



YourWay Cannabis Brands Inc. Applies for Management Cease Trade Order

VANCOUVER, BRITISH COLUMBIA – May 16, 2022 – YourWay Cannabis Brands Inc. (**CSE: YOUR**) (the “**Company**”) announced today that, it anticipates it may be delayed in filing its unaudited interim financial statements for the three months ended March 31, 2022 (the “**Q1 Financial Statements**”), the related management’s discussion and analysis and CEO and CFO certifications (collectively, the “**Q1 Filings**”) by the regulatory filing deadline of May 30, 2022 (the “**Filing Deadline**”) in accordance with National Instrument 51-102 – *Continuous Disclosure Obligations*. The potential late filing is the result of a number of factors, including (i) the complexity associated with a change of the Company’s auditors which took effect on December 6, 2021; (ii) changes in the personnel of the Company requiring additional time to support the auditors; and (iii) further to the Company’s press release dated May 2, 2022 and May 10, 2022, the related delay and associated complexities with respect to the completion of the Company’s audited annual consolidated financial statements for the year ended December 31, 2021. The Company will work diligently to complete the Q1 Financial Statements and anticipates that, subject to current conditions remaining the same, it will require approximately three additional weeks to complete the process of preparing the Q1 Filings and in any event will use its best efforts to complete the process within the next two months.

As a result of the anticipated delay in filing the Q1 Filings, the Company has applied to the British Columbia Securities Commission, as principal regulator of the Company, to request a management cease trade order (the “**MCTO**”) be issued in accordance with National Policy 12-203 - *Management Cease Trade Orders* (“**NP 12-203**”), assuming that the Company’s general “failure to file” cease trade order (the “**CTO**”) pursuant to National Policy 11-207 – *Failure to File Cease Trade Orders and Revocations in Multiple Jurisdictions* dated May 9, 2022 has been revoked before the Filing Deadline.

During the period in which the MCTO is in effect, the general investing public will continue to be able to trade in the Company’s common shares listed on the Canadian Securities Exchange. However, for the duration of the MCTO, the Company’s Chief Executive Officer and Chief Financial Officer will not be able to trade in the Company’s common shares, nor will the Company be able to, directly or indirectly, issue securities to or acquire securities from an insider or employee of the Company except in accordance with legally binding obligations to do so existing as of the Filing Deadline. The Company has also imposed an insider trading blackout pending filing of the Q1 Filings. The Company confirms that it will comply with the alternative information guidelines set forth in NP 12-203 for so long as it remains in default of the requirement to file the Q1 Filings. The Company is not subject to any insolvency proceedings. If granted, the MCTO will remain in effect until the Company files the Q1 Filings or the MCTO is otherwise revoked or varied.

About YourWay Cannabis Brands Inc.

YourWay is a publicly traded, multi-state and consumer-centric House of Brands committed to redefining the way consumers and cannabis brands interact, with sales and operations in Arizona and California. Through building their own brands, partnering with others, and supporting retail partners house brand strategy, they are dedicated to expanding their reach; remolding the cannabis industry and ultimately, redefining the way consumers and cannabis brands interact.

For further information, please contact:
YourWay Cannabis Brands Inc.
Glen Shear
Head of Investor Relations
Tel: 437 218-1445
Email: Glen@YourWayCannabis.com

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION:

This news release includes certain “forward-looking information” as defined under applicable Canadian securities legislation, including statements regarding the plans, intentions, beliefs, and current expectations of the Company with respect to future business activities and operating performance. Forward-looking information is often identified by the words “may”, “would”, “could”, “should”, “will”, “intend”, “plan”, “anticipate”, “believe”, “estimate”, “expect” or similar expressions and includes information regarding: the Q1 Filings, including the anticipated delay in filing the Q1 Filings, the ability of the Company to file the Q1 Filings by the timelines set out in this news release, the potential granting of an MCTO as well as the ability of the Company to be in compliance with NP 12-203, the potential revocation of the CTO and expectations for other economic, business, and/or competitive factors. Forward-looking information is necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking information.

Investors are cautioned that forward-looking information is not based on historical fact but instead reflects management’s expectations, estimates or projections concerning 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 of the Company. Among the key factors that could cause actual results to differ materially from those projected in the forward-looking information are the following: the Company may not complete and file the Q1 Filings as currently anticipated, or at all; the Company will be subject to a general cease trade order in the event that the MCTO is not granted and/or the Q1 Filings are not completed and filed; the Company may not be able to comply with NP 12-203; regulatory and licensing risks; changes in consumer demand and preferences; changes in general economic, business and political conditions, including changes in the financial markets; the global regulatory landscape and enforcement related to cannabis, including political risks and risks relating to regulatory change; compliance with extensive government regulation; public opinion and perception of the cannabis industry; the impact of COVID-19; and the risk factors set out in the Company’s annual information form dated August 28, 2020, filed with Canadian securities regulators and available on the Company’s profile on SEDAR at www.sedar.com.

The Company, through several of its subsidiaries, is indirectly involved in the manufacture, possession, use, sale, and distribution of cannabis in the recreational and medicinal cannabis marketplace in the United States. Local state laws where the Company operates permit such activities however, investors should note that there are significant legal restrictions and regulations that govern the cannabis industry in the United States. Cannabis remains a Schedule I drug under the US Controlled Substances Act, making it illegal under federal law in the United States to, among other things, cultivate, distribute or possess cannabis in the United States.

Financial transactions involving proceeds generated by, or intended to promote, cannabis-related business activities in the United States may form the basis for prosecution under applicable United States federal money laundering legislation.

While the approach to enforcement of such laws by the federal government in the United States has trended toward nonenforcement against individuals and businesses that comply with recreational and medicinal cannabis programs in states where such programs are legal, strict compliance with state laws with respect to cannabis will neither absolve the Company of liability under United States federal law, nor will it provide a defense to any federal proceeding which may be brought against the Company. The enforcement of federal laws in the United States is a significant risk to the business of the Company and any proceedings brought against the Company thereunder may adversely affect the Company's operations and financial performance.

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 that could cause actual results to differ materially, there may be others that cause results not to be as anticipated, estimated or intended. Accordingly, readers should not place undue reliance on forward-looking information, which speak only as of the date of this news release. The Company disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by law.