



NEWS RELEASE

YSS CORP. ANNOUNCES FINAL INSPECTION OF YSS GRANDE PRAIRIE AND PROVIDES STRATEGIC AND OPERATIONAL UPDATE

CALGARY, ALBERTA January 15, 2020 – YSS Corp.TM (“**YSS**” or the “**Company**”) (TSXV: YSS) (WKN: A2PMAX), a premier Canadian cannabis retailer operating under the YSS CannabisTM and Sweet Tree CannabisTM brands, is pleased to provide a strategic and operational update and to announce that YSS Grande Prairie has passed the final Alberta Gaming, Liquor and Cannabis Commission inspection. YSS currently has 16 operating stores in Alberta and Saskatchewan that will grow to 17 upon opening of YSS Grande Prairie, expected in early February.

Strategic and Operational Update

On December 12, 2019, the Government of Ontario released a framework that will, over time, transition cannabis retail in the province from the current lottery-based system to an open market with an expected approximately 20 new Retail Store Authorizations per month initially, starting in April of 2020 (the “**Ontario Framework**”). With a population of over 14 million, Ontario offers the greatest growth potential in Canada.

YSS has applied for its Retail Operator License with the Alcohol and Gaming Commission of Ontario (“**AGCO**”) which opened for applications on January 6, 2020 and the Company is actively advancing expansion plans into Ontario. To open a store, operators must also obtain a store-specific AGCO Retail Store Authorization, applications for which will open on March 2, 2020, with approximately 20 per month expected to be released commencing in April of 2020.

With the news of the Ontario Framework, YSS elected to re-allocate human and capital resources to Ontario and has deferred the construction of three Alberta stores previously planned to open in the first quarter of 2020. This is reflective of the Company’s corporate strategy of remaining nimble within this dynamic industry to facilitate the balance of new opportunities, measured growth and capital controls.

YSS is leveraging experience gained in the roll-out of cannabis retail in Alberta and will continue to focus on quality opportunities that demonstrate potential for quick payback as well as long-term profitability in a mature market. YSS is in the process of screening over 100 potential locations to supplement the single lease the Company currently holds in Ontario.

The initial strategy for YSS will be to identify and pursue at least three premier locations until greater clarity around the licensing timeline is understood. In addition, similar to the strategy deployed in western Canada, YSS will evaluate strategic partnerships and acquisition opportunities in Ontario as the market develops.

Board of Directors Update

YSS also announces the resignation of Sonny Mottahed from the Company's board of directors to focus on other business interests. "Sonny has been a significant supporter of YSS and valuable contributor to the board since its formation in June 2018," said James Miller, Chairman of YSS. "On behalf of the board of directors, the management team and our shareholders, we thank Sonny and wish him the best in his future endeavours."

YSS is committed to becoming the trusted destination for cannabis in Canada by creating and delivering a premier in-store retail experience through understanding customer demands and data, implementing standardized procedures, investing in brand and retail design, offering interactive in-store technology, and developing an experienced and welcoming team. The Company views the continued investment in customer experience as instrumental to establishing customer loyalty, brand recognition and ultimately, future business.

Additional Information

For information on store locations and opening dates please visit www.ysscorp.ca, www.sweettreecannabis.com and follow both our operating brands on social media.

For additional information regarding YSS and to access an updated corporate presentation, please see the Company's website at www.ysscorp.ca/investors. Corporate and financial filings are available under the Company's profile on SEDAR at www.sedar.com.

About YSS Corp.

With retail operations under the **YSS™** and **Sweet Tree™** brands, YSS Corp. is a premium cannabis retailer and the trusted destination to explore and discover cannabis in Canada. YSS operates in locations across Calgary, Edmonton, Red Deer, High River, Okotoks, Spruce Grove, Stony Plain, Vermilion, Lloydminster, Vegreville and Swift Current under the YSS and Sweet Tree brands. In addition, YSS maintains a strategic portfolio of under construction, secured and prospective locations that represent future organic growth potential for the Company. YSS management brings proven expertise across capital markets, retail operations, hospitality, cannabis, financial management and a strong commitment to deliver shareholder value by leveraging high-quality opportunities within this exciting new industry. The YSS retail experience is built on our five fundamental pillars: convenience, value, selection, team, and above all else, trust.

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Forward-Looking and Cautionary Statements

This news release may include forward-looking statements including opinions, assumptions, estimates, the Company's assessment of future plans and operations, and, more particularly, statements concerning: YSS' retail cannabis business strategy, including organic growth and strategic activities; the Company's intent to expand its retail operations into Ontario its strategy related thereto and timing thereof; the Company's secured location in Ontario and intent to pursue additional high-quality locations in Ontario with compelling revenue and gross margin contribution potential; the Company's continued focus on providing a trusted destination to explore, discover and learn more about cannabis, including education relating to CBD and cannabis 2.0 products; the opening, licensing, inspection, construction and planning of YSS or Sweet Tree retail stores and the timing thereof; submitting applications to the Alcohol and Gaming Commission of Ontario (AGCO) for prospective retail stores in Ontario; the ability to identify and obtain high-quality prospective retail locations in Ontario; the ability to build, own and operate additional retail cannabis stores; the receipt of necessary permits and licenses to operate stores in Ontario; and the ability to capitalize on potential opportunities that may arise and the ability to exercise thereon. When used in this document, the words "will," "anticipate," "believe," "estimate," "expect," "intent," "may," "project," "should," and similar expressions are intended to be among the statements that identify forward-looking statements. The forward-looking statements are founded on the basis of expectations and assumptions made by the Company. Forward-looking statements are subject to a wide range of risks and uncertainties and, although the Company believes that the expectations represented by such forward-looking statements are reasonable, there can be no assurance that such expectations will be realized. Any number of important factors could cause actual results to differ materially from those in the forward-looking statements including, but not limited to: successfully applying to the AGCO for Retail Operator License and subsequently Retail Store Authorizations, regulatory, municipality and other third party approvals not being obtained in the manner or timing anticipated, including but not limited to AGCO inspections and licenses and those relating to cannabis 2.0 products; the ability to implement corporate strategies; the state of domestic capital markets; the ability to obtain financing; changes in general market conditions; industry conditions and events; the size of the recreational cannabis market; changing customer habits; the availability of cannabis-retail products from licensed producers, including new cannabis formats; government regulations, including future legislative and regulatory developments involving recreational cannabis; competition from other industry participants; and other factors more fully described from time to time in the reports and filings made by the Company with securities regulatory authorities. Please refer to the Company's annual information form and management's discussion and analysis for the year ended December 31, 2018 for additional risk factors relating to the Company, which can be accessed under the Company's profile on www.sedar.com.

Except as required by applicable laws, the Company does not undertake any obligation to publicly update or revise any forward-looking statements.

This news release contains future-oriented financial information and financial outlook information (collectively, "FOFI") about the Company's revenue and gross margin, which are subject to the same assumptions, risk factors, limitations, and qualifications as set forth in the above paragraphs. FOFI contained in this document was approved by management as of the date of this document and was provided for the purpose of providing further information about YSS' future business operations. YSS disclaims any intention or obligation to update or revise any FOFI contained in this document, whether as a result of new information, future events or otherwise, unless required pursuant to applicable law. Readers are cautioned that the FOFI contained in this document should not be used for purposes other than for which it is disclosed herein.

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