

Freshlocal Extends Partnership with Digital Technology Supercluster through New Funding Focused on Reducing Food Waste

VANCOUVER, BC, Dec. 20, 2021 /CNW/ - Freshlocal Solutions Inc. (TSX: LOCL) (OTC: FLOCF) ("Freshlocal" or the "Company") is pleased to announce it has secured an additional \$800,000 investment from the [Digital Supercluster](#) (the "Supercluster") to further enhance its FoodX eGrocery Management Solution (eGMS), with a focus on ensuring safe food delivery and reducing food waste. This investment is a continuation of work previously done in partnership with leading companies involved in the Supercluster such as Microsoft, Adaptech, ETG Consulting, 1QBit, OpsGuru and Freshlocal's on-line grocery provider – SPUD.ca.

In the early days of the COVID-19 pandemic, food security became a critical issue with precarious workers, front line responders and Canadians across the country experiencing food insecurity when pre-pandemic reliable food supply chains were disrupted. Working with the Supercluster, FoodX enhanced and scaled its eGMS systems to support the safe provision of food to Canadian frontline workers, an emerging essential service, during the pandemic. The new Supercluster investment of \$800,000 will support system improvements designed to reduce inventory and labour costs, enhance system throughput, and reduce food waste within the grocery business, thereby further supporting the effective, efficient and reliable delivery of food to those who need it most.

"As part of the Supercluster's commitment to continue to support Canadians as we battle the pandemic, through this investment the Supercluster is supporting FoodX's development of enhanced digital solutions that will result in safe, cost-effective and sustainable grocery services being available to all Canadians," said Sue Paish, CEO of the Digital Supercluster. "We are honored to support this ambitious endeavor and excited to see the lasting benefits for Canadians as a result of the work being led by FoodX."

"We are very excited to grow our partnership with the Supercluster to address an issue as important as food security with new thinking and new technologies," said Freshlocal's Chief Executive Officer, Simon Cairns. "Grocers are operating as an essential service while also embracing the rise of eCommerce in the grocery business. Our view is that minimizing food waste needs to remain a top priority, and our work with the Supercluster can contribute viable solutions to this global challenge."

About Digital Technology Supercluster

Ahead of the curve starts here. The Digital Technology Supercluster is building a better Canada by growing Canadian businesses, creating a digitally skilled workforce and positively impacting lives across our Country. We accelerate the development and adoption of digital technologies that keep Canadians healthy, address climate change and drive economic productivity. Through a powerful combination of co-investment, cross-sector collaboration, IP creation and digital talent development, we unlock the potential of Canadians to lead and succeed in the Digital world.

About Freshlocal Solutions Inc.

Freshlocal Solutions is a Vancouver-based company that is building a leadership position in the provision of end-to-end grocery e-commerce solutions. The Company operates two primary businesses, FoodX and eGrocery, both of which support its corporate mission to innovate food systems for people, planet and prosperity. Food-X Technologies ("FoodX") is Freshlocal Solutions'

scalable end-to-end SaaS-based eGrocery Management Solution (eGMS) which is designed to meet the needs of large and small grocery retailers while providing profitable unit economics. The FoodX eGMS is the culmination of over 20 years of experience in online grocery and the Company's proven track record of delivering efficiently, sustainably and profitably. The Company's consumer eGrocery business has expanded into one of Canada's largest online grocery companies, with a focus on delivering fresh, local, organic produce and groceries, along with exceptional customer experiences. Freshlocal Solutions serves the main urban markets in Alberta and British Columbia through its brick and mortar store locations operating under the Blush Lane and Be Fresh banners, as well as through SPUD.ca which is the Company's award-winning online eGrocery platform. Freshlocal's common shares are listed on the Toronto Stock Exchange under the symbol "LOCL". Please visit www.freshlocalsolutions.com.

Notice on Forward Looking Information

Certain statements and information herein, including all statements that are not historical facts, contain forward-looking statements and forward-looking information within the meaning of applicable securities laws. Such forward-looking statements or information include but are not limited to statements or information with respect to the Supercluster and the receipt of such funding.

Often, but not always, forward-looking statements or information can be identified by the use of words such as "estimate", "project", "belief", "anticipate", "intend", "expect", "plan", "predict", "may" or "should" and the negative of these words or such variations thereon or comparable terminology are intended to identify forward-looking statements and information.

With respect to forward-looking statements and information contained herein, the Company has made numerous assumptions, including, among other things, assumptions about general business and economic conditions of the Company and the market in which it operates. The foregoing list of assumptions is not exhaustive. Although management of the Company believes that the assumptions made and the expectations represented by such statements or information are reasonable, there can be no assurance that forward-looking statements or information herein will prove to be accurate. Forward-looking statements and information by their nature are based on assumptions and involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or information. These factors include, but are not limited to: risks associated with the business of the Company; business and economic conditions in the eGrocery industry generally; the supply and demand for labour and other project inputs; changes in commodity prices; changes in interest and currency exchange rates; risks relating to unanticipated operational difficulties (including failure of technology or processes to operate in accordance with specifications or expectations, cost escalation, unavailability of materials and equipment, government action or delays in the receipt of government approvals, industrial disturbances or other job action, and unanticipated events related to health, safety and environmental matters); changes in general economic conditions or conditions in the financial markets; changes in laws; risks related to the direct and indirect impact of COVID-19 including, but not limited to, its impact on general economic conditions; the ability to obtain financing as required; and other risk factors as detailed from time to time. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

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