

Decibel Provides Update on Dried Flower Business and Announces Corporate Changes

CALGARY, AB, Sept. 9, 2024 /CNW/ - Decibel Cannabis Company Inc. (the "**Company**" or "**Decibel**") (TSXV: DB) (OTCQB: DBCCF), a market leader in premium cannabis and extract manufactured products, announces the Company's flower strategy has exceeded its expectations and is pleased to provide an update alongside other corporate matters.

This July, the Company announced a refocus on its dried flower consumer, along with a reorganization of dried flower processing across its facilities. The preliminary results of these initiatives are very positive and although these efforts are still in their early stages, the Company anticipates that the successful reception will continue.

"We are excited by the overwhelmingly positive feedback we have received from Provincial boards, retailers, budtenders, and consumers of our reposition of QWEST dried flower and pre-roll products. We are delivering on the promise to provide great quality product at an exceptional value to the flower consumer in Canada. Equally important, as demand is outpacing our current supply, we have established a plan to allow us to satisfy the great demand for our product in Canada while meeting the needs of our international partners in Australia, Israel, UK and Germany." said CRO Adam Coates.

Domestic Flower Strategy

Decibel's hero craft cannabis brand, QWEST, was re-launched in Alberta, BC & Ontario this July with the slogan "More Dank, Less Bank" appealing to flower consumers looking for true craft quality flower at an approachable price point. Supporting the launch campaign was a sampling program focused on budtenders and retailers to reintroduce them to our craft quality and unique strains:

- 98% of survey respondents who received an educational product sample indicated they would recommend QWEST flower products to their customers¹;
- Depletions from AGLC, BC LDB and OCS distribution centres increased by over 500% since launch²;
- Decibel's retail market share in dried flower has grown by over 400% in the past 4 weeks³;
- As demand continues to grow from consumers, we expect more listings to follow from the respective boards; and
- Initiated the development of new product pipeline for 2025 that will expand the QWEST brand through great quality ready-to-consume formats and premiumization of dried flower products at great prices.

¹ Decibel Prepared Survey, participants in most recent QWEST sampling program under

² AGLC Licensed Producer Inventory Report, BC LDP Provincial Wholesale Activity Report, and OCS Sale of Data Report

³ HiFyre Retail Analytics, Licensed Producer Sales, National Data

International Flower Update

- United Kingdom: the Company has received its first Purchase Order ("PO") and expects to ship its first order of QWEST branded dried flower products to the UK before the end of September;
- Australia: the Company has received advanced PO's through the end of 2024 to support the growing demand of its flower products, with its next shipment expected before the end of September;
- Israel: the Company expects to ship its first order of dried flower to its new distribution partner in Israel in the coming week; and
- Germany: the Company expects to ship its first flower products to Germany by the end of 2024.

Annual Meeting Update

The Company has applied to the Court of King's Bench of Alberta under Section 132(2) of the Alberta Business Corporations Act for an extension of time to call its annual meeting of the shareholders of the Company to a date not later than December 31, 2024.

The Company filed its originating application with the Court on September 6th, 2024 and the application will come for a hearing on September 19th, 2024 at 10:00 am MT. The hearing will be conducted in person. Interested parties that wish to attend the hearing should email the Company at info@decibelcc.com as soon as possible and in any event by no later than September 18th, 2024 at 4:00 pm MT for information about the hearing.

The Company will also file applications for exemptions from the TSX Venture Exchange and other applicable regulatory bodies to similarly extend the deadline to hold the annual meeting under the applicable rules, policies and regulations.

Resignation of Officer

The Company accepted the resignation of Warren Matzelle, Chief Product Development and Marketing Officer effective as of September 6th, 2024.

About Decibel

Decibel is a consumer-focused cannabis company focused on delivering products that delight customers through a commitment to robust

innovation and product quality. Leading brands General Admission, Qwest and Vox are among its portfolio sold both across Canada and beginning to extend towards new countries to create a global footprint. Decibel operates a processing and manufacturing facility in Calgary, Alberta and two cultivation facilities in Creston, British Columbia and Battleford, Saskatchewan.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this news release.

Forward-Looking Statements

*This news release contains "forward-looking information" and "forward-looking statements" (collectively, "**forward-looking statements**") within the meaning of the applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release. Any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as "expects", "is expected", "anticipates", "plans", "forecasts", "estimates", "believes", or "intends" or variations of such words and phrases or stating that certain actions, events or results "may" or "could", "would", "might" or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements.*

In this news release, forward-looking statements relate to, among other things; the Company's expectations regarding the optimization of its portfolio, including the Company's ability to continue to attract consumers; the results of the Company's cultivation reorganization, including any anticipated increases in production efficiency, improvements in quality and reduced processing/packaging costs and the Company's ability to scale production; the effects of the Company's process initiatives, including the timeline for completion of these initiatives; the Company's intention to re-focus on dried flower consumers; the Company's expectations regarding the relaunching of QWEST; the expectation that consumer satisfaction will continue or that the Company will be able to continue to reach such consumer on a consistent basis, the timeline to ship flower and vape products to the UK; the effects of its product launch in Australia and the UK; its new relationship with its Israeli distribution partner, the anticipated of the Court hearing in relation to the annual shareholder meeting extension request and related timing of the annual shareholder meeting.

Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the 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: the ability of the Company to implement its rightsizing initiatives, portfolio optimization, cultivation reorganization, process changes and domestic flower strategy; satisfaction of all international regulatory requirements, including applicable product testing; risks relating to delays; risks relating to extension applications in relation the annual shareholder meeting; other regulatory changes and impacts; capital requirements; construction impacts; displacement requirements; global macro-economic events, conditions and factors; the ability to obtain and maintain licenses to retail cannabis products; review of the Company's production facilities by Health Canada and maintenance of licenses (including any amendments thereto) from Health Canada in respect thereof; future legislative and regulatory developments involving cannabis, international export rules and regulations; inability to access sufficient capital from internal and external sources, and/or inability to access sufficient capital on favourable terms; the labour market generally and the ability to access, hire and retain employees; and general business, economic, competitive, political and social uncertainties.

There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on the forward-looking statements contained in this news release. Except as required by law, the Company assumes no obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change, except as required by law.

These forward-looking statements are made as of the date of this news release and the Company disclaims any intent or obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.

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