



FOR IMMEDIATE RELEASE

Inner Spirit Holdings Opens Additional Spiritleaf Stores to Reach 67 Locations Across Canada and Announces Agreement with Headset and Nielsen to Leverage Data Analytics

Canada's largest single brand network of retail cannabis stores also celebrates top-performing stores, suppliers and products at annual awards event

CALGARY, Alberta (December 8, 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 a number of corporate updates including an agreement with Headset, Inc. (“**Headset**”) and Nielsen Global Connect Canada (“**Nielsen**” and together with Headset, “**Headset and Nielsen**”), both leading data and analytics service providers to the cannabis industry, as well as additional Spiritleaf store openings in Newfoundland and Labrador and Ontario.

The agreement with Headset and Nielsen includes a data analytics and market intelligence platform that represents a deepening of the current relationship with Spiritleaf stores. Headset and Nielsen will be providing point-of-sale data, market intelligence and consumer buying trends that enable a real-time view of sales and store inventory, enhanced purchasing decisions and data collaboration with suppliers. This enhanced data platform presents another great opportunity for the Company to grow both revenue and margin as it is deployed across the Spiritleaf network and with our partners.

"Year to date, we've served more than two million customers across the country through our growing Spiritleaf cannabis retail network. We remain focused on the shopping experience at these stores and ensuring we are delivering the most valued brands and products to our communities. Enhancing the relationship with Headset and Nielsen gives us a partner who provides a best-in-class data analytics platform and real-time information to our stores so we have the visibility to make informed purchasing decisions and deliver the right cannabis product to the right customer," said Darren Bondar, President and CEO of Inner Spirit.

The Company also continues to be active with franchised store openings recently in Grand Falls-Windsor, Newfoundland and Labrador and in Collingwood, Ontario with another expected next week in the community of Hog's Back near Ottawa. These Spiritleaf stores bring the number of locations to 67 across the country – the most cannabis stores being operated by any single brand retailer in Canada. Grand Falls-Windsor is the third store in Newfoundland and Labrador while Collingwood and Hog's Back represent the fifteenth and sixteenth stores in the Ontario market. Additional store locations to open in the coming months have been conditionally secured in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, and Newfoundland and Labrador. Please visit www.spiritleaf.ca for further information on store openings, locations and operating hours.

"We continue to expand the Spiritleaf network based on the excellent support and loyalty of our customers, employees, franchise owners, strategic partners and shareholders. It's been an extremely active year for the organization and we've persevered through challenging market conditions and remained true to our core philosophy. We've been fortunate to be recognized within the industry for the premium service we provide and for our knowledgeable and expert staff. We're very proud of the company we are building so it's also been exciting to recognize the top performers within our network," said Bondar.

The Company held its 2020 Spiritleaf Awards with franchise partners, staff and suppliers attending virtually on December 6. The awards celebrated the people and products driving Spiritleaf's retail business forward. Categories and award winners for 2020 are included below.



Spiritleaf Franchise Partner of the Year	<i>Cara Rose-Brown and Tim Brown - Spiritleaf Stittsville (Ottawa)</i>
Manager of the Year	<i>Duyen Nguyen - Spiritleaf Heritage Links (Edmonton)</i>
Cannabis Concierge of the Year (East)	<i>Cameron MacPherson - Spiritleaf Robertson (Ottawa)</i>
Cannabis Concierge of the Year (West)	<i>Skylar Ashley - Spiritleaf Kelowna</i>
Support Centre Employee of the Year	<i>Christine Kitz</i>
Top Performing Store	<i>Spiritleaf Maple Ridge</i>
Top Basket Size	<i>Spiritleaf Stittsville (Ottawa)</i>
Spiritleaf Manifesto Award	<i>Holly Adams - Spiritleaf West Kelowna</i>
Digital Reputation Leader	<i>Spiritleaf London</i>
Spiritleaf Collective Leader	<i>Spiritleaf South Guelph</i>
Select & Collect Leader	<i>Spiritleaf South Guelph</i>
Performance Change	<i>Spiritleaf Medicine Hat</i>
Community Spirit Excellence	<i>Jasper Ly - Spiritleaf Scarborough</i>
People's Choice Award	<i>Spiritleaf Don Mills (Toronto)</i>
Top Licensed Producer	<i>Canopy Growth Corporation</i>
Top Dried Flower	<i>Original Stash Reserve, Indica</i>
Top Pre-Roll	<i>Redecan Redees, Cold Creek</i>
Top Beverage	<i>Houseplant, Grapefruit</i>
Top Vape	<i>Good Supply, Pineapple Express</i>
Top Edible	<i>Bhang, Milk Chocolate</i>

Spiritleaf was recently included as the selected cannabis retailer in the official launch of Brightside by ATB Financial's Friends with Benefits program (www.hibrighside.ca/friends). Brightside is a new banking app and the Friends with Benefits program allows users to earn extra money on their purchases when they spend at various local businesses in Alberta with the Brightside Spend Card. Spiritleaf's inclusion was based on specific requests from local consumers. All Spiritleaf stores in Alberta are participating in the program.

Due to the ongoing COVID-19 pandemic and with recent 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 165,000 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. 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), 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 in this news release includes, but is not limited to, a statement regarding additional store locations to open in the coming months being conditionally secured in 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 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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