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CanaFarma Announces Letter of Intent to Acquire Avitas Bio To Further Enhance Cannabis And Plant Based Branded Health & Wellness Platform

VANCOUVER, BRITISH COLUMBIA – September 22, 2021 – **CanaFarma Hemp Products Corp.** (CSE: CNFA) (the “**Company**” or “**CanaFarma**”) a leader in the branded health and wellness space, is pleased to announce that it has signed a letter of intent to acquire Avitas Bio Corp. (“Avitas Bio”), a company with proprietary nutraceuticals and healthy snacks in the branded health and wellness space.

The Letter of Intent contemplates the issuance by CanaFarma of an aggregate of 30,000,000 common shares as consideration for all of the shares of Avitas Bio, subject to adjustment (based upon revenue and stock performance criteria) and subject to certain conditions, including completion of due diligence and the negotiation and execution of a formal purchase and sale agreement.

“Avitas Bio has assembled a portfolio of groundbreaking medicinal remedies developed in Israel to combat some of today’s most pressing health and wellness challenges. Along with our healthy snacks, our brands are in some of the fastest growing segments”, said Henry Val, Director of Avitas Bio. He continued, “This agreement with CanaFarma is expected to give us a platform upon which to realize the potential of these exciting new products.”

Vitaly Fargesen, SVP of Strategy for CanaFarma added, “We have followed Avitas Bio for some time and have admired their innovative approach to wellness. This acquisition represents a perfect fit for strategy of building a depth of intellectual property in the space”.

About Avitas Bio™

Avitas Bio Corp. is an emerging growth biotechnology and health products company with two lines of business: (i) Avitas Bio, a nutraceuticals innovator offering a suite of varied proprietary products; and (ii) VitaWin Healthy Snacks (“VitaWin”), an inventive manufacturer and marketer of premium chocolate candies, confectionery, and other food products. Select chocolate products, as well as a line of liquid tinctures and cosmetic creams, are infused with CBD (cannabidiol), the legal, non-psychoactive hemp extract oil.

About Vertical Wellness™

CanaFarma recently announced the signing of a Memorandum of Understanding with Vertical Wellness (see the Company’s press release dated June 29, 2021). Vertical Wellness is a leading vertically integrated consumer focused health and wellness brand company with innovative hemp cannabinoid solutions. Vertical Wellness’ mission is to help people by bringing the most innovative and effective portfolio of cannabinoid, health and wellness brands to the market. Vertical Wellness™ partnered with kathy ireland® Worldwide (kiWW®) to produce CBD products, with the first brand release of kathy ireland® HEALTH & WELLNESS CBD Solutions™ coming in Fall 2021. Kathy Ireland is Chair, CEO, and Chief Designer of kiWW®, is named among the top 10 women’s health advocates in America according to UCLA and was recently listed as the 15th

most powerful brand in the world by License Global Magazine. Other Vertical Wellness brands include AntiDos®, GoldQ®, Halogenix Beauty™, Hemp-Moji™, Just Live®, Lap Dog™, Neutrate Fitness™, Organic Candy Factory®, Par5™, Taos®, Wingra Farms™ and USMCC™. Vertical Wellness has operations in California and Kentucky.

About CanaFarma Hemp Products Corp.

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 high-quality hemp, providing hemp-processing services, and offering hemp-based products to consumers utilizing a well-established direct-to-consumer marketing approach.

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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 acquisition of all of the shares of Avitas Bio, the entering into of a formal purchase and sale agreement in respect of such acquisition, the potential development of products with Avitas and completion of a potential transaction with VWI. 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.