



FOR IMMEDIATE RELEASE

**Inner Spirit Holdings Announces Corporate Spiritleaf Retail Cannabis Stores  
in Edmonton and Calgary and Exercise of Over-Allotment Option  
Resulting in a Public Offering for Gross Proceeds of \$10 Million**

*Corporate Spiritleaf retail cannabis stores opening in high-profile areas of Alberta's two largest cities*

**CALGARY, Alberta (June 7, 2019)** – Inner Spirit Holdings Ltd. ("**Inner Spirit**" or the "**Company**") (CSE:ISH), a Canadian company establishing a national network of retail cannabis stores under its Spiritleaf brand, is pleased to announce that it has received a retail cannabis store licence from Alberta Gaming, Liquor and Cannabis (the "**AGLC**") for a wholly-owned corporate retail cannabis store in Edmonton's celebrated arts and cultural community of Old Strathcona, located on Whyte Avenue. This follows last week's announcement that the Company received its first retail cannabis store licence for a corporate location in Calgary's downtown Beltline district, with both stores anticipated to open in June 2019.

"We are very pleased to be opening our two initial corporate retail cannabis stores to serve cannabis consumers in high-profile locations in Calgary and Edmonton. Our experience with opening and supporting the operation of Spiritleaf retail cannabis stores throughout the country illustrates that we have a proven and effective system of opening stores, training knowledgeable staff and providing top-quality cannabis products to the market," said Darren Bondar, President and CEO of Inner Spirit.

The Company also announced today that the Agents (as defined below) of its previously announced brokered offering (the "**Offering**") of senior secured convertible debenture units ("**Debenture Units**") exercised in full their over-allotment option to purchase an additional 730 Debenture Units for additional gross proceeds to the Company of \$730,000, resulting in aggregate proceeds to the Company under the Offering of \$10 million. The Offering was completed through a syndicate of agents (the "**Agents**"), co-led by Acumen Capital Finance Partners Limited, as sole bookrunner, and Canaccord Genuity Corp., with Burstall LLP acting as legal counsel to the Company. Inner Spirit intends to use the net proceeds of the Offering to build out and provide inventory for wholly-owned corporate Spiritleaf-branded retail cannabis stores in Alberta, to maintain real estate leases in Ontario, to design and produce Spiritleaf custom inventory to support its franchise partners, and for working capital purposes. A portion of the net proceeds of the Offering was used to fully repay the \$1.5 million short term loan (plus accrued interest) owed by the Company to Tilray, Inc.

The Company's seven franchise-owned Spiritleaf-branded retail cannabis stores are open and operating in Brooks, Lethbridge, St. Albert, Calgary (Stonegate) and Edmonton (Argyll), Alberta; Moose Jaw, Saskatchewan; and Kingston, Ontario. Calgary (Beltline) and Edmonton (Old Strathcona) will be the Company's initial corporately owned retail cannabis stores. In Alberta, three additional corporate locations and eight additional franchise locations are in the current AGLC licencing queue, with five additional corporate stores and 22 franchise applications under development. In British Columbia, Spiritleaf franchise partners have received municipal licencing approvals and provincial approvals in principle for stores in Castlegar and Maple Ridge, British Columbia, with four additional franchise locations awaiting final approvals.

**About Inner Spirit**

Inner Spirit is establishing a network of recreational cannabis stores under its Spiritleaf brand. Supporting local entrepreneurs by applying its award-winning franchise and retail models, Inner Spirit has more than 100 franchise agreements in place for potential Spiritleaf locations and plans to operate corporate outlets in



certain jurisdictions. The Company is simultaneously developing a diverse portfolio of proprietary quality and curated lifestyle cannabis products positioning the company to be an iconic Canadian brand and the most trusted source for recreational cannabis. Key industry partners and shareholders include Auxly Cannabis Group Inc. (TSX.V:XLY); HEXO Corp (TSX: HEXO) (previously as Newstrike Brands Ltd. (TSX.V:HIP)); and Tilray, Inc. (NASDAQ:TLRY). More information can be found on Inner Spirit's website at [www.innerspiritholdings.com](http://www.innerspiritholdings.com).

### **Forward-looking statements**

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", "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 retail cannabis stores in Canada; the receipt of necessary licences and permits to open retail cannabis stores and the timing thereof; the expected dates of opening of the Company's retail cannabis stores in Calgary and Edmonton; the opening of Spiritleaf retail cannabis stores in Alberta and British Columbia; the anticipated issuance of final approval for Spiritleaf franchise locations in British Columbia; the status of the Company's corporate and franchise retail cannabis stores in the AGLC's current retail cannabis licencing queue; and the objective of the Company to open Spiritleaf franchise stores and Spiritleaf corporate stores in Canada in 2019. Actual results could differ materially from those currently anticipated due to a number of factors and risks, including but not limited to, the risk that additional stores may not open due to national retail cannabis supply issues; the risk that the Spiritleaf recreational cannabis stores intended to be opened in Alberta and British Columbia do not open as anticipated or at all; the risk that the Company or its franchisees are not able to open additional retail cannabis stores in Canada; and other factors outside of the Company's control. Readers are cautioned that the foregoing list of factors and risks is not exhaustive. Although the Company believes that the expectations and assumptions on which such forward-looking information is based are reasonable, undue reliance should not be placed on the forward-looking information because the Company can give no assurance that they will prove to be correct. Since forward-looking information addresses future events and conditions, by its very nature they involve inherent risks and uncertainties. The Company's actual results, performance or achievements could differ materially from those expressed in, or implied by, the forward-looking information and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking information will transpire or occur, or if any of them do so, what benefits the Company will derive therefrom. The forward-looking statements included in this news release are made as of the date of this news release and the Company does not undertake an obligation to publicly update such forward-looking statements to reflect new information, subsequent events or otherwise unless required by applicable securities legislation.

### **For further information**

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