



## **48North Cannabis Corp. Announces Changes to Operations**

**March 29, 2021— Toronto, Ontario:** 48North Cannabis Corp. (“48North” or the “Company”) (TSXV:NRTH), a vertically integrated Licensed Producer focused on manufacturing high-quality cannabis products, building progressive and thought-provoking brands, and low-cost cultivation, has released its financial and operating results for the second quarter ended December 31, 2020. The Company’s financial statements and related management discussion and analysis for the period are available on the Company’s SEDAR profile at [www.sedar.com](http://www.sedar.com) and on the Company’s website at [www.48nrth.com/investors](http://www.48nrth.com/investors).

48North will immediately cease operations at its “Good:Farm” outdoor cultivation facility located in Brant County, Ontario. This decision is an important step in the Company’s path to profitability as it increases its focus on efficient product manufacturing, branding, and distribution. The decision comes during a significant transitional period for the industry and a nationwide excess of supply.

“48North has always been a brand-led, consumer-centric licensed cannabis producer with a mission to provide an expansive portfolio of high-quality, accessibly-priced products across the country,” said Charles Vennat, CEO of 48North. “Today’s announcement best positions us to execute this mission, by restructuring our workforce and redeploying resources towards commercialization, branding, innovation, and deepening relationships with retailers and wholesalers. This was a difficult decision. I want to thank the impacted employees who dedicated so much to their work with 48North,” Charles Vennat continued.

As a result of the decision, 48North will reduce the size of its workforce by approximately 20 per cent. The Company is confident that supply from DelShen, the Company’s indoor facility in Kirkland Lake, Ontario, combined with strategic partnerships with other licensed producers, will ensure the quantity and quality of cannabis products required to meet expected demand. Today’s announcement is part of other ongoing initiatives focused on positioning 48North for sustainable growth and decreasing the Company’s cash use as it accelerates its pathway to profitability. The Company expects the change will result in annualized fixed operating costs reductions in excess of \$5 million.

The Company also announced that two of its senior leaders will be leaving. Kirsten Gauthier, who has been with the Company since 2017, most recently serving as its Chief Growth Officer, has made the decision to move on from 48North, effective March 29th. Sean Byrne, who joined the Company more recently, has also elected to resign from his role as Chief Financial Officer. Donnacha Rahill will serve in the role of interim CFO, effective immediately, while a search is conducted for a permanent replacement. Mr. Byrne has agreed to remain on hand to provide transitional support to Mr. Rahill until early April.

“It would be hard to think of another leader at 48North or any Canadian cannabis company who has brought more in the way of creativity, vision, and commitment to customers than Kirsten,” said Charles Vennat. “Kirsten’s hard work developing and nurturing brands that meaningfully connect with consumers

will continue to be central to the Company's strategy. While Sean had a shorter tenure with the Company, we are immensely grateful for the experience, professionalism, and diligence he brought to his work with 48North."

"Starting with nothing but our ideas and conviction that the plant can give people the latitude to live well, we have built an incredible company. I am grateful to have been a part of it and will continue to be an enthusiastic supporter from the sidelines," said Kirsten Gauthier, Chief Growth Officer. "Despite making the decision to take a new professional path, I wish 48North nothing but the best. They have a strong team, a brand that meaningfully engages with customers, and a focused strategy to reach profitability," said Sean Byrne.

The Company makes this announcement from a position of strength in both market share and brand recognition, with the number one topical in Ontario, the number one concentrate in Ontario and Alberta, and dried flower and pre-rolls consistently ranked in the top ten in Canada. Today's Good:Farm closure and workforce allocation better position the Company to capitalize on this strength as it works towards profitability in the first half of fiscal 2022 and onward.

### **About 48North**

48North Cannabis Corp. (TSXV: NRTH) is a vertically integrated cannabis company focused on manufacturing high-quality products, building progressive and thought-provoking brands, and low-cost cultivation. 48North is developing formulations and manufacturing capabilities for its own proprietary products, as well as positioning itself to contract manufacture similar products for third parties. 48North operates Good:Farm, a 100-acre organic cannabis farm which produces organically grown cannabis, securing a significant first-mover advantage in the production of low-cost, next-generation, extract-based cannabis products. In addition, 48North operates two indoor-licensed cannabis production sites in Ontario. 48North cultivates unique genetics at its wholly owned subsidiary, DelShen Therapeutics Corp. ("DelShen") and processes cannabis and manufactures next-generation cannabis products at Good & Green Corp. ("Good & Green"), both Licensed Producers under the Cannabis Act.

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