

Red Light Closes Acquisition of Mera Life Sciences and Files Quarterly Financial Statements

Toronto, Ontario--(Newsfile Corp. - August 31, 2021) - Red Light Holland Corp. (CSE: TRIP) (FSE: 4YX) (OTC Pink: TRUFF) ("Red Light Holland" or the "Company"), an Ontario-based corporation engaged in the production, growth and sale of a premium brand of magic truffles, is pleased to announce that its financial results for the quarter ended June 30, 2021 ("Q1FY22") have been filed on SEDAR. Separately, the Company has closed its previously announced acquisition of Mera Life Sciences ("Mera").

Financial Statements

The Company is pleased to announce that its annual financial statements for the quarter ended June 30, 2021 are now available on SEDAR and highlights key data points below:

- Q1 FY22 revenue grew 521% over Q4 FY2, to \$595,137
- Cash balance remains healthy, in excess of \$29 million
- Company remains committed to identifying and executing M&A transactions within psychedelics and recreational THC markets

"I'm so proud of our team for another great quarter. This is the second quarter in a row we have grown revenues by over 500%, and growing our revenues on a quarterly basis remains a core focus of our business in becoming a revenue focused Psychedelic Company," said Todd Shapiro, CEO and Director of Red Light Holland. "As well, our team remains razor focused on identifying and executing additional M&A transactions in both the psychedelics and recreational THC sectors, and we hope to bring additional deals to the market over the coming months with counterparties that exhibit material revenue capabilities and cautious spending habits."

Mera Life Sciences

Shapiro added: "Separately, we have also completed the acquisition of Mera and its coveted psychedelic licenses in St. Vincent and the Grenadines. We have renamed Mera to Scarlett Lillie Science and Innovation, which allows for us to carefully pursue financially disciplined high quality psychedelic product research and development, open up treatment clinics, cultivate, extract and process, and export not just Psilocybin, but other compounds such as Ayahuasca, MDMA, DMT, Peyote, Ketamine and many other natural based plants. Red Light Holland can now explore the inner molecular worlds of multiple plant species, including a variety of psychedelics potentially putting us in a position to discover novel clinical applications for a variety of natural psychedelics. We hope to be on the frontier of natural plant based drug discovery while being in control of the inner workings including staffing, budgeting and a synergistic company culture."

"Working through the Mera acquisition with the various stakeholders involved has been a really fantastic experience," said William Lay, EVP and Chief Strategy Officer of Red Light Holland. "I'm really excited for Red Light to take advantage of such a comprehensive applied science landscape to further its initiatives within the Scarlett Lillie Sciences and Innovation division, and to continue pursuing attractive M&A opportunities."

Hon. Minister Saboto Ceasar, Minister of Agriculture, Forestry, Fisheries, Rural Transformation Industry and Labor of St. Vincent and the Grenadines added: "We welcome Red Light Holland and Scarlett Lillie Sciences and Innovation as one of the Pioneer Licensees in St. Vincent and the Grenadines'

modern medicinal wellness industry. Our mantra is that this industry 'begins and ends with science'. This important event demonstrates that our legal framework and wide range of protocols will make St Vincent and the Grenadines an enviable business and research destination for serious scientists and psychedelics companies. Red Light Holland is a world-class, professional organization that patiently worked through all details required to ensure a successful and profitable venture. Their CEO Todd Shapiro has invested and established roots here in our country that will flourish into a special partnership. We are excited to work with the entire team as they continue their march forward."

The Acquisition was completed pursuant to the terms of the definitive agreement (the "Acquisition Agreement") dated July 29, 2021, pursuant to which Red Light Holland acquired 100% of the issued and outstanding shares of Mera for \$2,450,000. The consideration will be comprised of up to 7,000,000 common shares of the Company (the "Red Light Shares"), with each Red Light Share priced at \$0.35, representing a 35% premium to the closing price of the Red Light Shares on the Canadian Securities Exchange immediately prior to the closing of the Acquisition. Upon closing of the transaction, the Company issued 700,000 Red Light Shares to the vendor of Mera.

The remaining 6,300,000 Red Light Shares will be released to the vendors based on the achievement of several milestones, which include: the importation of 15,000 grams of iMicrodose truffles to St. Vincent and the Grenadines ("SVG"), governmental authority to rename Mera to Scarlett Lillie Sciences and Innovation, the successful prescription and sale of iMicrodose truffles to at least five patients in SVG or the successful administration of iMicrodose truffles to at least five participants in a scientific study or trial in SVG, the extraction and testing of the iMicrodose truffles, the successful export of iMicrodose truffles from SVG to another jurisdiction, and the final implementation of SVG's regulatory framework for the psychedelics industry.

Mera currently holds a Medicinal Industry Development License (the "**License**") issued by the SVG Bureau of Standards, which permits the research, cultivation, production, development and extraction, import and export, clinical treatment facilities, and prescribed patient access in specifically licensed clinical treatment facilities. The License applies to the following compounds: Tumeric, Aloe Vera, Papaya, Arrowroot, Soursop, Coconut, Ginger, Moringa, Ayahuasca, Mushroom, Iboga, Sassafras, Peyote, Psilocybin, Ibogaine, Dimethyltryptamine (DMT), Mescaline, Ketamine, 3-4 Methylenedioxy - Methamphetamine (MDMA), Lysergic Acid Diethylamide (LSD), 5-Methoxy-N,N-Dimethyltryptamine (5-MeO-DMT). The Company has worked closely with the SVG government over the last 6 months to assist in the development of the final regulatory framework which will govern the Company's expected activities in SVG, and has been informed by the SVG government that it expects these regulations, which are in substantially final form, to be signed into law in the near future.

Mera has been renamed Scarlett Lillie Science and Innovation ("SLSI") and will serve as a key growth driver with respect to its ability to engage in various research and applied science applications.

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.

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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 the Company'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: identify and executing M&A transactions within psychedelics and recreational THC markets; the completion of the conditions with respect to the 6,300,000 Red Light Holland Shares; the signing of the regulations developed in conjunction with the SVG government into law; and the ability of SLSI to drive growth.

Forward-looking information in this news release are based on certain assumptions and expected future events, namely: the Company's ability to continue as a going concern; the continued commercial viability and growth in popularity of functional mushrooms and/or magic truffles; continued approval of the Company's activities by the relevant governmental and/or regulatory authorities; and the ability of the Company to fulfil the listing requirements of the CSE.

These statements involve known and unknown risks, uncertainties and other factors, which may cause actual results, performance or achievements to differ materially from those expressed or implied by such statements, including but not limited to: the risks associated with the psychedelics industry in general such as operational risks in growing, competition, incorrect assessment of the value and potential benefits of various transactions; the inability of the Company to identify and execute M&A transactions within psychedelics and recreational THC markets; the non-completion of the conditions with respect to the 6,300,000 Red Light Holland Shares; the refusal of the SVG government to sign the regulations developed with the Company into law the inability of SLSI to drive growth; the diversion of management time on transaction-related issues; 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 the Company filed with Canadian securities regulators and available under the Company's profile on SEDAR at www.sedar.com.

Forward-looking statements contained in this news release are expressly qualified by this cautionary statement and reflect our expectations as of the date hereof, and thus are subject to change thereafter. Red Light Holland disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

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