

Red Light Holland and Creso Pharma Agree to Terminate Merger

Toronto, Ontario--(Newsfile Corp. - August 30, 2021) - Red Light Holland Corp. (CSE: TRIP) (FSE: 4YX) (OTC Pink: TRUFF) ("Red Light Holland"), an Ontario-based corporation engaged in the production, growth and sale of magic truffles to the legal, recreational market within the Netherlands, announced today that Red Light Holland and Creso Pharma Limited (ASX: CPH) (FSE: 1X8) (OTCQB: COPHF) ("Creso Pharma") have mutually agreed to terminate the previously announced definitive scheme implementation deed (the "Deed").

Red Light Holland and Creso Pharma had originally entered into the Deed to implement a merger of the companies (the "Merger") in June 2021. However, as a result of various impacts from the COVID-19 pandemic, including significant travel restrictions, Red Light Holland and Creso Pharma have mutually concluded that the Merger would no longer be in the best interests of their respective shareholders. As the two companies have significant operations in multiple countries across the globe, it became increasingly apparent that integration difficulties would limit the anticipated synergies from the proposed Merger. As a result, both Red Light Holland and Creso Pharma have agreed to mutually terminate the Deed, while remaining allies in their mission to provide consumers with formerly illicit and functional substances across the world, while strengthening their respective technology, innovation and applied sciences divisions.

"While we determined that a merger was no longer in the best interests of the two companies, we look forward to continuing to work closely with Adam Blumenthal and the rest of the Creso Pharma team as Red Light Holland has agreed to white-label Creso Pharma's products and distribute them across our SR-Wholesale sales channels," said Todd Shapiro, CEO and Director of Red Light Holland. "We are also continuing our search for other M&A opportunities as we are confident that our large cash balance puts us in a position of strength as potential progressive regulatory changes in the North American psychedelic and recreational cannabis sectors open up."

"We respect Todd Shapiro and the entire team at Red Light Holland. Unfortunately, the geographic span of our respective businesses made a merger at this time impractical," added Creso Pharma's Non-Executive Chairman, Adam Blumenthal. "We look forward to working with the Red Light Holland team through our new supply arrangement."

Red Light Holland is pleased to announce that Bruce Linton, the founder and former chief executive officer of Canopy Growth Corporation, will remain as a Chairman of Red Light Holland's Advisory Board.

For additional information on Red Light Holland:

Todd Shapiro
Chief Executive Officer & Director
Tel: 647-204-7129
Email: todd@redlighttruffles.com
Website: <https://redlighttruffles.com/>

About Red Light Holland

Red Light Holland 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.

Forward-looking statements

This news release contains "forward-looking information" within the meaning of applicable Canadian securities legislation. Often, but not always, forward-looking statements and information can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "estimates", "intends", "anticipates" or "does not anticipate", or "believes", or 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. Forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Red Light Holland or its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information contained in this news release. Examples of such information include statements with respect to the new supply arrangement between Red Light Holland and Creso Pharma, future acquisition opportunities and expectations for other economic, business and/or competitive factors. Risks, uncertainties and other factors involved with forward-looking information could cause actual events, results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking information, including the expectations regarding future investment, growth and expansion of the operations of the businesses; regulatory and licensing risks; changes in general economic, business and political conditions, including changes in the financial and stock markets; risks related to infectious diseases, including the impacts of the COVID-19 pandemic; legal and regulatory risks inherent in the cannabis and magic psychedelics industries, including the global regulatory landscape and enforcement related to cannabis and psychedelics, political risks and risks relating to regulatory change; risks relating to anti-money laundering laws; compliance with extensive government regulation and the interpretation of various laws, regulations and policies; public opinion and perception of the cannabis and psychedelics industries; and such other risks contained in the public filings of Red Light Holland filed with Canadian securities regulators and available under Red Light Holland's profile on SEDAR at www.sedar.com, including Red Light Holland's annual information form for the year ended March 31, 2020.

Red Light Holland has provided forward-looking information in reliance on certain assumptions that they believe are reasonable at this time. Although Red Light Holland believes that the assumptions and factors used in preparing the forward-looking information in this news release are reasonable, undue reliance should not be placed on such information and no assurance can be given that such events will occur in the disclosed time frames or at all. Should one or more of the foregoing risks or uncertainties materialize, or should assumptions underlying the forward-looking information prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected. Although Red Light Holland has attempted to identify important risks, uncertainties and factors which could cause actual results to differ materially, there may be others that cause results not to be as anticipated, estimated or intended. The forward-looking information included in this news release are made as of the date of this news release and Red Light Holland does not undertake any obligation to publicly update such forward-looking information to reflect new information, subsequent events or otherwise unless required by applicable securities laws.

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