The Company also announces the opening of its flagship lifestyle store at 6008 Macleod Trail in Calgary on October 17th. At this location, customers will have the opportunity to experience the Spiritleaf brand, purchase accessories and learn more about cannabis and Inner Spirit’s initiatives, as it prepares to open its dispensaries.

“As we celebrate the end of prohibition, Inner Spirit is proud of the foundation our early work established: the infrastructure and partnerships we have put in place will help facilitate a prompt and smooth roll-out of our retail locations. We continue to build our franchise relationships and construct new stores as we await final municipal and provincial approvals for the openings of our Spiritleaf locations.”

Regional Update: Licenses & Stores

BC – Along with its franchise partners, the Company has secured the maximum number of eight potential Spiritleaf locations in BC, which are all conditional upon receiving the necessary municipal and provincial permits. The Company and its franchise partners have started to submit their applications to the BC Liquor and Cannabis Regulation Branch and the respective municipalities in which it plans to operate with the first two applications referred to local government for approval.

Alberta – Collectively, the Company and its franchise partners have submitted applications to the Alberta Gaming and Liquor Commission (“AGLC”) and various municipalities to operate stores throughout Alberta, with approvals anticipated in the coming weeks. The Company, along with its franchise partners, has received its first 21 conditional municipal development permits for stores to be located at:

1136 – 10 th Avenue SW (Calgary)	10561 – 109 Street (Edmonton)	715 2 nd Street West (Brooks)
2550 Country Hills Blvd (Calgary)	10903 – 23 rd Avenue (Edmonton)	6014 – 48 Avenue (Camrose)
920 Centre Street North (Calgary)	10134 – 82 Avenue (Edmonton)	305 1 Street West (Cochrane)
3814 Bow Trail SW (Calgary)	13756 – 50 Street NW (Edmonton)	10119 – 101 Street (Lac La Biche)
1704 – 61 Street SE (Calgary)	9941 – 63 Avenue NW (Edmonton)	1335 TransCanada Way (Medicine Hat)
329 5 th Street South (Lethbridge)	13111 – 156 th Street (Edmonton)	10716 – 82 Avenue (Grande Prairie)
3444 – 99ST NW (Edmonton)	150 Bellerose Drive (St. Albert)	52 Brentwood Blvd (Sherwood Park)

The Company has secured an additional 23 locations in Banff, Beaumont, Calgary, Canmore, Cold Lake, Drayton Valley, Edmonton, Fort McMurray, Fort Saskatchewan, Lac La Biche, Red Deer, Spruce Grove and Sherwood Park, which remain conditional on municipal and provincial approval.

Saskatchewan – Inner Spirit’s franchise partner, 102037242 Saskatchewan Ltd., has been selected as a cannabis retailer for Moose Jaw, the province’s fourth largest city. The franchise partners have completed their training, and with the nearing completion, Inner Spirit looks forward to sharing the Spiritleaf experience with the Moose Jaw community. To ensure individuals across the province can purchase from Spiritleaf online, the Company has selected Shopify to provide a secure and reliable e-commerce solution for Saskatchewan customers.



Manitoba – The Company has prequalified for the next Manitoba lottery for cannabis retail licences to be granted by the Manitoba Growth, Enterprise and Trade, Procurement Services Branch. The Company has committed to allocate at least 33% of its franchises in Manitoba to Indigenous entrepreneurs and has received a letter of support from Chief Keith Pashe of the Dakota Tipi First Nation. Inner Spirit believes that its franchise model presents economic development opportunities for all Manitobans, including Indigenous entrepreneurs. In addition, Inner Spirit believes its approach aligns with the province’s goal that, within two years of legalization, 90% of Manitobans will be able to access legal cannabis within a 30-minute drive or less.

Ontario – The Company has opened its Ontario office and secured prime locations throughout the province to open its first wholly owned corporate cannabis stores when private recreational cannabis retail becomes legal on April 1, 2019. It has also granted its first 13 franchises and continues to perform its due diligence on the hundreds of franchise applications that it has received from prospective entrepreneurs who want to join the Spiritleaf team. The Company is simultaneously exploring other strategic opportunities to maximize its footprint in the province.

Spirit Fund Update: Community Engagement

The Spirit Fund is a community engagement program with a focus on establishing deep roots in the community through education and local initiatives. With the legalization of cannabis in Canada comes the opportunity for Spirit Fund to support and enrich its communities in new ways. As part of Inner Spirit’s corporate update, the Company would like to call attention to Spirit Fund’s participation in [Secret Path Week](#), a national movement commemorating the legacies of Gord Downie and Chanie Wenjack. Secret Path Week aims to bring Indigenous and non-Indigenous people together in the spirit of reconciliation through education, awareness and understanding.

The Spirit Fund and The Calgary Underground Film Festival (CUFF), as part of the Downie Wenjack Secret Path Week, will be presenting a screening of [The Secret Path](#). This animated film is an adaptation of Gord Downie's album and Jeff Lemire's graphic novel. Working with Downie's poetry and music, Lemire has created a powerful visual representation of the life of Chanie Wenjack. The screening takes place at the Globe Cinema, 617 8 Ave SW on Thursday October 18, at 7:00pm. Admission is by donation, and all proceeds will go to the Downie Wenjack Fund.

For more information please contact info@spiritfund.ca or visit CalgaryUndergroundFilm.org.

About Inner Spirit

Inner Spirit is establishing a chain of recreational cannabis dispensaries under its Spiritleaf brand. Supporting local entrepreneurs by applying its award-winning franchise and retail models, Inner Spirit has more than 110 franchise agreements in place for potential Spiritleaf locations and will also operate corporate dispensaries in certain jurisdictions. Developing a diverse portfolio of quality and curated lifestyle cannabis products – including Spiritleaf’s own locally sourced lines – Inner Spirit’s Spiritleaf brand is positioned to be an iconic Canadian brand and the most trusted source for recreational cannabis. More information can be found on Inner Spirit’s website at www.innerspiritholdings.com.



Forward-looking statements

This press 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”, “potential”, 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 objectives and business plans of the Company; the establishment of recreational cannabis dispensaries in BC, Alberta, Saskatchewan, Manitoba and Ontario; the intention to grow the Company’s business and operations; the receipt of necessary licenses and permits to open stores; the legalization of cannabis for recreational use in Canada, including federal and provincial regulations pertaining thereto, including the establishment of private retail in Alberta and the timing related thereto and the Company’s intention to participate in such market, if and when legalized; the competitive conditions of the industries in which the Company operates; and laws and any amendments thereto applicable to the Company.

For further information

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