



## **Bhang Reports Delay in Filing 2019 Annual Financial Statements**

**MIAMI, FLORIDA, June 4, 2020** - [Bhang Inc.](#) ("Bhang" or the "Company") (CSE: BHNG) (OTCQX: BHNGF), a global cannabis CPG brand company with an award-winning portfolio of products, announced today that the Company will be unable to file its annual audited consolidated financial statements for the financial year ended December 31, 2019, the related annual management's discussion and analysis and the related CEO and CFO certifications (collectively, the "**2019 Financial Disclosure**") by June 13, 2020 (the "**Filing Deadline**") in accordance with the requirements of National Instrument 51-102 - *Continuous Disclosure Obligations* ("**NI 51-102**") and National Instrument 52-109 - *Certification of Disclosure in Issuer's Annual and Interim Filings*, as applicable. The Company is currently relying on relief provided by Ontario Instrument 51-502 - *Temporary Exemption from Certain Corporate Finance Requirements* (and similar exemptions provided by the securities commissions of British Columbia and Alberta) (collectively, "**NI 51-102**") in connection with the late filing of its 2019 Financial Disclosure due to delays caused by the COVID-19 pandemic.

The delay is due to a dispute with the former owners/managers of one of the Company's acquisitions completed during the year ended December 31, 2019 who have stopped assisting the Company in providing its auditors with certain audit support. As such, the Company has resorted to alternative means of obtaining such audit support that is more time consuming. The Company anticipates having its 2019 Financial Disclosure as soon as possible and anticipates, in any event, filing its 2019 Financial Disclosure by the end of June 2020.

Accordingly, the Company has applied for a management cease trade order effective June 13, 2020 preventing management of the Company from trading, directly or indirectly, in the securities of the Company (except as otherwise authorized by applicable securities regulators), which will remain in place until the above-noted documentation has been filed, in accordance with the provisions of National Policy 12-203 – *Management Cease Trade Orders* ("**NP-12-203**"). Until the Company's 2019 Financial Disclosure are filed, the Company intends to satisfy the provisions of the Alternative Information Guidelines set out in NP-12-203. Furthermore, the Company's directors and officers will remain subject to a trading black-out pursuant to which such persons are prohibited from trading any securities of the Company until the end of the second full trading day following the day on which both the 2019 Financial Disclosure and the Company's interim financial statements and related management's discussion and analysis for the period ended March 31, 2020 are filed on SEDAR and a corresponding new release is issued by the Company pursuant to NI 51-502.

### **About Bhang**

Bhang is committed to delivering exceptional sensory experiences to consumers at every point in their cannabis journey through its award-winning products. Bhang is a trusted global cannabis company with an extensive portfolio of over 50 cannabis, hemp-derived CBD and terpene products, including chocolates, pre-rolls and hempsticks. Since 2010, Bhang has mastered the art of bringing safe, consistent and delicious cannabis-infused



and cannabis-inspired products to the world. Learn more at [www.bhangnation.com](http://www.bhangnation.com) and purchase our award-winning CBD products at [www.bhangcbd.com](http://www.bhangcbd.com).

## **FORWARD LOOKING STATEMENTS**

*This press release contains statements which constitute “forward-looking information” within the meaning of applicable securities laws, including statements regarding the plans, intentions, beliefs and current expectations of the Company with respect to future business activities. Forward- looking information is often identified by the words “may,” “would,” “could,” “should,” “will,” “intend,” “plan,” “anticipate,” “believe,” “estimate,” “expect” or similar expressions and include information regarding: (i) statements regarding the future direction of the Company; (ii) the ability of the Company to successfully achieve its business and financial objectives; (iii) plans for expansion of the Company into new jurisdictions; and (iv) expectations for other economic, business, and/or competitive factors. Investors are cautioned that forward-looking information is not based on historical facts but instead reflect the Company’s management’s expectations, estimates or projections concerning the business of the Company’s future results or events based on the opinions, assumptions and estimates of management considered reasonable at the date the statements are made. Although the Company believes that the expectations reflected in such forward-looking information are reasonable, such information involves risks and uncertainties, and undue reliance should not be placed on such information, as unknown or unpredictable factors could have material adverse effects on future results, performance or achievements. Among the key factors that could cause actual results to differ materially from those projected in the forward-looking information are the following: changes in general economic, business and political conditions, including changes in the financial markets; in particular, in the ability of the Company to raise debt and equity capital in the amounts and at the costs that it expects; adverse changes in the public perception of cannabis; decreases in the prevailing prices for cannabis and hemp products in the markets that the Company operates in; adverse changes in applicable laws or adverse changes in the application or enforcement of current laws; the cannabis market is highly regulated and those regulations and enforcement priorities of governmental authorities may change; compliance with extensive government regulation and related costs; and other risks described in the Company’s Listing Statement, dated July 9, 2019, and other filings on [www.sedar.com](http://www.sedar.com). Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking information prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected. Although the Company has attempted to identify important risks, uncertainties and factors which could cause actual results to differ materially, there may be others that cause results not to be as anticipated, estimated or intended. The Company does not intend, and does not assume any obligation, to update this forward-looking information except as otherwise required by applicable law.*

This press release does not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of any of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. The Company’s securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the “U.S.



Securities Act"), or the securities laws of any state of the United States and may not be offered or sold within the United States or to any "U.S. Person" (as defined in Regulation S under the U.S. Securities Act) unless registered under the U.S. Securities Act and applicable state securities laws or pursuant to an exemption from such registration requirements.

Neither CSE nor its Regulation Services Provider accepts responsibility for the adequacy or accuracy of this release.

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