

Red Light Holland Closes Majority Stake in Acadian Exotic Mushrooms, Partnering with Leading Canadian Fresh and Dried Mushroom Producers on East Coast Facility

- *Red Light Holland Closes Acquisition of 51% of Acadian Exotic Mushrooms*
- *The Vendors have agreed to purchase all sales from AEM's entire produce for the next three years at a purchase price of \$6 per pound*
- *AEM will fall under the Red Light Farms division, joining Happy Caps Gourmet Mushroom Farm in Halifax, Nova Scotia and Red Light Truffle Farm in Horst, The Netherlands*

Toronto, Ontario--(Newsfile Corp. - September 7, 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 it has acquired (the "**Acquisition**") a 51% stake in Acadian Exotic Mushrooms Ltd. ("**AEM**"). AEM is a gourmet mushroom production facility co-owned by leading Canadian mushroom farming groups/individuals Holburne Mushroom Farm and Mike and Fernando Medeiros (the "**Vendors**") co-owners of Carleton Mushroom Farms. AEM will have the ability to produce, package and distribute a wide variety of fresh mushrooms with guaranteed sales contracts, while offering an assortment of dried options and the potential to produce functional mushroom consumer packaged goods. Start-up activities are currently underway, and the Company expects operations at AEM to commence by early 2022.

"We at Red Light Holland are delighted to have inked this exciting partnership with clear industry leaders in the mushrooms sector," said Todd Shapiro, CEO and Director of Red Light Holland. "Mushrooms and Truffles are our core focus. We are partnering with mushroom farming veterans and look forward to a potential future where the AEM facility could be converted to support Canadian psychedelic operations, if and when regulations permit. In the meantime, given the relationships and scale of our partners, AEM has a guaranteed revenue stream and we have another addition to the Red Light Farms division. We look forward to updating the market when AEM commences its first grow from the newest Red Light Farm in Canada."

"This is an incredible partnership for Red Light Holland," said Bruce Linton, Chair of Red Light Holland's advisory board. "In my experience, any time you close a deal and partner with industry leaders, it bodes very well for the business as a whole. Todd continues to prove out his mandate on future near term revenues and Red Light Holland continues to pursue other M&A opportunities that fit and compliment their core focus of psychedelics, while searching out other opportunities with the strict goal of increased revenue generation but with cautious spending habits."

"We at AEM have been discussing the potential of breaking into the psychedelic/psilocybin sector for a few years now, so when the opportunity arose for us to partner with Red Light Holland, there was no doubt that this was the right partnership for us. We felt that Red Light Holland had great depth on their board of directors who possess a great vision for the future of psychedelics & psilocybin. We look forward to bringing our expertise and knowledge of the mushroom industry into this partnership and help propel Red Light Holland to be a market leader in the psychedelic & psilocybin sector," said Mike Medeiros, co-owner of Carleton Mushroom Farms.

The Acquisition was completed pursuant to the terms of the definitive agreement (the "**Acquisition Agreement**") dated September 7, 2021, pursuant to which Red Light Holland acquired 51% of the

issued and outstanding shares of AEM for aggregate consideration of up to \$1,530,000. The consideration was comprised of \$230,000 cash and 3,065,135 common shares of the Company (the "**Red Light Shares**"). The Acquisition Agreement provides for up to 1,915,708 additional Red Light Shares (the "**Earn-Out Shares**") to be issued to the Vendors subject to the satisfaction of certain milestones. The Company and the Vendors have also entered into an offtake agreement, subject to which, the Vendors will ensure a minimum purchase price of \$6 per pound for all output from the facility for 3-year period.

In connection with the Acquisition, Red Light Holland will also issue 197,318 Red Light Shares to Ed Darlington, a consultant of the Company, in satisfaction of a finder's fee. Mr. Darlington will also be entitled to additional Red Light Shares with a value of up to \$25,000 in the event that the Earn-Out Shares are issued to the Vendors.

About Mike and Fernando Medeiros and Holburne Mushroom Farm

Carleton Mushroom Farms was founded in 1984 by Mike and Fernando's parents and remains a family run business. Mike and Fernando took over day to day operations in 2005. In recent years growing capacity has tripled, and yields have steadily increased to 12 million pounds per year. Carleton Mushroom Farms implements cutting edge technologies from around the world as part of their growing practices. Website: <https://www.carletonmushroom.com/>.

Holburne Mushroom Farm is a local family owned and operated business that specializes in growing fresh, organic Shiitake and Oyster Mushrooms since 2005. Production of Organic Shiitake and Oyster Mushrooms has steadily increased to current yield of 1.3 million pounds per year. Proudly, the largest fresh, Organic Shiitake Mushroom growers in Canada.

About Red Light Holland

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.

For additional information on the Company:

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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. 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 the Company, AEM or their respective 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 anticipated operating abilities of AEM; the commencement of operations at AEM; the guaranteed sales contracts for AEM; the potential that the AEM facility could be converted to support Canadian psychedelic operations; the Company's pursuit of other M&A opportunities; statements about the future

of the Company's partnership with AEM, including with respect to the offtake agreement; 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, expectations regarding future growth and expansion of the operations of the business; 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 psychedelics industry, including the global regulatory landscape and enforcement related to 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 psychedelics industry; 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, including the Company's annual information form for the year ended March 31, 2020.

Although the Company 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, and the Company does not undertake to update any forward-looking information and/or forward-looking statements that are contained or referenced herein, except in accordance with applicable securities laws.

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