



FOR IMMEDIATE RELEASE

## Inner Spirit Holdings Announces Shareholder Approval of Arrangement with Sundial Growers

**CALGARY, Alberta (July 14, 2021)** – Inner Spirit Holdings Ltd. (“**Inner Spirit**” or the “**Company**”) (CSE: ISH) (OTCQB:INSHF), a Canadian company that has established a national network of Spiritleaf retail cannabis stores, is pleased to announce that at the special meeting (the “**Meeting**”) of shareholders of Inner Spirit (“**Shareholders**”), the Shareholders approved the plan of arrangement (the “**Arrangement**”) with Sundial Growers Inc. (“**Sundial**”) (NASDAQ: SNDL), pursuant to which, among other things, Sundial will acquire all of the outstanding common shares of Inner Spirit (“**Inner Spirit Shares**”) for consideration per Inner Spirit Share consisting of (i) \$0.30 in cash, and (ii) 0.0835 of a common share of Sundial.

The Arrangement required approval by at least (i) two-thirds (66 2/3%) of the votes cast by Shareholders on the resolution approving the Arrangement, present in person or represented by proxy and entitled to vote at the Meeting (the “**Corporate Law Approval**”), and (ii) a simple majority of the votes cast by Shareholders on the resolution approving the Arrangement, present in person or represented by proxy and entitled to vote at the Meeting, excluding the votes cast by Shareholders whose votes must be excluded in accordance with Multilateral Instrument 61-101 (the “**MI 61-101 Approval**”).

Of the votes cast at the Inner Spirit Meeting in respect of the Corporate Law Approval, an aggregate of 110,107,052 Inner Spirit Shares were voted in favour, representing approximately 99.14% of the votes cast. Of the votes cast at the Inner Spirit Meeting in respect of the MI 61-101 Approval, an aggregate of 100,066,052 Inner Spirit Shares were voted in favour, representing approximately 99.05% of the votes cast.

Inner Spirit intends to seek a final order of the Court of Queen’s Bench of Alberta to approve the Arrangement at a hearing expected to be held on July 16, 2021. Assuming timely receipt of all necessary court, regulatory and other third-party approvals and the satisfaction or waiver of all other conditions to the completion of the Arrangement, closing of the Arrangement is expected to occur on or about July 19, 2021. Upon the closing of the Arrangement, the Inner Spirit Shares, senior secured convertible debentures of Inner Spirit due June 30, 2022 and common share purchase warrants of Inner Spirit issued under the warrant indenture of Inner Spirit dated March 31, 2021 will be delisted from the Canadian Securities Exchange and the OTCQB, as applicable, and Inner Spirit will apply to cease to be a reporting issuer.

Additional information related to the benefits and related risks of the Arrangement are contained in the management information circular (the “**Information Circular**”) dated June 14, 2021 and related proxy materials, which are available on SEDAR under Inner Spirit’s issuer profile and on Inner Spirit’s website at [www.innerspiritholdings.com](http://www.innerspiritholdings.com).

### **About Inner Spirit**

Inner Spirit Holdings Ltd. (CSE:ISH) (OTCQB:INSHF) is a retailer and franchisor of Spiritleaf recreational cannabis stores across Canada. The Spiritleaf network includes franchised and corporate-owned locations, all operated with an entrepreneurial spirit and with the goal of creating deep and lasting ties within local communities. Spiritleaf aims to be the most knowledgeable and trusted source of recreational cannabis by offering a premium consumer experience and quality curated cannabis products. The Company is led by passionate advocates for cannabis who have years of retail, franchise and consumer marketing experience. Spiritleaf has been recognized with a Franchisees' Choice Designation from the Canadian Franchise Association for its award-winning support centre for two consecutive years, a MarCom Platinum Award for marketing excellence, and a



Hermes Gold Award for its creative customer benefits program. Learn more at [www.innerspiritholdings.com](http://www.innerspiritholdings.com) and [www.spiritleaf.ca](http://www.spiritleaf.ca).

### **Forward-Looking Information**

This news release contains statements and information that, to the extent that they are not historical fact, may constitute “forward-looking information” within the meaning of applicable securities legislation. Forward-looking information is typically, but not always, identified by the use of words such as “will”, “intends”, “expected” and similar words, including negatives thereof, or other similar expressions concerning matters that are not historical facts. Forward-looking information in this news release includes, but is not limited to, statements regarding: the Arrangement; the timing of the final order hearing; the expected closing of the Arrangement; and the expected delisting of the Inner Spirit Shares from the Canadian Securities Exchange.

Such forward-looking information is based on various assumptions and factors that may prove to be incorrect, including, but not limited to, factors and assumptions with respect to: the Arrangement being completed on the timelines and on the terms currently anticipated; all court, regulatory and other third-party approvals being obtained on the timelines and in the manner currently anticipated; and the ability of the parties to satisfy, in a timely manner, the other conditions to the completion of the Arrangement.

Although the Company believes that the assumptions and factors on which such forward-looking information is based are reasonable, undue reliance should not be placed on the forward-looking information because the Company can give no assurance that it will prove to be correct or that any of the events anticipated by such forward-looking information will transpire or occur, or if any of them do so, what benefits the Company will derive therefrom. Actual results could differ materially from those currently anticipated due to a number of factors and risks including, but not limited to: conditions in the cannabis industry; the risk that the Arrangement is not completed as anticipated or at all, including the timing thereof, and if completed, that the benefits thereof will not be as anticipated; the risk that necessary court, regulatory or other third-party approvals are not obtained as anticipated or at all, and the timing thereof; the risk that the conditions to closing of the Arrangement are not satisfied or waived; risks associated with general economic conditions; future legislative, tax and regulatory developments, including developments that may impact the closing of the Arrangement as anticipated or at all; the impact of general economic conditions and the COVID-19 pandemic in Canada; and the factors and risks identified in the Information Circular and the documents incorporated by reference therein.

The forward-looking information included in this news release is made as of the date of this news release and the Company does not undertake an obligation to publicly update such forward-looking information to reflect new information, subsequent events or otherwise, except as required by applicable law.

### **For further information**

Darren Bondar, President and CEO

Email: [invest@spiritleaf.ca](mailto:invest@spiritleaf.ca)

Phone: 1 (403) 930-9300

[www.innerspiritholdings.com](http://www.innerspiritholdings.com)