

HempFusion Closes Oversubscribed US\$2.94 Million Private Placement

Insiders Subscribed for 13% of the Financing

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DENVER--(BUSINESS WIRE)--October 5, 2021--HempFusion Wellness Inc. (**TSX:CBD.U**) (**OTCQX:CBDHF**) (**FWB:800**) ("HempFusion" or the "Company"), a leading health and wellness Company offering premium probiotic supplements and products containing CBD, is pleased to announce the closing of its previously announced private placement. The Company issued 11,770,000 units (the "Units") at the price of US\$0.25 per Unit for gross proceeds of approximately US\$2.94 million (the "Private Placement").

Each Unit is comprised of one common share of the Company and one common share purchase warrant ("Warrant") with each Warrant exercisable to acquire one common share at a price of US\$0.50 per common share for a period of four years from the date of issuance.

Directors and officers subscribed for 1,600,000 Units at a purchase price of US\$ 0.25 per Unit, including the Company's CEO, Jason Mitchell, N.D., Jon Visser, Chief Operating Officer and various members of the Board. Proceeds will be used for general working capital and marketing initiatives.

The Company paid finder's fee in the aggregate amount of US\$30,275 to certain finders. The Company also issued an aggregate of 121,100 broker warrants in connection with the Private Placement, with each broker warrant exercisable for one Unit at the exercise price of US\$0.25 per Unit for four years from the date of issuance.

"Our recent acquisitions of Apothecanna and Sagely Naturals have helped to round out our CBD brand portfolio, bringing HempFusion increased access to the female and Baby Boomer demographics, a greater online presence, and outstanding leadership and product additions," said Jason Mitchell, N.D., HempFusion's Co-founder and Chief Executive Officer. "The proceeds from this Private Placement further strengthens our balance sheet and allows us to accelerate the build-out of our online and wholesale businesses even faster. The participation of Company management in the financing should provide further confidence to investors in our ability to achieve our previously communicated revenue guidance for 2021 and 2022."

"With our national retail footprint at more than 15,000 locations in the U.S. and growing, the continued build-out of our international business progressing as planned, and both our direct-to-consumer and private label businesses experiencing continued growth, I believe the proceeds from this financing round can help to extend our distribution reach even further," said Jon Visser, HempFusion's Chief Operating Officer. "Our continued growth is not reliant on any major changes in the regulatory environment, however, with congress currently reviewing two hemp-related Bills, we are well positioned to experience additional growth should the situation change. In the meantime, we continue to build our product lines (including our new, popular gummy line) as well as increase our channel depth."

Further, the Company announces that Nick Grafton has resigned as a director of the Company effective September 30, 2021. The board of directors of the Company expresses their appreciation to Mr. Grafton for his contribution to the Company.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities described in this news release in the United States. Such securities have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws, and, accordingly, may not be offered or sold within the United States, or to or for the account or benefit of persons in the United States or "U.S. Persons", as such term is defined in Regulation S promulgated under the U.S. Securities Act, unless registered under the U.S. Securities Act and applicable state securities laws or pursuant to an exemption from such registration requirements.

ABOUT HEMPFUSION

One of a select few CBD companies who are today fully prepared to meet or exceed expected FDA guidance, HempFusion Wellness Inc. is a leading health and wellness company whose family of premium consumer brands include HempFusion™, Sagely Naturals™, Apothecanna™, and Probulin Probiotics™, one of the fastest-growing probiotics companies in the United States according to SPINs reported data.

Utilizing the power of whole-food hemp nutrition, the HempFusion family of brands' product portfolio comprises 112 SKUs including USDA Organic Certified Tinctures, proprietary FDA Drug Listed Over-The-Counter (OTC) Topicals, probiotic supplements and skin care products, a Doctor/Practitioner line, a White Label division and more. With a strong focus on research and development, HempFusion Wellness has 43 products under development.

Available from more than 15,000 US retail locations across all 50 states, HempFusion Wellness products are also available in China, Mexico, Ireland, United Kingdom, United Arab Emirates, South Korea and Canada and may be purchased online from each brand's website, The Probulin Store on Amazon.com, Alibaba's Tmall.com, the world's largest cross-border online marketplace, and a multitude of additional e-commerce sites.

For more information, visit www.hempfusion.com and follow HempFusion on Twitter, Facebook and Instagram.

FORWARD-LOOKING STATEMENTS

This news release contains forward-looking statements and forward-looking information within the meaning of Canadian securities legislation (collectively, "**forward-looking statements**") that relate to HempFusion's current expectations and views of future events. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases such as "will likely result", "are expected to", "expects", "will continue", "is anticipated", "anticipates", "believes", "estimated", "intends", "plans", "forecast", "projection", "strategy", "objective" and "outlook") are not historical facts and may be forward-looking statements and may involve

estimates, assumptions and uncertainties which could cause actual results or outcomes to differ materially from those expressed in such forward-looking statements. No assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this news release should not be unduly relied upon. These statements speak only as of the date of this news release. In particular and without limitation, this news release contains forward-looking statements relating to the closing of the Private Placement, the use of proceeds from the Private Placement and the Company's other plans, focus and objectives.

Forward-looking statements are based on a number of assumptions and are subject to a number of risks and uncertainties, many of which are beyond HempFusion's control, which could cause actual results and events to differ materially from those that are disclosed in or implied by such forward-looking statements. Such risks and uncertainties include, but are not limited to, the impact and progression of the COVID-19 pandemic and other factors set forth under "*Cautionary Note Regarding Forward-Looking Statements*" and "*Risk Factors*" in the annual information form of the Company dated March 31, 2021, and available under the Company's profile on SEDAR at www.sedar.com. HempFusion undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by law. New factors emerge from time to time, and it is not possible for HempFusion to predict all of them or assess the impact of each such factor or the extent to which any factor, or combination of factors, may cause results to differ materially from those contained in any forward-looking statement. Any forward-looking statements contained in this news release are expressly qualified in their entirety by this cautionary statement.

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