



WILLOW BIOSCIENCES REPORTS THIRD QUARTER 2019 RESULTS AND PROVIDES OPERATIONS UPDATE

Calgary, Alberta – November 21, 2019 – Willow Biosciences Inc. (“**Willow**” or the “**Company**”) (CSE: WLLW, OTCQB: CANSF) has released its financial and operating results for the three and nine months ended September 30, 2019.

“Over the past few months, Willow has continued to advance its business strategy and achieved several important milestones,” said Trevor Peters, Willow’s President and Chief Executive Officer. “We have made meaningful progress on advancing our yeast strain performance and fully expect to meet our projected timing of scale-up development in the first half of 2020. In addition, we have completed the commissioning of our three labs and expanded our team of highly skilled scientists, preparing us for future development. As the market for CBD and other cannabinoids continues to develop, Willow is positioned as a leader in delivering ultra-pure, pharmaceutical grade cannabinoids, at a highly competitive cost for the consumer packaged goods and pharmaceutical industries.”

Selected financial and operational information is outlined below and should be read in conjunction with Willow’s unaudited condensed consolidated interim financial statements (“Financial Statements”) and related management’s discussion and analysis (“MD&A”) which are available on SEDAR at www.sedar.com or on the Willow’s website at www.willowbio.com.

Highlights for the Quarter:

- Willow’s science team successfully increased cannabinoid production by 25-fold and identified hundreds of beneficial genetic changes that are expected to provide additional increases.
- Willow ended the quarter with strong liquidity, including approximately \$24.0 million of cash on hand at September 30, 2019.
- Willow continued to build out our three labs in Calgary, Alberta, Burnaby, British Columbia and Mountain View, California, spending \$3.2 million in capex in the quarter (\$6.4 million year to date as of September 30th). With the bulk of our capital spending to set up our labs behind us, Willow continues to focus on advancing our yeast strain to produce ultra-pure, pharmaceutical grade cannabidiol (CBD).
- In the quarter we moved into our new facility in Calgary, Alberta located in the Life Sciences Innovation Hub at the University Research Park. The 4,000 square foot secure facility employs cutting-edge bioassay capabilities, liquid handling robots, and analytical instrumentation, and leverages access to the University of Calgary’s plant cultivation resources and growth chambers.
- Willow continues to progress its intellectual property portfolio and expects to file five new U.S. provisional patent applications and one Patent Cooperation Treaty “PCT” conversion (which will convert an existing provisional patent application to a U.S. PCT application), all prior to the end of 2019.
- Subsequent to the end of the quarter, the Company received its DEA Controlled Substances Registration Certificate for our Mountain View, California facility, which allows the Company to develop yeast strains which produce CBD.

- On November 5, 2019, the Company commenced trading on the OTCQB® Venture Market under the ticker “CANSF”.
- Willow’s directors and officers remain committed to the long-term success of the Company and since July 1, 2019, certain officers and board members of Willow have purchased approximately 1.5 million common shares and warrants of Willow in the market for aggregate proceeds of approximately \$840,000.

Operational Update

During the past quarter, we have expanded our research and development team to 33 technical staff, including 21 Ph.D. level scientists, across our three sites. Our multidisciplinary team consists of plant scientists, strain engineers, analytical chemists and fermentation process engineers. The team’s focus has now shifted from expanding its technical capabilities to program execution and operational excellence. Our plant sciences team in Canada continues to advance its understanding of cannabinoid accumulation in *C. sativa* along with translation of these results in our yeast production host. These results are further complemented by our high-throughput strain engineering capabilities in our San Francisco Bay Area labs to expand upon beneficial genetic diversity and further optimize our yeast strain toward commercial targets. As a result of these combined efforts, we have increased cannabinoid production by 25-fold and identified hundreds of beneficial genetic changes that will provide additional increases. These improved strains are now undergoing evaluation in fermentation tanks at our development partner’s facilities. At our current trajectory, we anticipate delivering a strain for scale up development starting in the first half of 2020.

Financial Update

Willow ended the quarter in a strong financial position, with approximately \$23.2 million in working capital and \$24.0 million of cash on hand.

The Corporation’s financial results are summarized as follows:

	Three months ended September 30		Nine months ended September 30	
	2019	2018	2019	2018
Balance sheet (\$000’s):				
Cash and cash equivalents	24,042	804	24,042	804
Total assets	38,624	1,038	38,624	1,038
Shareholder’s equity	24,727	975	24,727	975
Weighted average shares				
Basic and diluted (000’s)	78,634	56,521	69,657	53,585

Year to date 2019 has been transformative for the Company. The transactions Willow has completed have had a significant impact on the comparability of the Company’s period over period results. See the Financial Statements and MD&A for further details.

Outlook

Willow will continue to focus on developing and refining our yeast-based strains that biosynthesize CBD, optimizing our production levels and improving the performance of our processes. We expect to reach a scalable production level in the first half of 2020, triggering the initiation of Noramco, Inc.'s efforts to ramp up production, file regulatory submissions and develop marketing and distribution plans. The scaling up of production to commercial levels is expected to take 12 to 18 months, followed by regulatory approval for the manufacturing process and customer sampling during 2021, and first bulk commercial sales anticipated in late 2021 or early 2022.

Following our successful financings, Willow is well positioned to fund our operations to commercialization.

Willow continues to evaluate strategic relationships with various entities in the consumer packaged goods and pharmaceutical industries. These partnerships will look to define our market participation and potentially gain entry into new global markets.

About Willow Biosciences Inc.

Willow is a Canadian biotechnology company based in Calgary, Alberta, that produces high purity, plant-derived compounds that provide building blocks for the global pharmaceutical, health and wellness, and consumer packaged goods industries. Willow's current focus is in the production of cannabinoids for the treatment for pain, anxiety, obesity, brain disorders, among other significant indications. Willow's science team has a proven track record of developing manufacturing technologies for high purity compounds in pain and cancer treatments. Willow's manufacturing process creates a consistent, scalable and sustainable product that allows for the discovery and development of new life changing drugs. For more information visit our website at www.willowbio.com.

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Forward-Looking Statements

This news release may include forward-looking statements including opinions, assumptions, estimates, the Company's assessment of future plans and operations, and, more particularly, statements concerning: the business plan of the Company, including cannabinoid research and production at the facilities located in Alberta, British Columbia and California; the development of a yeast-based cannabinoid production platform, the scale-up and the timing thereof; improved productivity and yield; future commercialization and revenue; the performance of the science team, management and board; the strategic partnership with Noramco and other future strategic relationships; and the long-term success of the Company. When used in this document, the words "will," "anticipate," "believe," "estimate," "expect," "intent," "may," "project," "should," and similar expressions are intended to be among the statements that identify forward-looking statements. The forward-looking statements are founded on the basis of expectations and assumptions made by the Company which include, but are not limited to, the timing of the receipt of the required regulatory and third party approvals and the future operations the Company. Forward-looking statements are subject to a wide range of risks and uncertainties, and although the Company believes that the expectations represented by such forward-looking statements are reasonable, there can be no assurance that such expectations will be realized. Any number of important factors could cause actual results to differ materially from those in the forward-looking statements including, but not limited to, risks associated with the cannabis industry in general, infringement on intellectual property, failure to benefit from partnerships or successfully integrate acquisitions, actions and initiatives of federal and provincial governments and changes to government policies and the execution and impact of these actions, initiatives and policies, import/export and research restrictions for cannabinoid-based operations, the size of the medical use and adult-use cannabis market, competition from other industry participants, adverse U.S., Canadian and global economic conditions, failure to comply

with certain regulations, departure of key management personnel or inability to attract and retain talent regulatory and other factors more fully described from time to time in the reports and filings made by the Company with securities regulatory authorities. Please refer to the MD&A for additional risk factors relating to Willow. Except as required by applicable laws, the Company does not undertake any obligation to publicly update or revise any forward-looking statements.

This news release contains future-oriented financial information and financial outlook information (collectively, FOFI) about Willow's prospective results of operations, production and production efficiency, commercialization, revenue and cash on hand, all of which are subject to the same assumptions, risk factors, limitations, and qualifications as set forth in the above paragraph. FOFI contained in this document was approved by management as of the date of this document and was provided for the purpose of providing further information about Willow's future business operations. Willow disclaims any intention or obligation to update or revise any FOFI contained in this document, whether as a result of new information, future events or otherwise, unless required pursuant to applicable law. Readers are cautioned that the FOFI contained in this document should not be used for purposes other than for which it is disclosed herein.

Neither the Canadian Securities Exchange nor the Market Regulator (as that term is defined in the policies of the Canadian Securities Exchange) accepts responsibility for the adequacy or accuracy of this release.