



Flowr and Hawthorne Canada Jointly Announce the Completion of the World's First Cannabis Research and Development Facility of its Kind

January 5, 2021

Groundbreaking research center located in Kelowna, British Columbia, Canada will advance indoor cannabis cultivation techniques and systems.

Toronto, Ontario and Port Washington, N.Y. — January 5, 2020— North America's first research and development facility dedicated to advancing cannabis cultivation techniques and systems has been completed by The Flowr Corporation (TSXV: FLWR) and Hawthorne Canada Limited ("Hawthorne"). Hawthorne is a subsidiary of the Hawthorne Gardening Company division of The Scotts Miracle-Gro Company (NYSE:SMG). Scotts Miracle-Gro is the world's leading marketer of branded consumer lawn and garden products and indoor growing solutions. Flowr cultivates and sells premium cannabis to medical and adult-use markets in Canada, Europe and Australia.

Located on Flowr's cultivation campus in Kelowna, British Columbia, Canada, the R&D Center includes state-of-the-art laboratories, indoor grow suites, and training areas in a single building. Flowr will test cultivation systems and techniques using Hawthorne's advanced lighting, fertilization and irrigation systems, growing mediums, and research protocols. In addition, Flowr intends to focus its own research on cannabis genetics and integrated growing systems in line with its goal of delivering premium quality cannabis products through highly efficient cultivation.

"We built Hawthorne to help cultivators of all sizes grow quality plants with high levels of efficiency and consistency. Completing the industry's only dedicated R&D facility gives us a distinct advantage. We will leverage Flowr's cultivation expertise and our technical capabilities into real world testing and results that will make a difference to growers," said Chris Hagedorn, SVP & General Manager of Hawthorne Gardening. "We are proud of this collaboration with Flowr, a leading international cannabis company, with extensive growing experience indoors, in greenhouses and at-scale outdoors. Flowr is also one of a few companies that have had experience growing diverse genetics in different countries. We believe this experience will benefit our companies and the growers we serve."

"The completion of the R&D Center brings our work with Hawthorne fully to life and will help keep both companies on the leading edge of cannabis cultivation for years to come," commented Lance Emanuel, President and Interim Chief Executive Officer of Flowr. "Operationalizing the R&D Center is a major accomplishment for our organization and strengthens our competitive advantage in cultivation. We believe the long-term success of Flowr will be rooted in our ability to maximize the cannabinoid and terpene expression of genetics without sacrificing yield. The work we will do at the R&D Center will help us build upon the success we've had producing high quality, premium cannabis like our award-winning, flagship-strain BC Pink Kush beloved by budtenders and consumers throughout Canada. Leveraging our work at the R&D Center will be imperative to our eventual entry into the United States once federally permissible by law."

The R&D Center is the centerpiece of a strategic R&D partnership formed by Flowr and Hawthorne in March 2018. It brings two of the world's leading experts together to be at the forefront of cannabis cultivation. The operations will be led by Dr. Deron Caplan, the first person in North America to earn a PhD focused on cannabis cultivation and production. Dr. Caplan was awarded his doctorate by the University of Guelph in August 2018 and is Flowr's Director of Research and Development. The R&D Center will be staffed by Flowr's scientists, five of whom have PhDs in various plant biology, plant genetics and plant biochemistry disciplines. Hawthorne R&D will lead the research design and methodology.

All requisite licensing from Health Canada has been obtained by Flowr and the expectation is that the R&D Center will be operating at full capacity in Spring 2021. Research has already begun conducting growing trials at scale using Hawthorne products.



About Hawthorne Gardening Company

We know why you grow. And that influences everything we do. We are a company guided by a set of principles that motivate us every day. Hawthorne Gardening Company is built to serve growers of all sizes, from commercial cultivators to home hobbyists. We are made up of dozens of best-in-class brands, from Gavita, General Hydroponics and Sun System, to Botanicare and Mother Earth, that span every growing category from lighting to nutrients, growing environment, growing media, hardware, and many more. We drive bold research and development investments, unparalleled distribution capabilities and extensive service solutions that go far beyond product. And we use our voice to advance legislation that supports the responsible legalization of cannabis. Because our goal is to enable all growers to seize today's unprecedented opportunities and build the industry of tomorrow. Learn more at www.hawthorne-gardening.com.

About The Flowr Corporation

The Flowr Corporation is a Toronto-headquartered cannabis company with operations in Canada, Europe, and Australia. Its Canadian operating campus, located in Kelowna, BC, includes a purpose-built, GMP-designed indoor cultivation facility, an outdoor and greenhouse cultivation site, and a state-of-the-art R&D facility. From this campus, Flowr produces recreational and medicinal products. Internationally, Flowr intends to service the global medical cannabis market through its subsidiary Holigen, which has a license for cannabis cultivation in Portugal and operates GMP licensed facilities in both Portugal and Australia.

Flowr aims to support improving outcomes through responsible cannabis use and, as an established expert in cannabis cultivation, strives to be the brand of choice for consumers and patients seeking the highest-quality craftsmanship and product consistency across a portfolio of differentiated cannabis products.

For more information, please visit flowrcorp.com or follow Flowr on Twitter: @FlowrCanada and LinkedIn: The Flowr Corporation.

Forward-Looking Information and Statements

This press release contains "forward-looking information" within the meaning of Canadian securities laws, which may include but is not limited to statements made concerning: the planned testing of cultivation systems and techniques using Hawthorne's advanced lighting, fertilization and irrigation systems, growing mediums and research protocols; Flowr focusing its own research on cannabis plant genetics and integrated growing systems and its goals of such research; and the impact of the center and the activities to be conducted on the long-term success of Flowr. Often, but not always, forward-looking information can be identified by the use of words such as "plans", "is expected", "expects", "scheduled", "intends", "contemplates", "anticipates", "believes", "proposes" or variations (including negative and grammatical variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Such information and statements are based on the current expectations of Flowr's management and are based on assumptions and subject to risks and uncertainties. Although Flowr's management believes that the assumptions underlying such information and statements are reasonable, they may prove to be incorrect. The forward-looking events and circumstances discussed in this press release may not occur by certain specified dates or at all and could differ materially as a result of known and unknown risk factors and uncertainties affecting Flowr, including risks relating to: the proposed completion of the Arrangement with Terrace Global; general economic and stock market conditions; adverse industry events; loss of markets; future legislative and regulatory developments in Canada and elsewhere; the cannabis industry in Canada generally; the ability of Flowr to implement its business strategies; the inability to

grow cannabis at a low cost or with the desired THC levels; Flowr's inability to produce or sell premium quality cannabis, risks and uncertainties detailed from time to time in Flowr's filings with the Canadian Securities Administrators; the Company's inability to raise capital or have the liquidity to operate or advance its strategic initiatives and many other factors beyond the control of Flowr.

Although Flowr has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information or statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. No forward-looking information or statement can be guaranteed. Except as required by applicable securities laws, forward-looking information and statements speak only as of the date on which they are made and Flowr undertakes no obligation to publicly update or revise any forward-looking information or statements, whether as a result of new information, future events or otherwise. When considering such forward-looking information and statements, readers should keep in mind the risk factors and other cautionary statements in Flowr's Annual Information Form dated April 29, 2020 (the "AIF") and filed with the applicable securities regulatory authorities in Canada. The risk factors and other factors noted in the AIF could cause actual events or results to differ materially from those described in any forward-looking information or statements.

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