



Meta Growth Provides Update on Ontario Roll-out

CLOSES ACQUISITION OF WATERLOO CANNABIS STORE & ANNOUNCES PLANNED DIVESTITURE OF TORONTO STORE

TORONTO, Aug. 27, 2020 /CNW/ - Meta Growth Corp. (TSXV: META) ("Meta Growth", "META" or the "Company"), a leading Canadian recreational cannabis retailer, provided the following update today regarding its Ontario roll-out plans.

Closes Acquisition of Waterloo Store

As previously reported on July 20, 2020, META has now completed the acquisition of 2208292 Alberta Ltd. (the "Target"), which carries on the business of operating the Bud & Sally Cannabis Co. recreational cannabis retail store in Waterloo, Ontario. The acquisition was structured as a share purchase, whereby META acquired all of the issued and outstanding shares of the Target for total cash consideration of \$1,150,001, of which approximately \$300,000 relates to inventory. The Bud & Sally Cannabis Co. store opened in March 2020, and achieved \$172,385 in weekly revenue for the week ended August 15, 2020, with a 37.2% gross margin.

Update Regarding Kitchener Store Acquisition

As previously reported on July 20, 2020, META announced that it had executed an asset purchase agreement to acquire the Meta Cannabis Co. branded recreational cannabis store in Kitchener, Ontario. The closing of the acquisition is subject to the Alcohol and Gaming Commission of Ontario ("AGCO") approving the transaction. For the week ended August 15, 2020, the Kitchener store achieved \$159,022 in weekly revenue, with a 37.2% gross margin.

Enters Definitive Agreement to Sell Retail Cannabis Store at 378 Yonge Street, Toronto, Ontario

Meta Growth has made the decision to divest the 378 Yonge Street store on the back of the Company's announcement on August 21, 2020, whereby META entered into a definitive arrangement agreement pursuant to which High Tide Inc. ("High Tide") will acquire all of the issued and outstanding shares of META (the "Plan of Arrangement"), resulting in the creation of Canada's largest cannabis retailer (the "Combined Entity"). High Tide currently has 7 branded retail cannabis locations in Ontario, with a Canna Cabana location 300 meters from the 378 Yonge Street store. In evaluating the consolidated retail store portfolio post-close between META and High Tide, it was determined that divesting the 378 Yonge Street store would optimize the Combined Entity's retail footprint in Ontario.

The Company has entered into a definitive agreement to sell its retail cannabis store at 378 Yonge Street in Toronto, Ontario. The divestiture is structured as a share transaction where all the issued and outstanding shares of 11522302 Canada Inc., the company which owns the 378 Yonge Street store, will be sold for a total cash purchase price of \$750,000, plus net working capital of the business at the date of closing. The divestiture is subject to customary closing conditions, including the receipt of a no-objection letter from the AGCO which has already been received. It is anticipated the transaction will close on or about August 31, 2020, subject to all parties satisfying the remaining conditions.

About Meta Growth

Meta Growth is a leader in secure, safe and responsible access to legal recreational cannabis in Canada. Through its Canada-wide network of Meta Cannabis Co.™, Meta Cannabis Supply Co.™ and NewLeaf Cannabis™ recreational cannabis retail stores, Meta Growth enables the public to gain knowledgeable access to Canada's network of authorized Licensed Producers of cannabis. On August 21, 2020, Meta Growth announced that it entered into a definitive arrangement agreement with High Tide in connection with the Plan of Arrangement, whereby High Tide will acquire all of the issued and outstanding shares of Meta Growth. The Combined Entity will create Canada's largest cannabis retail network with 63 stores across Canada. It is expected that, subject to receipt of all regulatory, court, shareholder and other approvals, the Plan of Arrangement will be completed in the fourth quarter of 2020. Meta Growth is listed on the TSX Venture Exchange under the symbol (TSXV: META).


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, statements regarding the closing of the acquisition of the Meta Cannabis Co. branded recreational cannabis store in Kitchener, Ontario, approval by the AGCO of the acquisition of the Meta Cannabis Co. branded recreational cannabis store in Kitchener, Ontario, the closing of the divestiture of the 378 Yonge Street store in Toronto, Ontario, including the timing thereof and the satisfaction of applicable closing conditions, the closing of the Plan of Arrangement including the timing thereof and the satisfaction of applicable closing conditions, including receipt of all regulatory, court, shareholder and other approvals in connection with the Plan of Arrangement, and statements with respect to the overall retail footprint of the Combined Entity (including number of stores) and the optimization of the Combined Entity's retail footprint. 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 may differ materially from those that are currently contemplated by these statements depending on, among other things, risks relating to: the effects of the COVID-19 pandemic on the economy, the public markets and the Company's business; the ability of the Company to close the acquisition of the Meta Cannabis Co. branded recreational cannabis store in Kitchener, Ontario and the divestiture of the 378 Yonge Street store in Toronto, Ontario; the delay or failure to receive regulatory approvals including AGCO approval for the acquisition of the Kitchener cannabis retail store and with respect to the Plan of Arrangement; future legislative and regulatory developments involving the retail cannabis markets; inability to access sufficient capital from internal and external sources, and/or inability to access sufficient capital on favourable terms; the retail cannabis industries generally, including changing industry trends; income tax and regulatory matters; the ability of High Tide and Meta Growth to implement their business strategies; competition; crop failure/conditions; general business, economic, competitive, political, regulatory and social uncertainties and conditions; adverse industry events; marketing costs; loss of markets; the COVID-19 pandemic nationally and globally, which could have a material adverse impact on the Company's business, operations and financial results, including disruptions in supply chains, as well as a deterioration of general economic conditions including national and/or global recessions and the response of governments to the COVID-19 pandemic in respect of the operation of retail stores; and currency and interest rate fluctuations and

other risks. 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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