Cannabis One Holdings Inc. Announces Commencement of Cultivation at the Fox Street Cultivation Facility, Increasing Colorado Flower Production by 200% and Further Branded Cultivation Expansion Plans

Vancouver, British Columbia and Denver, Colorado--(Newsfile Corp. - January 28, 2020) - **Cannabis One Holdings Inc. (CSE: CBIS)** ("**Cannabis One**", "**CBIS**" or the "**Company**"), an emerging, premier "House of Brands" in North America, is pleased to report that it has completed construction and build out of the second branded flower cultivation facility, also known as "Fox Street".

Fox Street is a state of the art, 13,000 sq ft craft quality cultivation facility that has the capacity to produce 4,800 lbs of flower per year, an increase in cultivation capacity of 200%. This will allow the Company to achieve average monthly flower production of 600 lbs, leading to an annual top line Colorado cultivation revenue of USD$11,700,000 and a gross profit of USD$7,560,000 at the current Colorado per pound average of USD$1,500. First harvest is expected in March with monthly harvests planned thereafter.

This facility was built to cater to the demand of the three specific strains that Cheech Marin selected for the Cheech's Stash line. The Company further expects to drive margin growth through the expansion of its Cheech pre-roll and other craft cannabis lines that are currently sold in over 175 dispensaries across Colorado.

The Company is also pleased to announce that due to exceptional demand of the above-mentioned Cheech's Stash-branded flower and pre-rolls in the state of Colorado, it has begun plans to expand the Kingston cultivation facility from 8,500 sq ft to over 16,500 sq ft. This expansion will more than double the production at Kingston, exceeding 400 pounds of flower per month or 4,800 pounds annually.

The expansion of Kingston will be funded through cash flow from operations.

Cannabis One expects to exit 2020 with over 9,600 pounds per year of branded flower production from its Colorado operations with an exit 2020 cultivation run rate of USD$14,400,000 and a gross profit of USD$10,080,000.

Jeffery Mascio, CEO, and Joshua Mann, President of Cannabis One jointly commented, "With demand for our branded flower at an all-time high coupled with flower prices in Colorado that have steadily been climbing over the last 12 months, our entire team is extremely pleased to see the Fox Street facility come on line. With further expansion of our branded cultivation in Colorado, we expect to show strong cash flow generation as the year continues, allowing us to further expand our offerings within the state. Over the coming weeks and months, we are looking forward to showcasing further cash flow drivers that are fully funded and require no further dilution.

About Cannabis One

Cannabis One Holdings Inc. (**CSE: CBIS**) is focused on aggregating and optimizing popular cannabis brands throughout North America. With its unique retail brand, The Joint™, and through targeted acquisition and partnership opportunities, Cannabis One intends to become the premier, globally-recognized "House of Brands", holding a client portfolio of award-winning products with an extensive market footprint. Through the Company's The Joint™ retail concept, Cannabis One intends to leverage the consumer and brand data harvested from its retail locations to bring data-driven analytics to an emerging, branded industry. For consumers, Cannabis One desires to become the definitive source for unparalleled product selection and renowned service in an otherwise fragmented market.

Disclaimer and Forward-Looking Information

Certain statements contained in this press release constitute forward-looking information. These statements relate to future events or future performance. The use of any of the words "anticipate", "could", "intend", "expect", "believe", "will", "projected", "potential", "estimated" and similar expressions and statements relating to matters that are not historical facts are intended to identify forward-looking information and are based on the parties' current belief or assumptions as to the outcome and timing of such future events. Actual future results may differ materially. These statements are only predictions. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements. The Company assumes no obligation to update forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.

The forward-looking information contained in this release is made as of the date hereof and the parties are not obligated to update or revise any forward-looking information, whether as a result of newinformation, future events or otherwise, except as required by applicable securities laws. Because of the risks, uncertainties and assumptions contained herein, investors should not place undue reliance on forward looking information. The foregoing statements expressly qualify any forward-looking information contained herein.

To the extent any forward-looking information in this press release constitutes "future-oriented financial information" or "financial outlooks" within the meaning of applicable Canadian securities laws, such information is being provided to demonstrate the anticipated product sales of the Company and the reader is cautioned that this information may not be appropriate for any other purpose and the reader should not place undue reliance on such future-oriented financial information and financial outlooks. Future-oriented financial information and financial outlooks, as with forward-looking information generally, are, without limitation, based on the assumptions and subject to the risks set out above under the heading "Disclaimer and Forward-Looking Information".

*Cannabis is legal in certain States in the United States ("**U.S.**"), however cannabis remains illegal under U.S. federal laws. Cannabis One intends to conduct its U.S. cannabis operations in a manner consistent with the applicable State laws and in compliance with regulatory and licensing requirements applicable in the applicable State. However, the readers should be aware that any change in federal guidance on enforcement actions could adversely affect Cannabis One's ability to access private and public capital required in order to support continuing operations and its ability to operate in the U.S.*

Unlike in Canada which has Federal legislation uniformly governing the cultivation, distribution, sale and possession of cannabis under the Cannabis Act (Federal), readers are cautioned that in the U.S., cannabis is largely regulated at the State level. To the knowledge of Cannabis One, there are to date a total of 33 states, plus the District of Columbia, that have legalized cannabis in some form. Notwithstanding the permissive regulatory environment of medical cannabis at the State level, cannabis continues to be categorized as a controlled substance under the Controlled Substances Act in the U.S. and as such, cannabis-related practices or activities, including without limitation, the manufacture, importation, possession, use or distribution of cannabis are illegal under U.S. Federal law. Strict compliance with State laws with respect to cannabis will neither absolve Cannabis One of liability under the U.S. Federal law, nor will it provide a defense to any Federal proceeding, which may be brought against Cannabis One. Any such proceedings brought against Cannabis One may materially adversely affect its operations and financial performance in the U.S. market.

*This press release is not an offer of the securities for sale in the United States. The securities may not be offered or sold in the United States absent registration or an available exemption from the registration requirements of the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**") and applicable U.S. state securities laws. The Company will not make any public offering of the securities in the United States. The securities have not been and will not be registered under the U.S. Securities Act.*

This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities, in any jurisdiction in which such offer, solicitation or sale would be unlawful.

Further Information: For investment inquiries, please contact Scott Koyich, Investor Relations at Scott@briscocapital.com or (403) 619-2200.

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