



FOR IMMEDIATE RELEASE

Inner Spirit Holdings Announces Launch of Spiritleaf Origins, a Private Label Brand of Cannabis Products Available through Cannabis Retail Stores

Canada's largest single brand cannabis retailer provides update on expansion activity in 2021

CALGARY, Alberta (January 21, 2021) – Inner Spirit Holdings Ltd. (“**Inner Spirit**” or the “**Company**”) (CSE:ISH), a Canadian company that has established a national network of Spiritleaf cannabis retail stores, today announced the launch of Spiritleaf Origins, a private label brand of cannabis products expected to be offered initially through cannabis retail stores in Alberta, Saskatchewan and Ontario this spring.

"The Spiritleaf brand has built such a strong customer following with longstanding legacy customers as well as with new customers. Our guests have come to trust us for our product knowledge and expertise in helping them shop for the cannabis products that fit their needs. The Origins private label collection is an extension of that expertise with a strong nod to the historic and cultural strains that underpin this new industry. We plan to curate many great products under the Origins name to deliver them through our stores, and we're very proud to have collaborated with Zenabis on this initial offering. We expect the products will be in high demand by our guests and that curating premium private label products will deliver high quality and value to our customers as well as enhance the financial performance of our stores," said Darren Bondar, President and CEO of Inner Spirit.

The initial products highlighted in the Origins program includes two specially selected strains available in various dried flower and pre-roll formats. The strains are being grown and packaged for Spiritleaf by Zenabis Global Inc. (TSX:ZENA), a Canadian licensed cultivator of quality recreational cannabis. Spiritleaf is also working with other premium cultivators in the industry to expand its private label collection with cannabis products such as vapes, beverages and edibles in future.

The Company's store expansion program also continues to be active with a total of five Spiritleaf store openings projected for January. Stores were opened earlier this month in Hamilton (Downtown) and Toronto (Stock Yards). Additional store openings expected this month include Gander in Newfoundland and Labrador, Toronto (Cabbagetown), and Edmonton (Sherbrooke). The stores are franchised except for the Edmonton location which is corporate owned. Please visit www.spiritleaf.ca for further information on store openings, locations and operating hours.

The new Spiritleaf stores in Gander, Toronto and Edmonton will bring the number of locations to 73 across the country – the most cannabis stores being operated by any single brand retailer in Canada. The Company intends to open more than 30 stores this year and to be operating 100-plus Spiritleaf stores by year end. Additional Spiritleaf store locations to open in 2021 have been conditionally secured in Alberta, Saskatchewan, Manitoba, Ontario, and Newfoundland and Labrador. Manitoba represents a new market for Spiritleaf with four stores planned to open in Winnipeg. Many of the additional stores expected this year are in advanced stages of development and are ready to open once licensing and approvals are secured.

Due to the pandemic and with various restrictions in certain provinces, Spiritleaf stores are operating with enhanced customer service processes to ensure the safety of employees and customers. Spiritleaf's Select & Collect service enables customers to pre-shop and order online prior to pick-up in store or curbside or via delivery where permitted. Customers can also connect with their local Spiritleaf store through The Collective customer benefits program to further streamline and individualize their shopping experience. The fast-growing and popular Collective program has over 195,000 members.



About Inner Spirit

Inner Spirit Holdings Ltd. (CSE:ISH) is a franchisor and operator of Spiritleaf recreational cannabis stores across Canada. The Spiritleaf network includes franchised and corporate locations, all operated with an entrepreneurial spirit and with the goal of creating deep and lasting ties within 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 including its Origins private label offering. The Company is led by passionate advocates for cannabis who have years of retail, franchise and consumer marketing experience. Spiritleaf holds a Franchisees' Choice Designation from the Canadian Franchise Association for its award-winning national support centre. The Company's key industry partners and investors include Auxly Cannabis Group Inc. (TSX.V:XLY), HEXO Corp (TSX:HEXO) (NYSE:HEXO), and Prairie Merchant Corporation. Learn more at www.innerspiritholdings.com and www.spiritleaf.ca.

Forward-Looking Information

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 is typically, but not always, identified by the use of words such as "expected", "plan", "projected", "intends", "will" and similar words, including negatives thereof, or other similar expressions concerning matters that are not historical facts. Forward-looking information in this news release includes, but is not limited to, statements regarding: the launch of the Spiritleaf Origins private label brand by the Company, and the expected initial launch of the Spiritleaf Origins collection in Alberta, Saskatchewan and Ontario; the plan to curate additional products under the Origins name, and the expectation that such products will be in high demand, will deliver high quality and value to the Company's customers and will enhance the financial performance of its operations; additional store locations projected to open in January and the intention to open more than 30 stores in 2021 in Alberta, Saskatchewan, Manitoba, Ontario, and Newfoundland and Labrador; and the plan to open stores in Winnipeg, Manitoba. Such forward-looking information is based on various assumptions and factors that may prove to be incorrect, including, but not limited to, factors and assumptions with respect to: the ability of the Company to successfully implement its strategic plans and initiatives and whether such strategic plans and initiatives will yield the expected benefits; the ability of the Company to successfully launch the Origins private label brand, and the timing thereof and benefits therefrom; and the receipt by the Company and its franchise partners of necessary licences from regulatory authorities, and the timing thereof. Although the Company believes that the assumptions and factors 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 it will prove to be correct or that any of the events anticipated by such forward-looking information will transpire or occur, or if any of them do so, what benefits the Company will derive therefrom. 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 the Company and its franchisees do not receive the necessary retail cannabis licences or that they are not able to open additional retail cannabis stores as anticipated or at all; the ability of management to execute its business strategy, objectives and plans; the risk that the Company will not be able to launch the Origins collection as anticipated or at all, and if it is launched, that the benefits derived therefrom will not be as expected; the availability of capital to fund the build-out and opening of corporate and franchised retail cannabis stores; and the impact of general economic conditions and the COVID-19 pandemic in Canada. The forward-looking information included in this news release is made as of the date of this news release and the Company does not undertake an obligation to publicly update such forward-looking information to reflect new information, subsequent events or otherwise, except as required by applicable law.

For further information

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