

Red Light Holland Closes Acquisition of Cutting Edge Silicon Valley Applied Sciences Company Radix Motion, Becoming a Leader in Psychedelic Technology

- Radix Motion's biometric movement data technology addresses one of the biggest challenges of microdosing, finding the optimal dose and protocol for each person.
- By utilizing large data sets from people legally using the product in the Netherlands, and choosing to share their data, Radix Motion will produce predictive AI models that will increase the scientific data around microdosing, helping people find their optimal dose.
- This scientific data is geared toward being a valuable asset for working with regulatory agencies towards expanding the legal responsible use of microdosing in other countries.
- Radix Motion plans to expand its offerings to more wellness verticals to increase scientific data around other substance and behaviour intervention that have the potential to help people.
- Radix Motion's expertise in immersive technology will continue to create cutting edge interactive education promoting responsible use of psychedelics and focusing on applications that utilize biometric data to connect people to themselves and to each other.
- Radix Motion is focused on exponential growth verticals such as immersive informed consent and screening of subjects in novel drug research, digital therapeutics and mobile health apps and interactive training on use of psychedelic substances.

Toronto, Ontario--(Newsfile Corp. - June 8, 2021) - Red Light Holland Corp. (CSE: TRIP) (FSE: 4YX) (OTC Pink: TRUFF) ("**Red Light Holland**" or the "**Company**") is pleased to announce its wholly owned subsidiary, Red Light Acquisition Inc. ("**Red Light US**") has acquired (the "**Acquisition**") Radix Motion Inc. ("**Radix Motion**"), a technology and innovation company focused on empowering the psychedelic ecosystem with embodied technology, including augmented reality, virtual reality, and interactive holograms. Radix Motion's core technology is based on neuroscience research including its first product, Meu, which has been hailed by Douglas Rushkoff as "Working to realize Terence Mckenna's vision."¹

"Psychedelics increase the plasticity in our brain and I believe the future of psychedelics will be using technology like ours to create support structures and customizable settings that will allow for tight feedback loops to help people achieve personal growth," said Sarah Hashkes, the CEO of Radix Motion and CTIO of Red Light Holland. "The broader vision we have for Radix Motion is utilizing my neuroscience research in movement data and psychedelics with Co-Founder Matthew Hoe's expertise in immersive technology and AR/VR to create healthy bridges between our body and technology. With Red Light Holland's support, we can further our vision and build technology that increases the bandwidth of human connection by linking us to our body and to each other in alignment with the magic of psychedelics."

"After working with Radix Motion for almost a year now, we are proud to have finalized our acquisition because we strongly feel their expertise, innovation and team give us a unique and superior digital and technological advantage in the Psychedelic Sector," said Todd Shapiro, Chief Executive Officer and Director of Red Light Holland. "Judging by Red Light Holland's Digital Telecounseling activation with our iMicrodose Product in the Netherlands, coupled with our educational VR, AR and our working iMicroApp built by Sarah Hashkes' team, we believe - on top of early adapters and current end users - many other people, industries, countries and progressive advisory boards and Health Authorities can benefit from Radix Motion's innovation. Psychedelics and technology go hand in hand. With Radix Motion, the future

is now."

"I am so happy to be working together with Red Light Holland on such an aligned vision. Our team's unique tech and expertise in psychedelics, virtual avatars, immersive technology, and neuroscience, in collaboration with Red Light Holland, is leading to innovation that I haven't seen anywhere else in the space. I'm excited to continue developing products that help people by promoting wellness through psychedelics and technology," said Matthew Hoe, Co-founder of Radix Motion.

Among the future products Radix Motion is committed to build for Red Light Holland is Wisdom, a companion figurine that will be a meditation aid and help people create a healthier relationship with their cell phone.

Radix Motion technology is currently powering Red Light Holland's iMicro privacy first web app and digital care platform as well as AR and VR educational experiences that explain the effects of psychedelics and allow customers in the Netherlands to learn more about microdosing in a fun and interactive way. The data from the app will be used as part of Red Light Holland's pending patent to help people find their optimal dose and protocol for microdosing utilizing biometric data.

The Acquisition was completed pursuant to the terms of the definitive agreement (the "**Acquisition Agreement**") dated June 7, 2021, pursuant to which Red Light US acquired all of the issued and outstanding shares of Radix Motion ("**Radix Shares**") for approximately US\$3.2 Million. The consideration was comprised of: (i) 12,701,741 common shares of Red Light (the "**Red Light Shares**"), having an aggregate value of US\$3,195,406 with each Red Light Share priced at the 10-day volume weighted average price of the Red Light Shares on the Canadian Securities Exchange immediately prior to the closing of the Acquisition (the "**Share Consideration**"); and (ii) US\$67,413.05 in cash (the "**Cash Consideration**").

Pursuant to the Acquisition Agreement, 25% of the Acquisition consideration has been placed in escrow for a period of 18 months from Closing, and the Red Light Shares issued pursuant to the Share Consideration are subject to a 24 month lock-up, with 1/6 released every 4 months.

Adopts Restricted Share Unit Plan

In order to further align the interests of the Company's senior executives, key employees, consultants and directors with those of the shareholders of the Company, the board of directors (the "**Board**") has approved the implementation of a restricted share unit plan (the "**RSU Plan**"). Under the RSU Plan, eligible persons may (at the discretion of the Board) be allocated a number of restricted share units ("**RSU**") as the Board deems appropriate, with vesting provisions also to be determined by the Board, subject to a maximum vesting term of three (3) years from the end of the calendar year in which RSUs were granted. Upon vesting, eligible participants shall be entitled to receive Common Shares from treasury to satisfy all or any portion of a vested RSU award.

The RSU Plan is a "rolling" plan reserving a maximum of 10% of the issued and outstanding shares of the Company at the time the RSU Plan is approved. The maximum number of RSUs issuable under the RSU Plan is fixed at 33,288,876 (being 10% of the issued and outstanding common shares as of today's date), provided however that at no time may the number of RSUs issuable under the RSU Plan, together with the number of Common Shares issuable under options that are outstanding under the Company's stock option plan ("**Option Plan**"), exceed 10% of the issued and outstanding common shares, calculated on a fully diluted basis, as at the date of a grant under the RSU Plan or the Option Plan, as the case may be. The Company has committed to issue an aggregate of 3,924,043 shares to the employees of Radix under the RSU Plan as determined by the board of Radix Motion.

Further details regarding the RSU Plan and all awards made thereunder will be set out in the management information circular and proxy statement of the Company that will be delivered to shareholders in respect of the Company's next annual meeting of shareholders.

RSU Grants

The Company has reserved an aggregate of 3,924,042 RSUs to be issued to current and future employees of Radix Motion, to be allocated by a committee of the Board upon request from Radix Motion. Each vested RSU entitles the holder to receive one Common Share.

RELATED PARTY TRANSACTION

As a certain officer of the Company received Red Light Shares in connection with the Acquisition, it is considered related party transactions for the purposes of Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). The participation of the officer is exempt from the formal valuation and minority shareholder approval requirements provided under MI 61-101 in accordance with sections 5.5(a) and 5.7(1)(a) of MI 61-101. The Company is relying on an exemption from the formal valuation requirements of MI 61-101 available because the fair market value of the Red Light Shares pertaining to the officer does not exceed 25% of the Company's market capitalization, as determined in accordance with MI 61-101. The Company did not file a material change report related to this Acquisition more than 21 days before the expected closing of the Acquisition as required by MI 61-101 since the details of the Acquisition were not settled until shortly prior to the closing of the Acquisition and the Company wished to close on an expedited basis for sound business reasons.

About Red Light Holland Corp.

The Company is an Ontario-based corporation engaged in the production, growth and sale (through existing Smart Shops operators and an advanced e-commerce platform) of a premium brand of magic truffles to the legal market within the Netherlands, in accordance with the highest standards, in compliance with all applicable laws.

For additional information on the Company:

Todd Shapiro

Chief Executive Officer & Director

Tel: 647-204-7129

Email: todd@redlighttruffles.com

Website: <https://redlighttruffles.com/>

Forward-Looking Statements

This press release contains certain "forward-looking information" within the meaning of applicable Canadian securities legislation. Such forward-looking information and forward-looking statements are not representative of historical facts or information or current condition, but instead represent only the Company's beliefs regarding future events, plans or objectives, many of which, by their nature, are inherently uncertain and outside of Red Light Holland's control.

Generally, such forward-looking information or forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or may contain statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "will continue", "will occur" or "will be achieved". The forward-looking information and forward-looking statements contained herein include, but are not limited to, the terms and conditions of the Acquisition, any statements regarding the Company's intention to utilize technology to develop products in the psychedelics space, the terms and conditions of the Company's RSU Plan, regulatory or political change such as changes in applicable laws and regulations, perception of the medical-use psilocybin industry, competition, and other factors or developments that may hinder market growth. The forward-looking events and circumstances discussed in this release may not occur and could differ materially as a result of known and unknown risk factors and uncertainties affecting the Company, including risks regarding the COVID-19 pandemic, market conditions, economic

factors, and management's inability to manage and to operate the business and the equity markets generally. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended.

Although each of Red Light Holland believes that the assumptions and factors used in preparing, and the expectations contained in, the forward-looking information and statements are reasonable, undue reliance should not be placed on such information and statements, and no assurance or guarantee can be given that such forward- looking information and statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information and statements. The forward-looking information and forward-looking statements contained in this press release are made as of the date of this press release. Except as required by applicable securities laws, forward-looking statements speak only as of the date on which they are made and the Company assumes no obligation to update forward-looking statements, whether as a result of new information, future events or otherwise.

¹ Douglas Rushkoff <https://gen.medium.com/most-vr-is-total-bullshit-81a08431df38>

To view the source version of this press release, please visit <https://www.newsfilecorp.com/release/86897>