



FOR IMMEDIATE RELEASE

Inner Spirit Holdings Announces Opening of Spiritleaf Retail Cannabis Store in Calgary and Receipt of Licences for Additional Store Locations

Company terminates recent Exclusivity Agreements signed in Ontario while confirming its interest in pursuing retail cannabis store opportunities in Canada's largest market

CALGARY, Alberta (October 8, 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 an October 10, 2019 opening for its newest franchise retail cannabis store in Southeast Calgary’s Penbrooke community and also that it has received cannabis retail store licences from Alberta Gaming, Liquor and Cannabis (the “**AGLC**”) for a franchise location in Sexsmith, Alberta and from the British Columbia Liquor and Cannabis Regulation Branch (the “**LCRB**”) for a franchise location in West Kelowna, British Columbia. Please visit www.spiritleaf.ca for more information including opening dates and operating hours.

The Company also announced that its subsidiary, Spirit Leaf Inc., has terminated two Exclusivity Agreements in Ontario previously announced on August 28, 2019 as the lottery-winning individuals are no longer pursuing licences to operate retail recreational cannabis stores in the province. The recent lottery was conducted by the Alcohol and Gaming Commission of Ontario (the “**AGCO**”) on August 20, 2019.

“We are very pleased to be opening our 35th Spiritleaf operating location in Calgary’s Penbrooke community and adding to our presence in northern Alberta with Sexsmith and in British Columbia’s Okanagan region with West Kelowna. We remain very interested in making further investments in the Ontario market and will be relying on AGCO and the Ontario government to continue on their path to providing certainty for the cannabis industry and specifically for retailers. Our retail cannabis store in Kingston was one of Ontario’s first outlets to open this year and has enjoyed significant operating success to this point,” said Darren Bondar, President and CEO of Inner Spirit.

The Spiritleaf retail cannabis store network includes locations in Alberta, British Columbia, Saskatchewan and Ontario. Spiritleaf is poised to have 35 retail cannabis stores open and operating this week with more than 40 projected to be open by the end of 2019.

Bondar noted that the Spiritleaf brand has more than 20 franchise partners in Ontario currently waiting for opportunities to open their retail cannabis stores in the province to serve customers in their local communities.

About Inner Spirit

We are trailblazers leading the charge in a brand new industry. Inner Spirit Holdings Ltd. (CSE:ISH) has established a growing network of recreational cannabis stores across Canada under its Spiritleaf brand. The Spiritleaf network includes franchised and corporate-owned stores as well as an Ontario retail partnership, all operated with an entrepreneurial spirit and with the goal of creating deep and lasting ties within their local communities. Spiritleaf aims to be the most knowledgeable and trusted source of recreational cannabis by offering a premium consumer experience and quality curated cannabis products. The Company is led by passionate advocates for cannabis who have years of retail, franchise and consumer marketing experience. Key industry partners and shareholders include Auxly Cannabis Group Inc. (TSX.V:XLY), HEXO Corp (TSX:HEXO) and Tilray, Inc. (NASDAQ:TLRY). Learn more at www.innerspiritholdings.com and www.spiritleaf.ca.



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 Company making further investments in the Ontario market; Spiritleaf being poised to have 35 retail cannabis stores open and operating this week; the Company’s projection of there being more than 40 Spiritleaf retail cannabis stores open by the end of 2019; the receipt of necessary licences and permits to open Spiritleaf retail cannabis stores and the timing thereof; and the expected opening of Spiritleaf retail cannabis stores and the timing thereof. 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 do not open 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

Email: invest@spiritleaf.ca

Phone: 1 (403) 930-9300

www.innerspiritholdings.com