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CanaFarma Announces Amended CAD$5,000,000 Non-Brokered Private Placement Of Units

VANCOUVER, BRITISH COLUMBIA – July 27, 2021 – CanaFarma Hemp Products Corp. (**CSE: CNFA**) (the "**Company**") announces amended terms of its previously announced non-brokered private placement (the "**Private Placement**") to raise approximately CAD$5 million. The amended Private Placement will consist of the offering of up to 52,631,578 units (each, a "**Unit**") at an issue price of CAD$0.095 per Unit. Each Unit will consist of one common share in the capital of the Company (each, a "**Common Share**") and one-half of one Common Share purchase warrant (each whole warrant, a "**Warrant**"). Each whole Warrant will be exercisable into one Common Share (a "**Warrant Share**") for a period of 36 months following the closing of the Private Placement at an exercise price of CAD$0.125 per Warrant Share.

All securities to be issued pursuant to the Private Placement will be subject to a four-month-and-one-day statutory hold period in accordance with applicable securities laws. Subject to the satisfaction of customary closing conditions, including completion of customary filings with the Canadian Securities Exchange (the "**CSE**"), the first tranche of the Private Placement is expected to close on or before August 19, 2021.

The Company intends to use the proceeds from the Private Placement to: provide a working capital loan to Vertical Wellness™ Inc., a company with which the Company recently entered into an MOU to acquire (see the Company's press release dated June 29, 2021 for further details); fund other potential acquisitions; and meet general working capital needs.

The securities to be issued pursuant to the Private Placement have not been and will not be registered under the *U.S. Securities Act of 1933*, as amended (the "**1933 Act**"), or under any state securities laws, and may not be offered or sold, directly or indirectly, or delivered within the United States absent registration or an applicable exemption from the registration requirements. This news release does not constitute an offer to sell or a solicitation to buy such securities in the United States.

About CanaFarma

CanaFarma Hemp Products Corp. is a full-service company operating in the hemp industry offering a full range of hemp-related products and services to the consumer wellness market. These products and services include growing top-quality hemp, providing hemp-processing services, and offering hemp-based products to consumers utilizing a well-established direct-to-consumer marketing approach.

For further information, please contact:
CanaFarma Hemp Products Corp.
Vitaly Fargesen
Senior Vice President, Strategic Planning
Tel: + (718) 757-4145
Email: vitaly@canafarmacorp.com

Forward Looking Statement

This news release contains statements and information that, to the extent that they are not historical fact, may constitute "forward-looking information" within the meaning of applicable securities legislation. Forward-looking information may include financial and other projections, as well as statements regarding future plans, objectives or economic performance, or the assumption underlying any of the foregoing. In some cases, forward-looking statements can be identified by terms such as "may", "would", "could", "will", "likely", "except", "anticipate", "believe", "intend", "plan", "forecast", "project", "estimate", "outlook", or the negative thereof or other similar expressions concerning matters that are not historical facts. Examples of such statements include, but are not limited to the completion of the Private Placement; the anticipated closing date of the first tranche of the Private Placement, the anticipated use of the net proceeds from the Private Placement and the completion of all customary closing conditions, including the customary filings with the CSE. Forward-looking information is based on the assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect.

Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Company to differ materially from any future results, performance or achievements expressed or implied by the forward-looking information. Among the key factors that could cause actual results to differ materially from those projected in the forward-looking information are the following: financing risks; regulatory and licensing risks; changes in consumer demand and preferences; changes in general economic, business and political conditions, including changes in the financial markets; risks relating to regulatory change; compliance with extensive government regulation; public opinion; the impact of COVID-19; and the risk factors set out in the Company's public documents filed with Canadian securities regulators and available on the Company's profile on SEDAR at www.sedar.com. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking information prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected. Accordingly, readers should not place undue reliance on any such forward-looking information. Further, any forward-looking information speaks only as of the date on which such statement is made. New factors emerge from time to time, and it is not possible for the Company's management to predict all of such factors and to assess in advance the impact of each such factor on the Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking information. The Company does not undertake any obligation to update any forward-looking information to reflect information or events after the date on which it is made or to reflect the occurrence of unanticipated events, except as required by law, including securities laws.