

JAMES E. WAGNER ANNOUNCES CONCLUSION OF SALES AND INVESTOR SOLICITATION PROCESS WITH TRICHOME FINANCIAL CORP. AS THE "SUCCESSFUL BIDDER"

**May 19, 2020**

**Kitchener, Ontario, May 19, 2020** - James E. Wagner Cultivation Corporation (the "**Corporation**") (NEX: JWCA.H; OTCQX: JWCAF) announced today that, in connection with its consensual restructuring under the *Companies' Creditors Arrangement Act* (the "**CCAA**") and previously announced Sales and Investor Solicitation Process (the "**SISP**"), Trichome Financial Corp. ("**Trichome Financial**") has emerged as the "Successful Bidder".

On April 1, 2020, the Corporation announced that it and its subsidiaries (the "**JWC Group**") had obtained an initial order from the Ontario Superior Court of Justice (Commercial List) (the "**Court**") for protection under the CCAA in order to restructure the JWC Group's business and financial affairs. In connection with the announcement of the CCAA proceedings, the Corporation also announced that Trichome Financial had agreed to purchase the assets of the JWC Group pursuant to an asset purchase agreement ("**Asset Purchase Agreement**"). Trichome Financial was to be the "stalking horse" bidder in the SISP and the transaction contemplated by the Asset Purchase Agreement was to be the "stalking horse" bid (the "**Bid**").

On April 13, 2020, the Corporation announced that it had obtained a further Court order approving the SISP (including the stalking horse process which would seek higher and better bids than the Bid), and the SISP was conducted within the CCAA proceedings by Stoic Advisory Inc., the JWC Group's financial advisor, under the supervision of the Special Committee of the Board of Directors of the Corporation and KSV Kofman Inc., the Court-appointed CCAA monitor (the "**Monitor**"). Following the bid deadline in the SISP, Trichome Financial was declared the "Successful Bidder". The JWC Group now intends to appear before the Court as soon as possible to seek an order approving the Bid.

Based on the consideration to be received by the JWC Group under the Bid, holders of the Corporation's common shares will not receive any payments for, or distributions on, their common shares in connection with the transaction or the CCAA proceedings.

Further details of the SISP and the Asset Purchase Agreement are available under the Corporation's profile on the System for Electronic Document Analysis and Retrieval ([www.sedar.ca](http://www.sedar.ca)) and are also available, along with additional information respecting the CCAA proceedings, on the Monitor's website (<https://www.ksvadvisory.com/insolvency-cases/case/james-e-wagner-cultivation-corporation>). Readers are urged to consult the full text of all documents available on SEDAR and the Monitor's website for further, more detailed, information.

### **About James E. Wagner Cultivation Corporation**

James E. Wagner Cultivation Corporation's wholly owned subsidiary is a Licensed Producer under the Cannabis Regulations, formerly the *Access to Cannabis for Medical Purposes Regulations* ("**ACMPR**"). JWC is a premium cannabis brand, focusing on producing clean,

consistent cannabis using an advanced and proprietary aeroponic platform named GrowthSTORM™. JWC began as a collective of patients and growers under the Marihuana Medical Access Regulations (the precursor to ACMPR). Since its inception, JWC has remained focused on providing the best possible patient experience. JWC is a family-founded company with deep roots planted in the local community. JWC's operations are based in Kitchener, Ontario. Learn more at [www.jwc.ca](http://www.jwc.ca). For additional information about JWC, please refer to JWC's profile on SEDAR ([www.sedar.com](http://www.sedar.com)) or the Corporation's website: [www.jwc.ca](http://www.jwc.ca).

### ***Notice Regarding Forward-Looking Statements***

This press release contains statements including forward-looking information for purposes of applicable securities laws ("**forward-looking statements**") about JWC and its business and operations, which include, among other things, statements regarding the CCAA proceedings, the SISP, the Asset Purchase Agreement and the Corporation's intention to appear before the Court on or before June 5, 2020 to seek an order approving the Bid. The forward-looking statements can be identified by the use of such words as "will", "expected", "approximately", "may", "could", "would" or similar words and phrases. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results to differ materially from those implied in the forward-looking statements. There may be factors that cause actions, events or results to differ from those anticipated, estimated or intended. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release and are based on current assumptions which management believes to be reasonable. The Corporation disclaims any intention or obligation, except to the extent required by law, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

*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.*

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