

Decibel Cannabis Company Provides Update On Derivative Product Sales and Key Milestones

CALGARY, AB, Feb. 17, 2021 /CNW/ - Decibel Cannabis Company Inc. (the "Company" or "Decibel") (TSX-V: DB) (OTCQB: DBCCF), a premium cannabis producer and retailer, is pleased to provide a business update regarding its recent launch of cannabis derivative products and other key milestones.

"We've strongly positioned ourselves to succeed in the vape and concentrate market in Canada and are proud to be delivering on our plans and promises. In continuing to follow and optimize our strategic vision, Decibel is steadily working to become a market leader in the high growth vape and concentrate product categories," said Cody Church, Interim Chief Executive Officer of Decibel. "By leveraging the uncompromising approach we take across the fulsome Decibel business, the products we're creating are of the highest quality and consideration. We will not let our customers down and will continue to bring a significant pipeline of new and innovative products to the market."

"We continue to differentiate ourselves not only in our product strategy, but also as one of the few cannabis companies showing profitable results in the third quarter of 2020. We have remained steadfast that sustainable and profitable growth is one of our primary goals," added Stuart Boucher, Chief Financial Officer of Decibel.

Business Update

Since September 2020, Decibel has launched a total of 26 vape and concentrate SKUs into the recreational market across five provinces including British Columbia, Alberta, Saskatchewan, Manitoba, and Ontario. In January, Decibel achieved a 22% market share in concentrates and a 9% market share in vape categories across British Columbia, Alberta, Saskatchewan, and Ontario^{1,2}. Looking ahead, the Company anticipates launching over 30 additional SKUs including its highly anticipated launch of Qwest branded vapes and concentrates.

- First branded derivative product shipment to Manitoba completed in February
- Across British Columbia, Alberta, and Saskatchewan, four months into its product launches, Decibel has achieved¹:
 - #1 in concentrate sales under its *Blendcraft by Qwest* brand in the last 60 days
 - #3 in vape sales under its *General Admission* brand in the last 60 days
- In Ontario, one month into its product launches, Decibel has achieved²:
 - #3 in concentrate sales under its *Blendcraft by Qwest* brand
 - #8 in vape sales under its *General Admission* brand

After receiving its latest cultivation license, operations are well underway at Decibel's Thunderchild facility – a facility which is critical to Decibel's long term strategic growth plan and will deliver consumers more choice of quality grown, rare cultivars in the dried flower and pre-roll product categories.

- *Qwest* flower products achieve some of the highest prices in Canada (Q3'20 - \$10.18 / gram)
- Through its combined facilities, Decibel will be launching 6 – 10 new genetics over the next year, including *Stuffed French Toast* and *Sunset MAC* coming soon
- Decibel's *Qwest* flower products remain in short supply and have been out of stock in key provincial markets due to high consumer demand for its flower products
 - Thunderchild increases capacity from 1,800 kilograms to more than 9,000 kilograms
 - Four flower rooms already planted and at various stages (20% of total facility planted)
 - Thunderchild first revenue expected Q2 2021

¹ HiFyre Retail Analytics, Licensed Producer Sales over Time in BC, AB, SK, December 1, 2020 – January 31, 2021

² HiFyre Retail Analytics, Licensed Producer Sales over Time in ON, January 1, 2021 – January 31, 2021

About Decibel

Decibel is uncompromising in the process and craftsmanship needed to deliver the highest quality cannabis products and retail experiences. Decibel has three operating production houses along with its wholly owned retail business, Prairie Records. The Qwest Estate in Creston, BC is a licensed and operating 26,000 square foot cultivation space which produces the widely championed, rare cultivar-focused brands Qwest and Qwest Reserve, which are sold in six provinces across Canada. Thunderchild Cultivation, is a licensed and operating 80,000 square foot indoor cultivation facility in Battleford, SK. The Plant, Decibel's extraction facility, in Calgary, AB has 15,000 square feet of Health Canada licensed extraction and product development space. This production house will fuel the growth of our brands Qwest, Qwest Reserve, and Blendcraft, into new and innovative product formats like concentrates, vapes, edibles and beyond.

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Cautionary Statements

Forward Looking Information

This news release contains "forward-looking information" and "forward-looking statements" (collectively, "forward-looking statements") within the meaning of the applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release. Any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as "expects", or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "budget", "scheduled", "forecasts", "estimates", "believes" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may" or "could", "would", "might" or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements.

In this news release, forward-looking statements relate to, among other things, the Company's expectations regarding its ability to bring a significant pipeline of new and innovative products to the market, expected number of grow rooms at Thunderchild at the timing of the first revenue therefrom, the Company's ability to grow Qwest, Qwest Reserve and Blendcraft brands into new and innovative product formats, variations and its other

business plans and expectations. Forward-looking statements are 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 statements. Such factors include, but are not limited to: risks relating to delays, regulatory changes and impacts, capital requirements, construction impacts, displacement requirements and unforeseen requirements resulting from the COVID-19 pandemic, the ability to obtain and maintain licences to retail cannabis products; review of the Company's production facilities by Health Canada and maintenance of licences (including any amendments thereto) from Health Canada in respect thereof; future legislative and regulatory developments involving cannabis; inability to access sufficient capital from internal and external sources, and/or inability to access sufficient capital on favourable terms; the labour market generally and the ability to access, hire and retain employees; general business, economic, competitive, political and social uncertainties; the satisfaction of conditions precedent under the Company's credit facilities; timing and completion of construction and expansion of the Company's production facilities and retail locations; and the delay or failure to receive board, regulatory or other approvals, including any approvals of the TSX Venture Exchange, as applicable. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on the forward-looking statements and information contained in this news release. Except as required by law, the Company assumes no obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change, except as required by law.

These forward-looking statements are made as of the date of this press release and the Company disclaims any intent or obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.

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