



FOR IMMEDIATE RELEASE

Inner Spirit Holdings Announces Opening of Six Spiritleaf Stores Across Country During an October Marked by Second Anniversary of Cannabis Legalization

Canada's leading retail cannabis brand further puts roots down in Ontario, Alberta, and Newfoundland and Labrador with latest store additions

CALGARY, Alberta (October 26, 2020) – Inner Spirit Holdings Ltd. (“**Inner Spirit**” or the “**Company**”) (CSE:ISH), a Canadian company that has established a national network of Spiritleaf retail cannabis stores, today announced the further expansion of its network with a total of six Spiritleaf store additions in Ontario, Alberta, and Newfoundland and Labrador in October. New store openings are planned for Burlington and Windsor, Ontario this week. Earlier in the month, Spiritleaf stores opened in Scarborough and Parkdale in Toronto, Canyon Meadows in Calgary, and Goulds in St. John’s. Additional information and details on opening dates as well as store operating hours can be found at www.spiritleaf.ca.

“I’m so proud of our team as we continue to expand the Spiritleaf brand across the country. We and our franchise partners are now operating 64 stores as Canada’s leading recreational cannabis retail store network, and we’re experiencing such support and loyalty from our customers. It was a pleasure to celebrate the second anniversary for recreational cannabis legalization earlier this month and to realize how much the Spiritleaf Nation has achieved in such a short time frame. We have passionate local entrepreneurs who have invested their capital in the Spiritleaf brand and who are helping educate and bring the benefits of legal recreational cannabis to their communities. We are serving record numbers of guests each month, and we have over 140,000 loyal members in our Collective customer benefits program,” said Darren Bondar, President and CEO of Inner Spirit.

To celebrate the second anniversary of cannabis legalization in Canada, the Company released a report on October 17 that details Spiritleaf activities as well as industry trends over the past two years. The report can be reviewed at www.innerspiritholdings.com/news/.

The interest in owning Spiritleaf franchises remains strong across the country with additional stores planned in the coming months for British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, and Newfoundland and Labrador. In Ontario specifically, the Company will now be operating 13 Spiritleaf stores in urban centres such as Toronto, Ottawa, London, Windsor, Burlington, Guelph and Kingston. The majority of the stores are franchised locations with corporate-owned Spiritleaf stores located in Kingston, Ottawa and the one announced today in Windsor. The expansion into Canada’s most populous province bodes well for the Company’s ongoing growth strategy through the end of this year and into 2021. Spiritleaf is one of only two retail networks currently operating more than a dozen stores in Ontario. The Ontario market is considered to be underserved with a population per cannabis store of approximately 75,000 compared with 8,500 for the more established Alberta market.

Due to the ongoing COVID-19 pandemic, Spiritleaf stores have been 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. Customers can also connect with their local Spiritleaf store through The Collective program to further streamline and individualize their shopping experience. Since the onset of the pandemic, Spiritleaf stores have been experiencing an increase in shoppers’ average basket size which speaks to customers enhancing their purchases and buying more product in bulk when they shop.



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. 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), Tilray, Inc. (NASDAQ:TLRY) 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 "planned" and "expects" 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: new store openings planned for Burlington and Windsor, Ontario this week; and additional Spiritleaf retail cannabis stores planned in the coming months for British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, and Newfoundland and Labrador. 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 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 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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