



FOR IMMEDIATE RELEASE

Inner Spirit Holdings Announces Seven New Licences for Spiritleaf Retail Cannabis Stores in Alberta and 14 Spiritleaf Stores Anticipated to Open in the Province in August

Spiritleaf retail cannabis store network poised to be second largest in Alberta with 22 stores currently operating or licensed and set to open

CALGARY, Alberta (July 31, 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, today announced that Spiritleaf retail cannabis stores have received seven additional licences from Alberta Gaming, Liquor and Cannabis (the “**AGLC**”). The Company also announced that 14 Spiritleaf retail cannabis stores are anticipated to open in the Province in August.

The newly licensed locations in Alberta include franchised Spiritleaf retail cannabis stores in Calgary (Fairview), Edmonton (Heritage Links), Lac La Biche and Sherwood Park and corporate-owned stores in Calgary (Mission), Canmore and Edmonton (Parsons Place).

“We are excited to receive the additional licences from the AGLC to continue to expand the footprint of our Spiritleaf retail cannabis stores in Alberta. We continue to roll out our stores to deliver the Spiritleaf experience through our franchise partners and corporate locations to local communities. Our ability to build out our stores, hire quality staff and market top-quality recreational cannabis products is our blueprint for growing the Spiritleaf brand across Canada,” said Darren Bondar, President and CEO of Inner Spirit.

Fourteen Spiritleaf retail cannabis stores are anticipated to open in Alberta in August. Please visit www.spiritleaf.ca for more information, including specific opening times and operating hours for these locations.

- Beaumont – 5008 50 Street
- Calgary (Bow Trail) – 3814 Bow Trail SW
- Calgary (Chinook) – 120, 6008 Macleod Trail SW
- Calgary (Fairview) – 7220B Fairmount Drive SE
- Calgary (Mission) – Unit 2, 506 17 Avenue SW
- Canmore – 117, 302 Old Canmore Road
- Edmonton (Heritage Links) – 103, 10903 23 Avenue
- Edmonton (Ironstone Centre) – 13111 156 Street NW
- Edmonton (Parsons Place) – 3444 99 Street NW
- Grande Prairie – 10716 82 Avenue
- Jasper – 102-618 Patricia Street
- Lac La Biche – 10119 101 Street
- Medicine Hat – 1, 1335 Trans Canada Way SE
- Sherwood Park – 7, 52 Brentwood Boulevard

The Company is poised to be the second largest cannabis store retailer in Alberta with 22 Spiritleaf-branded locations currently operating or licensed and set to open. In British Columbia, Spiritleaf has retail cannabis stores open and operating in Castlegar and Vernon with additional licences for retail cannabis stores expected in the near term for Kelowna, Maple Ridge, Penticton and West Kelowna. In Ontario, the Company's partner operates a Spiritleaf licensed store in Kingston, and Spiritleaf franchise partners plan to submit expression of



interest applications for additional store locations in the August 20 lottery being conducted by the Alcohol and Gaming Commission of Ontario (the “AGCO”). Ontario plans to add 50 retail cannabis stores in the province on top of the 25 stores already selected earlier this year.

“We’re very pleased with our growing position in the markets across Canada which are open to retail recreational cannabis stores. In Alberta we are set to be the second largest retailer with a mix of franchised and corporate-owned stores. In British Columbia we are well on our way to reaching the maximum number of eight locations. In Ontario we see an opportunity to expand our national scope and support the Ontario government’s push to have local ownership of retail cannabis stores with our Spiritleaf franchise partners planning to submit a number of applications in the upcoming lottery,” said Bondar.

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 to position 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) and Tilray, Inc. (NASDAQ:TLRY). More information is available on Inner Spirit’s website at 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”, “poised”, “set”, “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 receipt of necessary licences and permits to open Spiritleaf retail cannabis stores and the timing thereof; the Spiritleaf retail cannabis store network becoming the second largest network in Alberta; the expected opening of Spiritleaf retail cannabis stores in Alberta in August; the Company's expectation of receiving additional licences for retail cannabis stores in Kelowna, Maple Ridge, Penticton and West Kelowna in the near term; the submission of expression of interest applications for Spiritleaf retail cannabis store locations in the August 20 lottery to be conducted by the AGCO; and the Government of Ontario's plan to add 50 retail cannabis stores in the province. 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 licensed Spiritleaf retail cannabis stores intended to be opened in Alberta do not open as anticipated or at all; the risk that expression of interest applications for Spiritleaf retail cannabis stores are not submitted to the August 20 lottery as anticipated or at all; the risk that the Company or its franchisees do not receive additional retail cannabis licenses or 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 it involves 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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