National Access Cannabis Corp. Generates Over $60 Million in Retail Sales in the First Year Since Federal Legalization at a Cumulative Gross Margin of 32%(i)

- *NAC is Canada's largest publicly traded recreational cannabis retailer by revenue, and one of the largest revenue generators in the Canadian cannabis industry*[ii]
- *NAC currently has 35 licensed stores in Canada, 33 of which are currently open and operated by NAC.*
- *The Company continues to drive towards having 40 stores operating by the end of calendar 2019.*
- *In NAC's last quarter – its third quarter ended May 31, 2019 – NAC retail cannabis stores generated $16.8 million in revenue*[iii] *at a gross profit margin of 32% and adjusted EBITDA*[iv] *of $2.3 million (margin of 14%), up significantly from the prior quarter*[v]*.*

TORONTO, Oct. 15, 2019 /CNW/ - National Access Cannabis Corp. ("NAC" or "the Company") (TSXV: META), Canada's largest publicly traded cannabis retailer[ii], today provided investors with a corporate and retail sales update. The Company is successfully executing on its growth strategy and has achieved over $60 million in retail sales since legalization, with cumulative gross margin of 32%. The Company is targeting to have 40 operating stores by the end of calendar 2019.

"NAC is already one of the highest revenue generators in the Canadian cannabis space and by revenue, is the largest publicly traded recreational cannabis retailer in the country[ii]. In a highly regulated market like Canada, we view owning retail shelf space and the data gleaned from millions of customer interactions as a pipeline to accessing customers and developing long-term brands and loyalty," said Mark Goliger, CEO of NAC. "With one of the largest and most visible networks of retail storefronts across Canada and a proven track record of repeat customers, NAC is well-positioned to continue playing a pivotal role in the growing industry. I am proud of our team for bringing us to over $60 million since federal legalization and for generating positive and growing Adjusted EBITDA on a retail basis, all while significantly expanding our store network."

Mr. Goliger added, "As the cannabis industry continues to evolve, and the introduction of new products is on the horizon, NAC has a well-defined growth roadmap focused on building shareholder value. We are focused on building value for shareholders as our team continues to drive performance from existing stores, introduces enhanced store concepts and executes on a robust pipeline of new store locations. We believe that retail is the most strategic segment of the cannabis value chain, as it is the retailers who are able to interact directly with clients and influence their purchasing decisions, it is the retailers who have access to data associated with millions of customer transactions, and it is the retailers who make the decision as to what products to sell."

The Company's current portfolio of 35 licensed locations is split as follows:

- 25 NewLeaf Cannabis™ stores in Alberta
- 9 Meta Cannabis Supply Co.™ stores in Manitoba
- 1 Meta Cannabis Supply Co.™ store in Saskatchewan

The newest retail locations:
Opened September 11, 2019
Leduc Plaza
Unit 103, 6207 - 50 Street
Leduc, Alberta

Opened September 11, 2019
North Hill
1535 - 19 Street NW
Calgary, Alberta

Opened October 2, 2019
Bridgeland
Unit C, 824 Edmonton Tr NE
Calgary, Alberta

Previous announcements regarding NAC's retail store expansion may be found through the following links:

August 20, 2019, National Access Cannabis Corp. Provides Sales Update for Retail Cannabis Operations Since Federal Legalization

August 8, 2019,
National Access Cannabis Corp. Continues Growth by Announcing Licence to Open a New Retail Cannabis Store in Alberta for a Total of 35 Licensed Retail Stores

July 30, 2019,
National Access Cannabis Corp. Continues Growth by Announcing Licences to Open Two New Retail Cannabis Stores in Alberta for a Total of 34 Licensed Retail S

July 25, 2019,
National Access Cannabis Corp. Continues Growth by Announcing Licences to Open Two New Retail Cannabis Stores in Alberta for a Total of 32 Licensed Retail S

July 3, 2019,
National Access Cannabis Corp. Continues Growth by Announcing Licences to Open Two New Retail Cannabis Stores in Alberta for a Total of 30 Licensed Retail S

June 24, 2019, National Access Cannabis Corp. Provides Sales Update for Retail Cannabis Operations since Federal Legalization

About National Access Cannabis Corp.
With a portfolio of 35 licensed retail locations nationwide, NAC is a leader in secure, safe and responsible access to legal recreational cannabis in Canada. Through its Canada-wide network of Meta Cannabis Supply Co.™ and NewLeaf Cannabis™ recreational cannabis retail stores and NAC Medical's cannabis clinics and pharmacy partnerships, NAC enables the public and registered patients to gain knowledgeable access to Canada's network of authorized Licensed Producers of cannabis. NAC is listed on the TSX Venture Exchange under the symbol (TSXV: META).

For more information, visit:
www.nationalaccesscannabis.com
www.metacannabis.com
www.newleafcannabis.ca
www.nacbio.com
www.nacmedical.com

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.

Cautionary Statements

This news release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "objective", "ongoing", "may", "will", "project", "should", "believe", "plans", "intends" and similar expressions are intended to identify forward looking statements or information. Forward-looking statements and information in this news release includes, but is not limited to, the number of NAC cannabis retail stores expected to open and/or become licensed, the opening dates for NAC cannabis retail stores, changes in NAC's cannabis retail store designs and concepts, access to capital in the future and future revenue momentum, NAC continuing to play a pivotal role in the cannabis industry in Canada and the growth of the Canadian cannabis market. Although the Company believes that the expectations and assumptions on which the forward-looking statements and information are based are reasonable, undue reliance should not be placed on the forward-looking statements and information because the Company cannot give any assurance that they will prove to be correct. Since forward-looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results and developments, including the number of NAC cannabis retail stores expected to open, may differ materially from those that are currently contemplated by these statements depending on, among other things, risks relating to the AGLC reinstating its moratorium, the ability to obtain or maintain licences to retail cannabis products; future legislative and regulatory developments involving cannabis, including Ontario opening up licensing to more private retailers; inability to access sufficient capital from internal and external sources, and/or inability to access sufficient capital on favourable terms; general business, economic, competitive, political and social uncertainties; timing and completion of construction of the Company's retail locations; the delay or failure to receive regulatory approvals; the competitive conditions of the cannabis industry; the competitive and business strategies of the Company; the labour market generally and the ability to access, hire and retain employees; and the recreational and medical cannabis industry in Canada generally. The Company cautions that the foregoing list of risks and uncertainties is not exhaustive. The forward-looking statements and information contained in this news release are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statement or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

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i From October 17, 2018 to October 15, 2019

ii New Cannabis Ventures, Public Cannabis Company Revenue & Income Tracker. Largest publicly traded cannabis retailer by revenue.

iii The Company had 24 retail locations in operation as of May 31, 2019 resulting in total revenue of $35,933,941 from retail operations for the nine months ended May 31, 2019.

iv Adjusted EBITDA is a non-IFRS measure that does not have a standardized meaning prescribed by IFRS. For more information and a reconciliation of non-IFRS measures to the closest IFRS measure, please refer to the Company's press release entitled *National Access Cannabis Generates $17 million in Revenue in Q3 2019. Retail Cannabis Stores Generate $16.8 million in Revenue, and Adjusted EBITDA of $2.3 million.* Additional detail may be found in the "Non-IFRS Financial Measures" section in the Company's Interim MD&A – Quarterly Highlights for the three and nine-month period ended May 31, 2019, available on SEDAR and on the Company's website

v Adjusted EBITDA in Q3-2019 grew 32.4% compared to Q2-2019. Adjusted EBITDA margin expanded to 14% in Q3-2019, compared to 11% in Q2-2019

SOURCE National Access Cannabis Corp.

View original content: http://www.newswire.ca/en/releases/archive/October2019/15/c8383.html

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