

January 29, 2021



MPX International Provides Fiscal 2020 Year-End Financial Results and Investor Update

TORONTO, ONTARIO, January 29, 2021 –**MPX International Corporation** (“**MPX International**”, “**MPXI**” or the “**Corporation**”) (CSE:MPXI; OTCQB:MPXOF), a multinational diversified cannabis company, is pleased to provide the below update to investors.

“Calendar 2020 has been a challenging, yet exciting year for MPXI,” noted W. Scott Boyes, Chairman, President and CEO of MPX International. “We started the year with multiple projects under development in Canada, Switzerland, Malta, South Africa and Australia. A company that was pre-revenue on most of its initiatives faced the potential of stagnation by the emergence of the COVID-19 pandemic and various and multiple lock-downs, staffing issues and interruptions in the capital markets that went along with it, yet MPXI has managed to move forward on all fronts. Notwithstanding the constraints in the Canadian capital markets for funding pre-revenue cannabis projects, investor confidence for the future prospects of MPXI have allowed it to prudently complete several small rounds of financing, each targeted at continuing the progress of specific projects and the furtherance of initiatives which, together, trend towards revenue and cash flow growth in 2021 and beyond. While revenues increased by over 95% in fiscal 2020, most of these revenues occurred in the last quarter of the reporting period and revenue growth has continued to accelerate in Q1 of fiscal 2021 with that growth expected to grow in each quarter through the balance of the year.”

The Corporation issued a press release updating investors on December 9, 2020 (a copy of which can be found at <https://ir.mpxinternationalcorp.com>) but some of those highlights are summarized below:

Canadian Developments

Most importantly, the finalization of long-standing efforts with Canadian regulators on multiple projects, has permitted Canadian operations to advance significantly over the past five months with the pace of progress accelerating during calendar Q4. The highlights of that progress are described below:

- Canveda Inc. (“**Canveda**”), a wholly owned subsidiary of MPXI and licence holder under the *Cannabis Act* (Canada), received a licence amendment from Health Canada authorizing Canveda to produce, sell, and export all categories of permitted Canadian cannabis products, including topicals, extracts and edibles.



- Canveda introduced its recreational cannabis brand “Strain Rec™” in the Province of Saskatchewan.
- The “Strain Rec™” brand was also introduced into the Province of Alberta through a recreational wholesale supply contract with Alberta Gaming, Liquor & Cannabis (“AGLC”).



- MPXI Alberta Corporation, a wholly-owned subsidiary of MPXI, acquired all of the assets of Blaze 420 Today Inc. (“**Blaze 420**”), including the leasehold interests to three (3) locations across Alberta which each have received development permits to operate as retail cannabis stores (the “**Assets**”) in Alberta. The first of these retail stores is scheduled to open in the spring of 2021.
- Canveda entered into an agreement with Panaxia Pharmaceutical Industries Israel Ltd. (“**Panaxia**”), the largest manufacturer and distributor of medical cannabis products in Israel, for the packaging and distribution of cannabis which will be marketed and sold in Israel under Canveda’s medical brand “Salus BioPharma” for sale into the Israeli market. Undertakings have commenced for a second Israeli import permit.
- Canveda entered into a supply agreement for medical and recreational cannabis (the “**Zenabis Supply Agreement**”) with the Canadian licence holder, Zenabis Ltd. (“**Zenabis**”), a large-scale Canadian producer.
- Spartan Wellness Corporation (“**Spartan Wellness**”), a wholly-owned subsidiary of MPXI, entered into a services agreement with Medical Cannabis by Shoppers Drug Mart Inc. (“**Medical Cannabis by SDM**”), a subsidiary of Shoppers Drug Mart.



- MCLN Inc. (formerly 2702148 Ontario Inc.) (“**MCLN**”), a wholly-owned subsidiary of MPXI and a leading Canadian private web-based cannabis portal, has developed, in conjunction with Miramedia Retail Inc. (“**Miramedia**”), a new MCLN branded web-based portal, “MiraCBD” <https://miracbd.ca> (the “**MiraCBD Portal**”). Miramedia is utilizing its network of retailers, natural health practitioners and consumers to connect their customers to the MiraCBD Portal. The MiraCBD Portal provides retailers, natural health practitioners and consumers with access to the Medical Cannabis Learning Network platform which operates as a: (a) private network educational platform, providing information about the use of medical cannabis; (b) telemedicine medium providing patient access to medical practitioners for advice and cannabis prescriptions from MCLN’s affiliate, Spartan Wellness; and (c) sales platform for Canadian cannabis licence holders.



- Canveda personnel completed a tissue culture research project with the virtual aide of MPXI’s Australian horticultural team. Plants have been successfully rooted for tissue culture, all standard operating procedures have been developed and this technology is ready to be scaled on a commercial level in 2021.
- Due to the rapid expansion of both completed and planned cannabis cultivation in Canada and the resulting over-supply and price compression for dried cannabis, the Corporation has abandoned its planned cultivation development in Owen Sound, Ontario and the 2020 financial results include a write-off of its investment made by its subsidiary BioCannabis Products Ltd in the amount of \$735,770.

Swiss Developments

- Despite the global COVID-19 pandemic, Holyworld SA (“**Holyworld**”), a wholly owned subsidiary of MPXI, has experienced a strong year in 2020. The team has overcome the many challenges presented by COVID-19 to foster growth and progress. Additionally, the Holyworld management team has undergone a transformation bringing on board sales and management executives from prominent European cannabis companies and, as with the rest of the MPXI corporate group has undergone significant cost reductions to bring spending in line with the Swiss business plan.



- Holyworld is now capable of producing approximately 30 kg of high-quality distillate per month operating a single shift. Adding an additional shift would bolster capacity to approximately 60 kg per month.
- The production from the Holyworld lab will be sold into the wholesale market and will also be used in “Holyweed” branded products sold through the Holyweed retail store in Geneva and cbdetc.com, a new multi-brand European marketplace for CBD products. With the success of the Geneva flagship “Holyweed” branded retail store, which has been consistently profitable, Holyworld is looking to expand to other retail locations in and around Switzerland in 2021.
- Holyworld has also launched a new corporate website holyworld.ch to increase outreach, online presence and B2B sales.
- The Court of Justice of the European Union has recently ruled that member states must not prohibit the marketing of lawfully produced cannabidiol, a decision that adds recognition for CBD’s health and wellness benefits and opens up the entire multi-billion-dollar EU market to companies like Holyworld. We believe that Holyworld is well-positioned to ride this wave of relaxed restrictions in Europe.
- Covid-19 related delays in completing the MPXI lab in Nyon, Switzerland resulted in some degradation of the Swiss biomass cultivated in 2019. This, combined with a recent large increase in cultivation throughout Europe and from hemp imports from other parts of the world, have significantly increased the supply of biomass and resulted in a material erosion in hemp prices in Switzerland and throughout Europe. Consequently, management elected to retain the Holyworld biomass for extraction, distillation and subsequent sale of high-potency CBD distillate which it anticipates will provide much higher gross margins than could be achieved by selling biomass into a market over-supplied with raw hemp flower and trim. As a result of these factors, the Corporation has taken a write-down of inventory held at Holyworld in Switzerland for the three months and year ended September 30, 2020 of \$9,972,399 as well as a consequent write off of goodwill and intangibles in the amount \$14,471,543 which was also influenced by delays in completing the MPXI lab in Nyon and the strategy shift from cultivation to production and distribution.

MPXI Malta Developments

- MPXI’s Maltese operations have advanced significantly over the past five months substantially completing the buildout of its “GMP-ready” facility located in Mriehel, just outside of Valletta, the capital city of Malta, including all site infrastructure required to support the attainment of an EU-GMP certification for flower packaging. The buildout entailed numerous structural alterations and reinforcements required to achieve the

desired site security, EU-GMP compliant layout and load-bearing capabilities. MPXI's Maltese team, led by Karl Bartolo, used their long-standing experience in the highly competitive generic pharmaceutical manufacturing sector to design a facility that would meet the highest standards of EU-GMP whilst maintaining a cost-effective capital expenditure and operational cost.

- Following the completion of the facility, MPXI's Maltese operation has now submitted its application for an EU-GMP certification with the Maltese Medicines Authority triggering a successful preliminary inspection subsequent to which the process of importing biomass material required for validation batches has been initiated. It is anticipated that EU-GMP certification for the packaging and distribution of cannabis flower will occur during calendar Q2 2021 followed by certification for the packaging of medical cannabis oils in calendar Q4 2021.
- MPXI's Maltese operations will leverage the Zenabis Supply Agreement securing a stable supply of high quality, high-THC medical cannabis to meet initial demand prior to the commencement of MPXI's operations in South Africa.
- In anticipation of the receipt of EU-GMP certification, MPXI has engaged with several European groups for the supply of EU-GMP certified medical cannabis and expects to solidify arrangements in the first half of calendar 2021.

South African Developments

First Growth Holdings (PTY) Ltd. ("**First Growth**"), an indirect subsidiary of MPXI, together with a prominent group of South African agriculturalists and investors, has made significant progress towards the construction of a half-hectare (53,000 sq. ft.) high-tech greenhouse in the wine producing Stellenbosch region of the Western Cape. Whilst the project has been delayed by COVID-19, the First Growth team recently completed the second inspection by South African Health Products Regulatory Authority ("**SAHPRA**"), the South African cannabis regulatory body, and has received positive results. Actual cultivation of cannabis, with subsequent export intended for the Corporation's Maltese facility, could commence as early as calendar Q3 2021.

Australian Developments

MPX Australia Pty Ltd. ("**MPXI Australia**"), a wholly-owned subsidiary of MPXI, has been awarded licenses to cultivate, manufacture, import and export cannabinoid-based medicines to/from Australia, from the Australian ODC, the Australian cannabis regulatory body. However, the opportunity to import products into Australia from Malta, Canada and South Africa has prompted the Corporation to pivot from domestic production in Australia to developing an import and distribution capability based in Sydney and now plans to import and introduce the "Salus BioPharma" branded products to the Australian market. As a result of this change in the Corporation's operational strategy for Australia and Oceania, MPXI Australia has negotiated the cancellation of its lease for the Launceston site and written-off its entire \$2,962,117 investment in that project.

Overall

Despite the COVID-19 pandemic the Corporation's forward momentum has not changed. MPXI has successfully managed to move ahead on multiple fronts and management is anticipating significant growth in revenues and earnings in fiscal 2021. In addition, there are potential new opportunities in the offing that could be transformative to MPXI's global

expansion. We will inform the market, if and when these new ventures move forward.

Full disclosure of the Corporation's financial results, including copies of the financial statements for the year ending September 30, 2020 and the Management Discussion and Analysis, can be found on the Corporation's website <https://mpxinternationalcorp.com> and on SEDAR at <https://sedar.com>

About MPX International Corporation

MPX International Corporation is a multinational diversified cannabis company focused on developing and operating assets across the international cannabis industry with an emphasis on cultivating, manufacturing and marketing products which include cannabinoids as their primary active ingredient. With current operations spanning four continents in Canada, Switzerland, South Africa, Malta and Australia as well as evolving partnership and distribution opportunities in other jurisdictions, MPXI continues to position itself as an emergent global participant in the cannabis industry.

Cautionary Statement Regarding Forward-Looking Information

This news release includes certain "forward-looking statements" under applicable Canadian securities legislation that are not historical facts. Forward-looking statements involve risks, uncertainties, and other factors that could cause actual results, performance, prospects, and opportunities to differ materially from those expressed or implied by such forward-looking statements. Forward-looking statements in this news release include, but are not limited to, MPX International's objectives and intentions. Forward-looking statements are necessarily based on a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties and other factors which may cause actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to: general business, economic and social uncertainties; litigation, legislative, environmental and other judicial, regulatory, political and competitive developments; delay or failure to receive board, shareholder or regulatory approvals; the Corporation's ability to effectively deal with the restrictions, limitations and health issues presented by the COVID-19 pandemic; future cannabis pricing; cannabis cultivation yields; costs of inputs; its ability to market products successfully to its anticipated clients; reliance on key personnel and contracted relationships with third parties; the regulatory environment in Australia, Canada, Malta, South Africa, Switzerland and other international jurisdictions; the application of federal, state, provincial, county and municipal laws; and the impact of increasing competition; those additional risks set out in MPX International's public documents filed on SEDAR at www.sedar.com, including its audited annual consolidated financial statements for the financial years ended September 30, 2020 and 2019, and the corresponding management's discussion and analysis; and other matters discussed in this news release. Although MPX International believes that the assumptions and factors used in preparing the forward-looking statements are reasonable, undue reliance should not be placed on these statements, which only apply as of the date of this news release, and no assurance can be given that such events will occur in the disclosed time frames or at all. Except where required by law, MPX International disclaims any intention or obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

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Or visit one our websites:

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<https://cbdetc.com>

<https://holyworld.ch/en/>

<https://spartannetwork.ca>

<https://strainrec.ca>

<https://canveda.ca>

<https://miracbd.ca>

<http://mpxi.tv>