



For Immediate Release

48North Obtains Final Order Approving Plan of Arrangement with HEXO

August 26, 2021— Toronto, Ontario - 48North Cannabis Corp. ("**48North**" or the "**Company**") (TSXV:NRTH), today announced it has obtained a final court order from the Ontario Supreme Court of Justice approving the previously announced plan of arrangement under Section 192 of the *Canada Business Corporations Act*, pursuant to which HEXO Corp. ("HEXO") (TSX: HEXO; NASDAQ: HEXO) will acquire all of 48North's issued and outstanding common shares ("**48North Shares**") by way of plan of arrangement (the "**Arrangement**"). Receipt of the final order follows the special meeting of shareholders of 48North held on August 17, 2021, at which, as previously disclosed, shareholders of the Company (the "**Shareholders**") overwhelmingly approved the Arrangement by way of special resolution.

Under the Arrangement, HEXO will, among other things and subject to the satisfaction (or waiver) of all applicable conditions precedent, including final approval by the Toronto Stock Exchange, acquire all of 48North's issued and outstanding common shares (the "**48North Shares**") in an all-share exchange transaction. Shareholders will receive 0.02366 of a common share of HEXO (each whole share, a "**HEXO Share**") for each 48North Share they hold. Upon completion of the Arrangement, which is expected to occur on or about September 1, 2021, existing Shareholders are expected to own approximately 5.3 million HEXO Shares, representing approximately 2.6% of all currently issued and outstanding HEXO Shares.

Further information regarding the Arrangement is set out in the management information circular of the Company dated July 14, 2021 (the "**Information Circular**"), which was mailed to the Shareholders and filed under the Company's profile on SEDAR at www.sedar.com.

About 48North

48North Cannabis Corp. (TSXV:NRTH) is a brand-led, consumer-centric licensed cannabis producer with an expansive portfolio of high quality, accessibly priced products available across the country. The company serves the Canadian medical and adult-use markets with its brand portfolio that includes: 48North, an innovative and high-quality cannabis brand focused on thoughtfully crafted everyday staples for passionate cannabis users; Trail Mix, an accessibly priced brand formulated with taste and aroma-first flavour profiles; and Latitude, a next generation lifestyle platform and premium, natural cannabis collection focused on wellness, beauty, and beyond. 48North operates two indoor-licensed cannabis production sites in Ontario and cultivates unique genetics through its wholly-owned subsidiary, DelShen Therapeutics Corp., and processes cannabis and manufactures next generation cannabis products through Good & Green Corp., both licensed producers under the *Cannabis Act* (Canada).



Cautionary Statements

Certain information in this news release constitutes forward-looking statements under applicable securities laws. Any statements that are contained in this news release that are not statements of historical fact may be deemed to be forward-looking statements. Forward-looking statements are often identified by terms such as "may", "should", "anticipate", "expect", "potential", "believe", "intend" or the negative of these terms and similar expressions. Forward-looking statements in this news release include, but are not limited to, statements with respect to , and (i) the completion of the Arrangement and the timing of its completion, as well as (ii) the satisfaction of conditions for closing which include, without limitation, the requisite regulatory approvals and the satisfaction of conditions precedent. There can be no assurance that the Arrangement will be completed as proposed, or at all.

Forward-looking statements are based on certain current expectations, estimates, projections, and assumptions of the Company, including, without limitation, with respect to the completion of the Arrangement, and the satisfaction or waiver, as applicable, of all conditions precedent to the closing of the Arrangement. While the Company considers these assumptions to be reasonable, based on information currently available, they may prove to be incorrect. Readers are cautioned not to place undue reliance on forward-looking statements. Forward-looking statements also necessarily involve known and unknown risks, including, without limitation, the Arrangement not proceeding and such other risks identified in the Information Circular. Readers are cautioned that the foregoing list is not exhaustive. Readers are further cautioned not to place undue reliance on forward-looking statements as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated.

Forward-looking statements contained in this news release are expressly qualified by this cautionary statement and reflect the Company's expectations as of the date hereof, and thus are subject to change hereafter. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. Factors that could cause anticipated opportunities and actual results to differ materially include, but are not limited to, matters referred to above and elsewhere in the Company's public filings.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

For further information, please contact Charles Vennat, Chief Executive Officer, investor@48nrth.com.