## WILLOW BIOSCIENCES REPORTS FOURTH QUARTER AND 2019 YEAR END RESULTS AND OPERATIONAL UPDATE

**Calgary, Alberta – March 24, 2020 –** Willow Biosciences Inc. ("**Willow**" or the "**Company**") (TSX: WLLW; OTCQB: CANSF) is pleased to announce its financial and operating results for the three months and year ended December 31, 2019. Selected financial and operational information is outlined below and should be read with Willow's audited consolidated financial statements (the "**Financial Statements**") and management's discussion and analysis (the "**MD&A**") as of December 31, 2019, which are available on SEDAR at www.sedar.com and on Willow's website at www.willowbio.com. The Company's annual information form (the "**AIF**") for the year ended December 31, 2019 has also been filed on SEDAR and is available on Willow's website.

### Statement from the CEO

"We are extremely pleased with the significant scientific and commercial advancements we have made over the past few months that have allowed us to bring forward our commercialization timing by six months" said Trevor Peters, Willow's President and Chief Executive Officer. "While this progress has positioned us well for future success, we are also carefully monitoring the recent global outbreak of the novel coronavirus known as COVID-19. Our priority is the safety of our people and their communities and we continue to work with local authorities at all our locations to ensure we comply with all regulations and do all we can to assist during this trying time. Despite these challenges, Willow's balance sheet remains strong and I am confident we will have ample liquidity to fund our cannabinoid program through to commercialization."

### Highlights for the Quarter

- On October 25, 2019, Willow's Mountain View, California, facility received its DEA Controlled Substances Registration Certificate allowing the Company to develop cannabidiol ("**CBD**") producing yeast strains.
- On November 5, 2019, the Company commenced trading on the OTCQB® Venture Exchange under the ticker "CANSF".
- On December 5, 2019, the Company commenced trading on the Toronto Stock Exchange under the ticker "WLLW" and concurrently delisted from the Canadian Securities Exchange.
- Willow ended the quarter with strong liquidity, including approximately $19.6 million of cash on hand as at December 31, 2019.
- Willow's directors and officers remain committed to the long-term success of the Company, and in the fourth quarter certain officers and board members of Willow purchased approximately 345,000 Willow shares in the open market.

## Operational Update

To date in 2020, Willow has made significant advancements in our path towards commercialization. Following the accelerated success of our scientists in developing a proprietary cannabinoid-producing yeast strain, we have started our initial development scale-up work in lab-scale fermentation vessels ahead of our original expectations. The scale-up process includes iterative strain development to increase the cannabinoid concentration of the yeast cell, fermentation optimization, and purification of the fermentation broth into the pure cannabinoid. The scale-up process, done in conjunction with our partner, Albany Molecular Research, Inc., is expected to reach a 500-litre pilot-scale demonstration by the fourth quarter of 2020, with larger, commercial-scale fermentation vessels expected as early as the first half of 2021. Our ability to begin our scale-up process earlier than expected advances our commercialization projections by six months, leading to accelerated discussions with consumer-packaged goods entities and faster revenue generation.

On February 4, 2020, Willow's Burnaby facility received its cannabis research licence from Health Canada, which allows us to possess and produce cannabis for the purpose of conducting research at the Burnaby facility. The licence enables a broad scope of work on cannabis plants and heterologous expression systems and was issued for the maximum allowable period of five years, expiring on February 4, 2025.

On March 2, 2020, Willow's Burnaby facility received its cannabis analytical testing licence from Health Canada, which allows us to possess and obtain cannabis by altering its chemical or physical properties, and to conduct analytical testing activities with cannabis at the Burnaby facility. The licence enables a broad scope of analytical testing services and commercial activities and was issued for a three-year period, expiring on March 2, 2023.

Effective March 15, 2020, Dr. Joseph Tucker, Chief Operating Officer and a Director, has left the Company to pursue other opportunities. Dr. Tucker commented, "I am grateful for my five years as co-founder of Epimeron Inc. (predecessor to Willow) and then Willow and am honored to have played a part in Willow's transition from start-up, to being well on its way to achieving commercial production of synthesized cannabinoids. I remain excited for the future of Willow in the coming years as I transition from co-founder to shareholder."

## Financial Update

Willow ended the year in a strong financial position, with approximately $18.9 million in working capital and $19.6 million of cash on hand.

The Company's financial results are summarized as follows:

| | **Three months ended December 31** | | **Year ended December 31** | |
|---|---|---|---|---|
| | **2019** | **2018** | **2019** | **2018** |
| Balance sheet ($000's): | | | | |
| Cash and cash equivalents | **19,644** | 372 | **19,644** | 372 |
| Total assets | **33,884** | 967 | **33,884** | 967 |
| Shareholder's equity | **22,008** | 835 | **22,008** | 835 |
| Weighted average shares outstanding | | | | |
| Basic and diluted (000's) | **72,073** | 54,812 | **72,073** | 54,812 |

## Outlook

While there is a significant amount of uncertainty around the global outbreak of COVID-19, Willow remains committed to ensuring the safety of our employees and the communities around them. To date, our people have been able to effectively work remotely without any impact to our timelines, but this is a dynamic situation that will be monitored closely.

Willow will continue to focus on developing and refining our yeast-based strains to biosynthesize CBD, while also optimizing our production levels and improving the performance of our processes. With our scale-up process now begun, we expect to achieve a 500-litre pilot-scale demonstration by the fourth quarter of 2020 and larger, commercial-scale fermentation vessels as early as the first half of 2021.

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

We believe the market for ultra-pure, consistent, cannabinoids for consumer products is continuing to mature and grow. Willow continues to evaluate strategic relationships with various entities in the consumer-packaged goods and pharmaceutical industries with a view towards defining our market participation and potentially gaining 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.

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### Forward-Looking Statements

This news release may include forward-looking statements including opinions, assumptions, estimates and the Company's assessment of future plans and operations, and, more particularly, statements concerning: Willow's revised milestone projections, including the timing and quantity of development scale-up and commercialization scale-up; discussions with consumer-packaged goods entities; the ongoing COVID-19 outbreak and its impact on the Company; the market size potential of the synthetic cannabinoid industry; timing of revenue generation; Willow's entry into new global markets; and the business plan of the Company, generally, including cannabinoid research and production. When used in this news release, 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 success of Willow's strategic partnerships, including the development of future strategic partnerships; the financial strength of the Company; the ability of the Company to fund its business plan using cash on hand and existing resources; the market for Willow's products; the ability of the Company to obtain and retain applicable licences; and the successful implementation of Willow's production strategy, generally. 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 cannabinoid industry in general; the success of the Company's research and development strategies; 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 cannabinoid market; competition from other industry participants; adverse U.S., Canadian and global economic conditions; adverse global events and public-health crises, including the current COVID-19 outbreak; failure to comply with certain regulations; departure of key management personnel or inability to attract and retain talent; 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 AIF and the MD&A for additional risk factors relating to Willow, which can be accessed either on Willow's website at www.willowbio.com or under the Company's profile on www.sedar.com.

Any financial outlook and future-oriented financial information contained in this document regarding prospective financial performance, financial position or cash flows is based on assumptions about future events, including economic conditions and proposed courses of action based on management's assessment of the relevant information that is currently available. Projected operational information contains forward-looking information and is based on a number of material assumptions and factors, as are set out above. These projections may also be considered to contain future-oriented financial information or a financial outlook. The actual results of the Company's operations for any period will likely vary from the amounts set forth in these projections and such variations may be material. Actual results will vary from projected results. Readers are cautioned that any such financial outlook and future-oriented financial information contained herein should not be used for purposes other than those for which it is disclosed herein.

The forward-looking statements contained in this news release are made as of the date hereof and the Company does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, except as required by applicable law. The forward-looking statements contained herein are expressly qualified by this cautionary statement.