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**CANADA HOUSE WELLNESS GROUP ANNOUNCES CLOSING OF \$6.5
MILLION STRATEGIC INVESTMENT FROM ARCHERWILL
INVESTMENTS, PAYS OFF LIND PARTNERS SECURED
CONVERTIBLE DEBENTURE IN FULL**

Toronto – August 5, 2020 (CNW) - Canada House Wellness Group Inc. (CSE: CHV) (“**Canada House**”, or the “**Company**”), is pleased to announce that it has closed the strategic investment transaction (the “**Transaction**”) with Archerwill Investments Inc. (“**Archerwill**”).

Transaction Highlights

- Archerwill invested \$6,500,000 in the form of a secured convertible debenture (the “**Convertible Debenture**”) to obtain a 15.9% ownership interest in Canada House, assuming conversion of the full principal amount;
- Prior to the Transaction, Archerwill beneficially owned or had control or direction over 3,122,000 common shares in the capital of Canada House (“**Common Shares**”) and 4,973,635 securities of Canada House convertible into or exercisable for 4,973,635 Common Shares;
- Archerwill concurrently received Common Share purchase warrants (“**Warrants**”), exercisable at \$0.06 per share for a period of 4 years, which, if exercised in full, would subsequently increase Archerwill’s ownership interest to 28.3% (assuming Archerwill’s conversion and exercise in full of all securities it holds in Canada House but no other conversions of outstanding securities of Canada House);
- Canada House and Archerwill entered into an investor rights agreement which provides Archerwill with a right to match certain acquisition proposals received by Canada House, pre-emptive rights allowing it to participate alongside common shareholders in future financings in order to maintain its ownership percentage moving forward, as well as certain other governance rights in respect of Canada House; and
- Archerwill will be entitled to nominate two directors for appointment to the board of directors of Canada House at its next shareholder meeting and for so long as Archerwill meets certain specified beneficial ownership thresholds of the Company’s then issued and outstanding Common Shares or not less than \$1,000,000 of obligations under the Convertible Debenture remain outstanding.

Please refer to the Company's press release of July 15, 2020 and Archerwill's Early Warning News Release dated August 5, 2020 for additional details on the Transaction and the terms and conditions of the Convertible Debenture and Warrants issuable to Archerwill.

A portion of the proceeds to Canada House from the Transaction have been used to repay the entire amount owing to Lind Global Macro Fund, LP pursuant to the convertible security funding agreement dated September 10, 2019 between Canada House and Lind Global Macro Fund, LP. The remaining proceeds are expected to be used to retire certain existing obligations of Canada House and for general working capital and expansion purposes.

"We are thrilled to welcome Irvine and Kevin Weitzman to our organization," commented Canada House CEO Chris Churchill-Smith. "The closing of this transformative financing significantly improves Canada House's financial position by strengthening both the balance sheet and the cash flow profile of our company while bringing in partners with vast and successful experience in the Consumer-Packaged Goods space. We look forward to working closely alongside Irvine and Kevin during this important phase of Canada House's corporate development as we continue to prove out high value distribution channels to the medical and provincial markets."

The Company is also pleased to announce its annual general and special meeting of shareholders which will be held on September 30, 2020. In addition to presenting financial statements, electing directors, and appointing auditors, the Company will be seeking approval to move its registered office to Montreal, Quebec.

About Canada House Wellness Group Inc.

Canada House Wellness Group Inc. is the parent company of Abba Medix Corp., a Licensed Producer in Pickering, Ontario that produces high quality medical grade cannabis; IsoCanMed Inc., a Licensed Producer in Louiseville, Quebec growing best-in-class indoor cannabis, in its 64,000 sq.ft. production facility employing state-of-the-art vertical, aeroponic production methodologies; Canada House Clinics Inc., with clinics across the country that work directly with primary care teams to provide specialized cannabinoid therapy services to patients suffering from simple and complex medical conditions; and Knalysis Technologies, a provider of fully customizable, cloud-based software that links physician, provider, and patient to data that supports treatment with medical cannabis.

Canada House Wellness Group's goal is to become the leading cultivator of premium craft cannabis and provider of cannabinoid therapy, targeting the medical cannabis markets globally. Please visit www.canadahouse.ca or the Company's public filings at www.sedar.com.

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Cautionary Statement Regarding Forward-Looking Information. This press release contains forward-looking statements, including statements that relate to, among other things, the Company's clinic, production and technology businesses, its future plans, the Company's markets, objectives, goals, strategies, intentions, beliefs, expectations and estimates, and can generally be identified by the use of words such as "may", "will", "could", "should", "would", "likely", "possible", "expect", "intend", "estimate", "anticipate", "believe", "plan", "objective" and "continue" (or the negative thereof) and

words and expressions of similar import. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, such statements involve risks and uncertainties, and undue reliance should not be placed on such statements. Certain material factors or assumptions are applied in making forward-looking statements, and actual results may differ materially from those expressed or implied in such statements. Material assumptions used to develop forward-looking information in this news release include, among other things, the regulations related to cannabis use under the Access to Cannabis for Medical Purposes Regulations and the act respecting cannabis and to amend the Controlled Drugs and Substances Act, the Criminal Code and other Acts, passed by the Canadian Federal government, making cannabis and cannabis based edibles, vapes and oils legal for recreational use on October 17, 2018 and October 17, 2019; Company liquidity and capital resources, including the availability of additional capital resources to fund its activities; level of competition; the ability to adapt products and services to the changing market; the ability to attract and retain key executives; and the ability to execute strategic plans. Additional information about material factors that could cause actual results to differ materially from expectations and about material factors or assumptions applied in making forward-looking statements may be found in the Company's most recent annual and interim Management's Discussion and Analysis under "Risk and Uncertainties" as well as in other public disclosure documents filed with Canadian securities regulatory authorities. The Company does not undertake any obligation to update publicly or to revise any of the forward-looking statements contained in this document, whether as a result of new information, future events or otherwise, except as required by law.

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