



Halo Completes the Acquisition of 1275111 B.C. Ltd. and Private Placement

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TORONTO, Dec. 30, 2020 /CNW/ - Halo Labs Inc. ("**Halo**" or the "**Company**") (NEO: HALO) (OTCQX: AGEEF) (Germany: A9KN) is pleased to announce it has closed its previously announced acquisition of 1275111 B.C. Ltd. ("**1275111**") on the terms described in the press release dated December 22, 2020 (the "**Transaction**"). Halo issued an aggregate of 147,475,343 common shares of Halo ("**Halo Shares**") on closing of the Transaction.

In addition, the Company has closed its previously announced non-brokered private placement (the "**Private Placement**") pursuant to which an aggregate of 40,909,090 Halo Shares were issued at a price of C\$0.055 per share for aggregate gross proceeds of approximately C\$2,250,000 (the "**Private Placement**"). Proceeds of the Private Placement will be used for general working capital. The Halo Shares issued pursuant to the Private Placement are subject to a four month and one day statutory hold period pursuant to applicable securities laws.

Halo has received the acceptance of the Neo Exchange Inc. for the Transaction and Private Placement.

About Halo

Halo is a leading, vertically-integrated cannabis company that cultivates, extracts, manufactures, and distributes quality cannabis flower, oils, and concentrates, and has sold approximately six million grams of oils and concentrates since inception. Halo continues to

evolve its business and scale efficiently, partnering with trustworthy leaders in the industry, who value the Company's operational expertise in bringing top-tier products to market. Current growth includes expansion in key US markets, the United Kingdom and Africa, with planned expansion into the Canadian retail market.

Halo is led by a strong, diverse, and innovative management team, with deep industry knowledge and blue-chip experience. The Company is currently operating in the United States in California, Oregon and Nevada. The Company sells cannabis products principally to dispensaries under its own brands Hush, Mojave, Exhale and under partnership or license with OG DNA Genetics, Terphogz (doing business as Zkittlez™) and FlowerShop*, a cannabis lifestyle and conceptual wellness brand in which G-Eazy is a partner and key member of Flowershop*.

As part of continued expansion and vertical integration in the US, Halo boasts several grow operations throughout Oregon and California. In Oregon, the Company has a combined 7 acres of outdoor cultivation, including East Evans Creek, a six-acre grow site in Jackson County, and Winberry Farms; a one-acre grow site located 30 miles outside Eugene in Lane County. In California, the Company is building out Ukiah Ventures, a planned 30,000-square-foot indoor grow, processing, and manufacturing facility including up to an additional five acres of industrial land to expand. Recently, Halo partnered with Green Matter Holding ("**GMH**") to purchase Bar X Ranch in Lake County, with plans to develop up to 80 acres of cultivation which would comprise the largest grow in Northern California.

Internationally, the Company is currently cultivating cannabis at Bophelo Bioscience & Wellness (Pty) Ltd ("**Bophelo**") in Lesotho which holds one of the largest marijuana cultivation licenses in Africa with a future capacity of up to 495 acres. To further Halo's global presence, the Company has recently acquired CBPM importation and distribution licensing in the United Kingdom via cannabis suppliers Canmart Ltd ("**Canmart**"). Halo expects the cultivation and manufacturing operations of Bophelo, combined with the importation

and distribution capabilities of Canmart, to drive growth of a well-positioned business to serve the U.K. market.

The Company also has acquired a range of software development assets, including technology platforms CannPOS, Cannalift, and more recently CannaFeels. Halo also owns the discrete sublingual dosing technology, Accudab.

For further information regarding Halo, see Halo's disclosure documents on SEDAR at www.sedar.com.

Cautionary Note Regarding Forward-Looking Information and Statements

This press release contains certain "forward-looking information" within the meaning of applicable Canadian securities legislation and may also contain statements that may constitute "forward-looking statements" within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995. Such forward-looking information and forward-looking statements are not representative of historical facts or information or current condition, but instead represent only Halo's beliefs regarding future events, plans or objectives, many of which, by their nature, are inherently uncertain and outside of Halo's control. Generally, such forward-looking information or forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or may contain statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "will continue", "will occur" or "will be achieved".

By identifying such information and statements in this manner, Halo is alerting the reader that such information and statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results to be materially different from those expressed or implied by such information and statements. In addition,

in connection with the forward-looking information and forward-looking statements contained in this press release, Halo has made certain assumptions. Although Halo believes that the assumptions and factors used in preparing, and the expectations contained in, the forward-looking information and statements are reasonable, undue reliance should not be placed on such information and statements, and no assurance or guarantee can be given that such forward-looking information and statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information and statements. Among others, the key factors that could cause actual results to differ materially from those projected in the forward-looking information and statements are the following: unexpected costs or delays in the completion of the Company's proposed dispensaries and other operation; negative results experienced by the Company as a result of general economic conditions or the ongoing COVID-19 pandemic; delays in the ability of the Company to obtain certain regulatory approvals; unforeseen delays or costs in the completion of the Company's construction projects; adverse changes to demand for cannabis products; ongoing projects by competitors that may impact the relative size of the Company's growing operation; adverse changes in applicable laws; adverse changes in the application or enforcement of current laws, including those related to taxation; increasing costs of compliance with extensive government regulation; changes in general economic, business and political conditions, including changes in the financial markets; risks related to licensing, including the ability to obtain the requisite licenses or renew existing licenses for the Company's proposed operations; dependence upon third party service providers, skilled labor and other key inputs; and the other risks disclosed in the Company's annual information form dated April 16, 2020 and available on the Company's profile at www.sedar.com. Should one or more of these risks, uncertainties or other factors materialize, or should assumptions underlying the forward-looking information or statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected.

The forward-looking information and forward-looking statements contained in this press release are made as of the date of this press release, and Halo does not undertake to update any forward-looking information and/or forward-looking statements that are contained or referenced herein, except in accordance with applicable securities laws. All subsequent written and oral forward-looking information and statements attributable to Halo or persons acting on its behalf is expressly qualified in its entirety by this notice.

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