

Fiore Cannabis Closes First Tranche of Convertible Debenture Financing

FIOR News Release

October 4, 2021

Kelowna, British Columbia and Las Vegas, Nevada — Fiore Cannabis Ltd. (CSE:FIOR) (OTCQX:FIORF) ("Fiore" or the "Company"), a licensed multi-state cannabis cultivator, producer and retailer, today announced the closing of the first tranche of a non-brokered private placement (the "Offering") of unsecured convertible debentures (the "Convertible Debentures") for total proceeds of \$929,900 which includes a mix of cash and debt conversion. Fiore intends to close a second and final tranche by October 31, 2021.

The proceeds will be used to purchase additional equipment and hire additional staff for Fiore's Apex cannabis cultivation and production facility in Las Vegas and for general working capital purposes. Fiore has significant opportunities in Nevada to expand its footprint and become more vertically integrated in the cannabis sector.

The Convertible Debentures will bear interest at 13% per annum, from the date of issuance (the "Closing Date"), payable monthly, and will mature 18 months from the date of issue (the "Maturity Date"). The Convertible Debentures are convertible, at the option of the holder, into units (the "Units") at a conversion price of \$0.10 per Unit at any time prior to the Maturity Date. Each Unit consists of one common share (a "Share") and one half of one share purchase warrant (a "Warrant"). Each full Warrant shall entitle the holder to purchase one additional common share ("Warrant Share") at an exercise price of \$0.30 per share prior to the Maturity Date.

No new insiders were created, nor were there any changes of control as a result of the Offering. However, the Offering constituted a related party transaction within the meaning of Multilateral Instrument 61-101 ("MI 61-101") as certain insiders of the Company subscribed for an aggregate amount of \$152,500 Convertible Debentures pursuant to the Offering. The Company is relying on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101, as neither the fair market value (as determined under MI 61-101) of the subject matter of, nor the fair market value of the consideration for, the transaction, insofar as it involves the related parties, exceed 25% of the market capitalization of the Company. The Company did not file a material change report in respect of the related party transaction at least 21 days before the closing of the Offering, which the Company deems reasonable in the circumstances in order to complete the Offering in an expeditious manner.

The Offering is subject to the approval of the Canadian Securities Exchange ("CSE"). The Convertible Debentures and the Units (including the Shares and Warrant Shares) issuable upon conversion of the Convertible Debentures will be subject to a statutory hold period expiring on the date that is four months and one day after the Closing Date.

This press release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

About Fiore Cannabis

Fiore Cannabis Ltd. (CSE:FIOR) (OTCQX:FIORF) is a publicly traded company that has been investing in the development of recreational and medical cannabis products since 2014. The Company has expanded its operations to include cultivation, production and retail offerings in the key North American legal jurisdictions of Nevada and California. Fiore's portfolio of brands caters to diverse consumer and patient experiences, with brands and products that address recreational, medical, wellness as well as new consumer experience preferences. Current brands include Fiore Cannabis, Diamante Labs, Surfer and The Weekender. The Company operates retail cannabis outlets through its Green Leaf Wellness brand. For more information, please visit www.fiorecannabis.com.

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Forward-Looking Information:

This news release contains forward-looking statements or information that relate to our current expectations and views of future events, including in respect of the strategic goals of the Company, our future growth and expansion plans in the U.S. Statements which are not purely historical are forward-looking statements and include any statements regarding beliefs, plans, outlook, expectations or intentions regarding the future including words or phrases such as "anticipate", "objective", "may", "will", "might", "should", "could", "can", "intend", "expect", "believe", "estimate", "predict", "potential", "plan", "is designed to", "project", "continue", or similar expressions suggest future outcomes or the negative thereof or similar variations. These forward-looking statements are based on the Company's current projections and expectations about future events and financial trends that management believes might affect its financial condition, results of operations, business strategy and financial needs, and on certain assumptions and analysis made by the Company in light of the experience and perception of historical trends, current conditions and expected future developments and other factors management believes are appropriate.

Forward-looking information and statements involve and are subject to assumptions and known and unknown risks, uncertainties, and other factors which may cause actual events, results, performance, or achievements of the Company to be materially different from future events, results, performance, and achievements expressed or implied by forward-looking information and statements herein. Such factors include, among others: the risks and uncertainties identified in the Company's reports and filings with the applicable Canadian securities regulators, risks and uncertainties related to the judgement of management in relation to accounting issues resulting from the sale of the assets, risks and uncertainties related to the impact of the sale of the assets, the effects and outcomes of the proposed expansion plans in the U.S., changes to the legislative regime to which the Company is subject to, the cultivation, production and sale of cannabis products in Nevada and California, and the saleability of future harvests. Although the Company believes that any forward-looking information and statements herein are reasonable, in light of the use of assumptions and the significant risks and uncertainties inherent in such information and statements, there can be no assurance that any such forward-looking information and statements will prove to be accurate, and accordingly readers are advised to rely on their own evaluation of such risks and uncertainties and should not place undue reliance upon such forward-looking information and statements. Any forward-looking information and statements herein are made as of the date hereof, and except as required by applicable laws, the Company assumes no obligation and disclaims any intention to update or revise any forward-looking information and statements herein or to

update the reasons that actual events or results could or do differ from those projected in any forward looking information and statements herein, whether as a result of new information, future events or results, or otherwise, except as required by applicable laws.