



AUXLY IS READY TO GO FOR 2.0: REVEALS PORTFOLIO OF CANNABIS PRODUCTS

News Release

TORONTO, Ontario, December 16, 2019 – Auxly Cannabis Group Inc. (TSX.V - XLY) (“**Auxly**” or the “**Company**”) today announced the unveiling of its “Cannabis 2.0” products in vape, chocolate and chewable formats which are legally available for sale beginning today under its signature brands, Kolab Project, Foray and Dosecann. To view Auxly’s 2.0 product launch video, click [here](#).

“Having our initial suite of Cannabis 2.0 products ready to go on the first day sales are legal in Canada is a huge milestone for our company,” said Hugo Alves, CEO, Auxly. “Our mission is to make branded cannabis products that consumers love and grow to trust. Our experts at Dosecann have developed high-quality vapes, chocolates and chewables with consumer safety and enjoyment as our top priorities. We are excited to introduce Canadian consumers to our products and our brands on the launch of Cannabis 2.0 and will continue to roll out new and innovative products in the coming quarters as we look to lead, not follow, in the 2.0 market and beyond.”

Auxly’s In-House Brands – Targeting a Broad Spectrum of Cannabis Consumers

Auxly has taken a consumer-centric approach to building a winning portfolio of brands and products. Auxly’s four proprietary brands: Kolab Project, Foray, Dosecann and Robinsons, address key market segments and multiple price points across wellness and adult-use markets.

The Company’s initial product portfolio will be launched under three of the Company's four brands – Kolab Project, Foray and Dosecann. Outlined in the table below is a breakdown by brand and format. The launch of the Robinsons brand will coincide with the release of Robinsons' premium dried flower produced at its craft indoor facility in Kentville, Nova Scotia. The Company intends to develop a line of premium cannabis products under the Robinsons brand based on the output of its Robinsons Outdoor Grow ([announced by the Company on November 15, 2019](#)) located in Hortonville, Nova Scotia.

	KLP	Foray	
Oil	 <ul style="list-style-type: none"> • Oil in a bottle • Oil in spray • Oil in capsules* 	 <ul style="list-style-type: none"> • Oil in capsules* 	 <ul style="list-style-type: none"> • Oil in a bottle • Oil in spray • Oil in capsules*
Edibles	 <ul style="list-style-type: none"> • Soft Chews • Mints* 	 <ul style="list-style-type: none"> • Chocolates • Soft Chews • Lozenges* • Mints* 	 <ul style="list-style-type: none"> • Lozenges*
Vapes	 <ul style="list-style-type: none"> • Vape cartridge starter packs • Vape Cartridges • Disposable vape pens 	 <ul style="list-style-type: none"> • Vape cartridge starter packs • Vape Cartridges • Disposable vape pens 	
Topicals			 <ul style="list-style-type: none"> • Topical**

*Products expected to be online Q2 2020
 ** Products expected to be online Q3 2020

View Auxly's complete product catalogue on the Company's website at www.auxly.com or by clicking [here](#).

Diverse Brand Platform and 2.0 Product Offering

Kolab Project

[Kolab Project](#) is a platform dedicated to art, design and culture. Its mission is to provide Canadians with a carefully curated selection of exceptional cannabis products, while championing high quality, purposeful goods produced in collaboration with culturally relevant creators. The brand aims to connect with those actively in the cannabis category that have an appreciation for the positive impact that art, culture and design have on humanity.

Vapes

Kolab Project vape pens will be offered in several different profiles, specifically high-potency THC and CBD formulations. Kolab Project's vapes contain only pure, high-grade cannabis distillate and botanical terpenes and do not contain any other ingredients. Kolab Project's THC formulations and terpene blends were inspired by popular strains and the potency and terpenes are tailored to a more experienced cannabis consumer.

Kolab Project vape pens will initially be available as cartridges and disposables in indica, sativa, and hybrid varieties, as well as a CBD variety in a disposable format.

Soft Chews

Kolab Project's soft chews are designed and developed to deliver robust, sophisticated flavours for the cannabis edible connoisseur. Free from artificial ingredients or animal products, this curated collection of soft chews is perfect for anyone seeking a mindful journey outside the norm.

Kolab Project soft chews will be available in Grapefruit Hibiscus, Lemon Lavender and Apple Green Tea flavours and in THC-dominant, balanced, and CBD-dominant packs. The chews are delicious, high quality, vegan and gluten-free. Kolab Project soft chews are evenly dosed in each piece and conveniently sized.

Foray

[Foray](#) is an accessible entry point for anybody — at any stage of their cannabis journey. Designed for the curious, Foray is an approachable brand that aims to both celebrate and educate one's foray into cannabis, ultimately inviting them to see cannabis differently. The legalization of cannabis in Canada brings tremendous opportunity to educate and introduce (or reintroduce) cannabis to a new class of consumers and Foray aims to be a trusted provider and guide through a consumer's cannabis experience.

Vapes

Foray brings a range of high-quality vape products to market in slightly lower THC potency, containing only high-grade cannabis distillate and carefully selected botanical terpene blends to ensure a pleasant experience for a consumer's entry into the category. Foray vape pens do not contain any other ingredients. Vape cartridge formats will be available in sativa, indica, hybrid and balanced formulations, while its disposable formats will also include a CBD variety.

Chocolates

Foray's chocolates are made exclusively from premium single origin and Belgian chocolates, expertly selected and blended to make a consumer's Foray into cannabis luxurious and delicious. Made with all-natural ingredients and no artificial flavours, Foray chocolates will initially come in three varieties – Dark Chocolate, Vanilla Chai and Salted Caramel. Foray chocolates will initially be available in 10mg of THC per square or 2.5mg of THC per four square serving sizes. Additionally, the Salted Caramel chocolate will be available in a balanced THC & CBD formulation.

Foray's Dark chocolate is made with a perfectly balanced, premium, single origin Mexican chocolate that displays complex notes of cinnamon, hazelnut, coffee and gingerbread. Consumers are encouraged to savor their experience as the flavours of this subtly bittersweet chocolate unfold on their palate.

Foray's Vanilla Chai chocolate is made with a single origin Ghanaian chocolate delicately flavoured with chai spices and vanilla. Also displaying notes of cocoa, red fruit, and chestnut, this premium chocolate has a rich, creamy mouthfeel.

Foray's Salted Caramel chocolate is made from an expertly selected blend of premium white and milk chocolates, enhanced with notes of rich caramel with a subtle, salty finish. With a balanced profile of THC and CBD, this chocolate is a perfect indulgence.

Soft Chews

Foray's soft chews are crafted to deliver deliciously bright, juicy flavours. These pectin-based chews, free from any artificial ingredients or animal products, offer a range of potencies so they can be enjoyed by anyone.

Foray soft chews will initially be available in Raspberry Vanilla, Peach Mango and Pineapple Orange flavours in THC-dominant, balanced, and CBD-dominant packs.

Like Kolab Project's soft chews, Foray's soft chews are made with the highest quality traceable, vegan ingredients combined with ultra-pure cannabis distillate produced in-house at Dosecann. Foray's rich soft chews offer consumers unparalleled flavour and the security that each piece has been precisely dosed to ensure a satisfying experience.

Dosecann

[Dosecann](#) is a wellness brand built on pillars of quality, safety and efficacy. Backed by science and advanced research and development, Dosecann products are driving today's innovation and establishing tomorrow's standards. Dosecann is cannabis – down to a science™.

Dosecann's "Cannabis 1.0" oil in bottle and spray formats are currently available for sale, with capsule and lozenge formats expected in Q2 2020 and topicals in Q3 2020.

Auxly Cares About Consumer Safety

Auxly is committed to ensuring consumers have access to quality products they can trust. For that reason, Auxly's Safety Board, on which Imperial Brands PLC's Group Science and Regulatory Affairs Director sits, oversees our entire product development life cycle, carefully evaluates and monitors all of our products before and after they are released for sale and ensures that consumers have access to clear and accurate information on product risks.

Vape Development

Like all of Auxly's branded cannabis products, its vapes have been developed with quality, safety and efficacy at the heart of the product development process. The Company has gone above and beyond applicable regulatory requirements with both its hardware and its formulations, including conducting voluntary emissions testing at a leading third-party lab, to earn the trust of Canadian consumers.

All of Auxly's products are formulated and manufactured at Dosecann, Auxly's commercial scale extraction, analytical testing, product development and manufacturing hub located in Charlottetown, Prince Edward Island. Dosecann, in collaboration with KGK Science Inc., the Company's wholly-owned contract research organization, will continue to push industry standards in terms of product safety, quality, efficacy and innovation.

ON BEHALF OF THE BOARD

"Hugo Alves" CEO

About Auxly Cannabis Group Inc. (TSX.V: XLY) (OTCQX: CBWTF)

Auxly is an international cannabis company dedicated to bringing innovative, effective, and high-quality cannabis products to the medical, wellness and adult-use markets. Auxly's experienced team of industry first-movers and enterprising visionaries has secured a diversified supply of raw cannabis, strong clinical, scientific and operating capabilities and leading product research and development infrastructure in order to create trusted products and brands in an expanding global market.

Learn more at www.auxly.com and stay up to date at Twitter: @AuxlyGroup; Instagram: @auxlygroup; Facebook: @auxlygroup; LinkedIn: [company/auxlygroup/](https://www.linkedin.com/company/auxlygroup/).

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Notice Regarding Forward Looking Information:

This news release contains certain "forward-looking information" within the meaning of applicable Canadian securities law. Forward-looking information is frequently characterized by words such as "plan", "continue", "expect", "project", "intend", "believe", "anticipate", "estimate", "may", "will", "potential", "proposed" and other similar words, or information that certain events or conditions "may" or "will" occur. This information is only a prediction. Various assumptions were used in drawing the conclusions or making the projections contained in the forward-looking information throughout this news release. Forward-looking information includes, but is not limited to: the successful production and launch of the Company's new derivative products; the timeline for the launch of additional product formats; the Company's execution of its product development and commercialization strategy; consumer preferences; political change, future legislative and regulatory developments involving cannabis and cannabis products; and competition and other risks affecting the Company in particular and the cannabis industry generally.

A number of factors could cause actual results to differ materially from a conclusion, forecast or projection contained in the forward-looking information in this release including, but not limited to, whether: Kolab Project and Dosecann are able to maintain their sales licenses and are able to obtain and maintain all other necessary governmental and regulatory authorizations and permits to conduct business; the acceptance and demand for future Company products by consumers and provincial purchasers; and general economic, financial market, regulatory and political conditions in which the Company operates will remain the same. Additional risk factors are disclosed in the revised annual information form of the Company for the financial year ended December 31, 2017 dated May 24, 2018.

New factors emerge from time to time, and it is not possible for management to predict all of those factors or 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 forward-looking information in this release is based on information currently available and what management believes are reasonable assumptions. Forward-looking information speaks only to such assumptions as of the date of this release. In addition, this release may contain forward-looking information attributed to third party industry sources, the accuracy of which has not been verified by the Company. The purpose of forward-looking information is to provide the reader with a description of management's expectations, and such forward-looking information may not be appropriate for any other purpose. Readers should not place undue reliance on forward-looking information contained in this release.

The forward-looking information contained in this release is expressly qualified by the foregoing cautionary statements and is made as of the date of this release. Except as may be required by applicable securities laws, the Company does not undertake any obligation to publicly update or revise any forward-looking information to reflect events or circumstances after the date of this release or to reflect the occurrence of unanticipated events, whether as a result of new information, future events or results, or otherwise.

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