HempFusion Announces Cease Trade Order

DENVER—July 8, 2022 – HempFusion Wellness Inc. (TSX:CBD.U) (OTCQB:CBDHF) (FWB:800) (“HempFusion” or the “Company”) a leading health and wellness company offering premium probiotic supplements and products containing CBD, announces that, further to its news release of June 27, 2022, the British Columbia Securities Commission (the “BCSC”) has issued a cease trade order (the “CTO”) to the Company as a result of HempFusion’s inability to file its annual audited financial statements for the year ended December 31, 2021, its interim financial report for the period ended March 31, 2022, the related management’s discussion and analysis and CEO and CFO certificates and its annual information form for the year ended December 31, 2021 (collectively, the “Required Filings”) by the applicable filing deadlines.

The CTO prohibits the trading by any person of any securities of HempFusion in each jurisdiction in Canada in which the Company is a reporting issuer, including trades in the Company's common shares made through the Toronto Stock Exchange, for as long as the CTO remains in effect. The CTO provides an exception for beneficial securityholders of the Company who are not currently (and who were not as of July 7, 2022) insiders or control persons of the Company and who sell securities of the Company acquired before July 7, 2022 if both of the following criteria are met: (i) the sale is made through a "foreign organized regulated market", as defined in section 1.1 of the Universal Market Integrity Rules of the Investment Industry Regulatory Organization of Canada and (ii) the sale is made through an investment dealer registered in a jurisdiction of Canada in accordance with applicable securities legislation.

The CTO will remain in place until such time as the Required Filings have been filed, following which the Company expects that the BCSC will revoke the CTO. The Company is continuing to make efforts to file the Required Filings as soon as possible, including actively seeking financing to advance, finalize and file the Required Filings and continue operations. However, there can be no assurances that the Company will be able to secure such financing, remedy its filing default and have the CTO lifted in a timely manner or at all.

In the event the Company is unable to secure additional financing or otherwise increase its revenues, there is significant doubt as to whether the Company can continue as a going concern. The Board of Directors of the Company is considering various courses of action to address this problem, including obtaining financing or the sale of assets and/or certain subsidiaries in order to raise revenue or to cut costs. There can be no assurances that the Company will be able to secure financing or to find purchasers for its assets or subsidiaries or be able to avail itself of any other financing options. There can be no assurance that any such actions, if available, will be successful in avoiding insolvency proceedings. There can be no assurance that the steps the Company is considering taking will be successful.

The Company will endeavour to issue regular news releases to keep the investing public apprised of the situation and the progress of its audit and filing efforts.

A copy of the CTO is posted on the BCSC's website.

About HempFusion Wellness Inc.

One of a select few hemp-derived CBD companies that are today fully prepared to meet or exceed expected global 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.

Among the handful of CBD companies who have achieved Self-Affirmed GRAS status, 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 White Label division and more. With a strong focus on research and development, HempFusion Wellness has 43 products under development.

Available from more than 18,000 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.

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