

## **Sativa Wellness Group Inc. (previously, Stillcanna, Inc.) Announces Closing of Transaction with Sativa Group Plc. and Resumption of Trading on the Canadian Securities Exchange**

VANCOUVER, BC (ACCESSWIRE - September 30, 2020) - Sativa Wellness Group Inc. (formerly, Stillcanna Inc.) (CSE: SWEL) (“**Sativa**” or the “**Company**”) is pleased to announce that further to news releases dated September 10, 2020 and September 18, 2020, following the closing of the Company's acquisition, through a scheme of arrangement, of Sativa Group Plc (the “**Transaction**”) the common shares of the Company will resume trading on the Canadian Securities Exchange (“**CSE**”) at the market open on September 30, 2020. Trading will resume on the CSE under the new symbol “SWEL”. The Company will be listed for trading on the AQSE Growth Market (the “**AQSE**”) in the United Kingdom (the “**UK**”) on Thursday, October 1, 2020 under the new symbol “SWEL” and expects to be quoted on the over-the-counter (the “**OTC**”) market in the United States and the Frankfurt Stock Exchange (the “**FSE**”) shortly.

The Company would like to sincerely thank shareholders for their patience and support during the trading halt. The Transaction was subject to requisite legislative and exchange regulatory approvals in both the United Kingdom and Canada.

Going forward, Sativa is now a true vertically-integrated European seed-to-consumer cannabidiol (“**CBD**”) wellness company. The Company manages the cultivation of raw materials, owns extraction, packaging and testing facilities, and has developed and marketed leading consumer brands. This complete supply chain custody model ensures that retail and wholesale customers receive pharmaceutical grade CBD products they can trust.

“We are thrilled to have completed the process of combining our two businesses to form a leading European CBD Wellness company”, stated Henry Lees-Buckley, CEO of Sativa. “Discerning consumers demand very high quality and compliant products and we believe the best way to ensure the Company is able to fulfill this demand is to have management control throughout the entire production, manufacturing and distribution process. The regulatory environment in the UK and Europe are also rightly demanding companies achieve new compliance standards such as the UK FSA Novel Foods accreditation. We expect our products will be validated by the UK FSA by the March 2021 deadline”, added Henry.

### **Brands**

Sativa is focused on developing consumer products under the core “Goodbody” brand. The Goodbody brands are available online and in a growing number of retailers across the UK, all with the commitment of “CBD you can Trust”. The plan is to extend the Goodbody brands and product ranges into new markets throughout continental Europe.

Goodbody Botanicals offers a wide range of CBD products including gels, balms, capsules, tinctures, gummies and more. The Goodbody Botanicals brand is available at the

“goodbodystore.com” and in hundreds of pharmacies and leading retailers across the UK, such as WH Smith.

The Goodbody Wellness brand is focused on delivering premium products such as its signature “Orange and Lemon flavored CBD with Vitamin D”. This brand is also available online at the “goodbodystore.com” and is targeting health and beauty markets as well as high end retailers.

We continue to expand our product offerings in alignment with consumer demand, building the range of products on offer. Additional Goodbody product lines such as Goodbody sanitizer and Goodbody Hemp have also been launched and compliment the core CBD product offerings.

As a fully vertically-integrated company, Sativa not only manufactures its own core products but also offers white label private manufacturing and branding services for customers in the UK and Europe. The Company not only supplies the raw CBD isolate and distillate ingredients, but also provides the formulation, bottling and testing services to other CBD companies across Europe.

### **Cultivation and Extraction Capabilities**

Sativa's primary agricultural, cultivation and extraction business is based in Poland, and is called Olimax. Olimax is responsible for the Company's agricultural initiatives including biomass partnerships throughout Europe. It is responsible for the operation of the Company's state of the art ethanol extraction facility in Poland providing high quality CBD products to meet internal needs and importantly providing the key ingredients to third party customers. The Olimax extraction facility is designed to process over 400,000 kilos of CBD rich hemp biomass annually. The Olimax facility produces both THC free CBD isolate and distillate for the global marketplace and is fully operational and in production today.

Additionally, a wholly owned subsidiary, Borganic Consulting Inc., recently built a modern extraction facility in Romania with a joint venture partner Dragonfly Biosciences of London (“Dragonfly”). The facility is now fully licensed and is capable of processing over 400,000 kilos of CBD rich biomass annually. Borganic served notice of termination of its joint venture with Dragonfly on August 17, 2020 as a result of a contract dispute with Dragonfly. The Company anticipates the issues will be resolved over the coming months and will provide a further update once available.

### **Testing Laboratories**

PhytoVista Laboratories (“PVL”) is Sativa's independent analytical hemp and CBD testing facility. PVL provides laboratory support to retailers, distributors and manufacturers by expertly testing the cannabinoid levels of the hemp and CBD products. PVL is one of the UK's most trusted laboratories operating to GLP (Good Laboratory Practice) and ISO 17025 standards, with the aim of being fully ISO accredited in 2020. 90% of the revenue

of this laboratory is generated by external customers with the balance from internal product testing.

The Olimax facility in Poland also has a modern laboratory with state-of-the-art equipment and trained scientists. This laboratory is currently used for internal product testing, but it is envisaged that this would also become an external customer focused laboratory alongside the UK PhytoVista team.

## **General**

In addition to the commercial operating activities, a wholly owned subsidiary “Sativa Cultivation and Extraction Ltd” holds a Controlled Drug License for the cultivation, production and possession of high THC content cannabis in the UK for medical research as part of the Company’s partnership agreement with King’s College London to research the impact of cannabinoids on inflammation and respiratory conditions.

The new group is led by Henry Lees-Buckley, as Chief Executive Officer and Director. Mr. Lees-Buckley is a seasoned corporate executive with extensive experience leading companies in the private and public markets. Mr. Lees-Buckley was previously the CEO of Uni-Select, a Canadian TSX quoted company with operations in the UK, Canada and the USA. Prior to Uni-Select, Mr. Lees-Buckley was a senior global executive and officer of W.W. Grainger a 15 billion dollar Fortune 500 company. Mr. Lees-Buckley is currently a non-Executive director of Building Materials Corp (NASDAQ:BMCH) a company with annual sales of USD3.8 billion. Henry holds an MBA from Queens University in Kingston Ontario and has functioned as a senior executive in multiple global corporations.

Jason Dassault, the Company's previous CEO, will remain with the Company going forward as a director. Mr. Dussault will lead the Company's investor relations and marketing activities.

The Company is strictly focused on the European market and the primary offices are located at:

The Blue Building, Stubbs Lane, Beckington, Somerset UK, BA11 6TE  
01373 486595

The Company's investor relations and marketing office is in Vancouver, British Columbia.

Further information is available under the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com) .

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*the UK shortly, the contractual dispute with Dragonfly regarding the Olimax facility, and that all the pieces are perfectly aligned for great success, including but not limited to the Company's ability to execute its business plan, as well as the expansion of the Company's consumer offerings.*

*Although Sativa believes that the assumptions and factors used in preparing, and the expectations contained in, the forward-looking information and statements are reasonable, undue reliance should not be placed on such information and statements, and no assurance or guarantee can be given that such forward-looking information and statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information and statements. In particular, there is no guarantee that that the parties will successfully complete the Proposed Transaction on the terms contemplated herein or at all, that either will be satisfied with the results of their proposed due diligence, or that any required shareholder or regulatory approvals will be obtained. The forward-looking information and forward-looking statements contained in this news release are made as of the date of this press release, and Sativa does not undertake to update any forward-looking information and/or forward-looking statements that are contained or referenced herein, except in accordance with applicable securities laws.*