

Red Light Holland and Mistercap LLC Partnership Update

Clarification and additional information pertaining to the June 30th, 2022 Press Release regarding Red Light Holland and the MISTERCAP mushroom wellness brand.

Toronto, Ontario--(Newsfile Corp. - July 18, 2022) - 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 functional (e.g. shiitake, lion's mane) mushroom home grow kits in North America, and a premium brand of magic truffles to the legal, recreational market within the Netherlands, is pleased to provide this clarification and update with additional information regarding its partnership with Mistercap LLC.

The partnership created by Red Light Holland and Mistercap LLC for the new Mushrooms wellness brand called MISTERCAP, will initially launch with a functional mushroom home grow kit, allowing customers to grow their own legal mushrooms in the comfort of their own homes, expected to be sold in Q4 of 2022. From there, the companies intend to expand to other legal, functional and innovative mushroom products, as well as a line of apparel and accessories, to be made available across the EU and North America in early 2023. Further, Mistercap LLC will be receiving marketing advisory services from the multi-platinum-selling, GRAMMY® and Golden Globe® Award-nominated recording artist Wiz Khalifa for the new MISTERCAP brand, who will leverage his social media presence to promote legal mushroom products.

The MISTERCAP brand, in conjunction with Red Light Holland, is also committed to creating educational and responsible use messaging in relation to the use of any products made available by the brand. Red Light Holland and Mistercap LLC will share further details on the MISTERCAP products, team, and vision in the weeks to come. MISTERCAP products will be intended to help promote a healthy lifestyle. No MISTERCAP products are intended to treat or cure any medical conditions and are in no event a substitute for professional medical care. No statements made by Red Light Holland, Mistercap LLC or Wiz Khalifa have been evaluated by the United States Food and Drug Administration or any other similar body of another jurisdiction, and are in no event a substitute for professional medical care. Red Light Holland, Mistercap LLC and Wiz Khalifa encourage all consumers to speak with their doctors and professional medical advisors for any solutions that may be appropriate for each person individually.

About MISTERCAP

MISTERCAP is a mushroom wellness brand founded in 2022 to create innovative functional mushroom wellness products and is affiliated with multi-platinum-selling, GRAMMY® and Golden Globe® Award-nominated recording artist Wiz Khalifa, who provides marketing advisory services to the company. More information will be made available in the coming weeks on MISTERCAP.COM and INSTAGRAM.COM/MISTERCAP

Transaction Details

*As has previously been disclosed, in connection with launching the MISTERCAP brand, Red Light Holland and Mistercap, LLC have entered into an intellectual property licensing agreement (the "**IP Licensing Agreement**"). Pursuant to the terms of the IP Licensing Agreement, Mistercap, LLC shall exclusively license certain intellectual property held by Mistercap, LLC to Red Light Holland to develop, cultivate, process, package, distribute and sell mushroom and/or truffle-related products under the MISTERCAP brands. The initial term of the IP Licensing Agreement shall be for three years*

*and shall be automatically renewable for one-year successive terms upon Red Light Holland continuing to hit certain benchmark sales targets. As partial consideration for the license, Mistercap, LLC will be paid (i) C\$250,000 in cash and (ii) C\$1,000,000, which is to be satisfied through the issuance of common shares in the capital of Red Light Holland (the "**Common Shares**") at a price of \$0.075 per Common Share. The Common Shares will be subject to a four month and one day hold period pursuant to the policies of the Canadian Securities Exchange ("**CSE**") and applicable securities laws. In addition, Mistercap, LLC will: (x) receive monthly royalty payments paid over the term of the IP Licensing Agreement, calculated based on the sale of products developed pursuant to the partnership and (y) be paid a monthly marketing fee. Additional payments are due in the event future markets are available to sell in pursuant to the terms of the IP Licensing Agreement. The Company has budgeted C\$1,000,000 per year to fulfill royalty fees, marketing expenses and additional payment obligations owed to Mistercap, LLC pursuant to the terms of the IP Licensing Agreement. The Company plans on reallocating a majority of the \$1,800,000 marketing budget outlined under the heading "Use of Proceeds and Milestones" in the Company's management discussion and analysis for the nine months ended December 31, 2021 towards growing the MISTERCAP brand.*

About Red Light Holland Corp.

The company is an Ontario-based corporation that specializes in the mushroom industry, and specifically home grow kits for functional natural mushrooms, while positioning itself to engage 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, recreational market within the Netherlands, in accordance with the highest standards, in compliance with all applicable laws.

For additional information:

Todd Shapiro
Chief Executive Officer and Director
Tel: 647-643-TRIP (8747)
Email: todd@redlight.co
Website: www.RedLight.co

Mistercap, LLC

The Lede Company / Chris Iacullo <Chris.iacullo@ledecompany.com>
The Lede Company / Hannah Haines <Hannah.Haines@ledecompany.com>
The Lede Company / Sami Brensilber <Samantha.Brensilber@ledecompany.com>

Website: www.mistercap.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 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 or its 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 plans and goals of the Company and MISTERCAP, including the launch of the MISTERCAP website and associated merchandise; the success of the MISTERCAP brand; future product offerings of the Company under the MISTERCAP brand; the timelines and markets associated with launching products under the MISTERCAP brand; the future marketing and advertising campaigns of the Company and MISTERCAP, including how the Company's marketing budget will be utilized; additional payment obligations owing to MISTERCAP pursuant to the terms of the IP Licensing Agreement; the focus of the Company and MISTERCAP brand; the ongoing consideration payable under the IP Licensing Agreement; the renewability of the IP Licensing Agreement; and future changes in legislation and the regulations surrounding, among other things, the ability to sell the Company's products in newmarkets.

Forward-looking information in this news release are based on certain assumptions and expected future events, namely: continued approval of the Company's activities by the relevant governmental and/or regulatory authorities; the continued growth of the Company; the Company meeting their anticipated timeline and process for growth, sales, production and commercialization; the Company's products being safe and providing their anticipated benefits; the Company and MISTERCAP fulfilling its future plans and goals, including the launch of the MISTERCAP website and associated merchandise; the MISTERCAP brand and future product offerings of the Company under the MISTERCAP brand succeeding; the Company launching products under the MISTERCAP brand upon the timelines and in the markets disclosed herein; the Company, MISTERCAP launching future marketing and advertising campaigns, including the Company's marketing budget being utilized as outlined herein; additional payments being paid to MISTERCAP pursuant to the terms of the IP Licensing Agreement; the Company's revenues will continue to grow, the Company and MISTERCAP fulfilling their respective obligations under the IP Licensing Agreement; the Company hitting certain benchmark sales under the IP Licensing Agreement; the term of the IP Licensing Agreement continuing to renew; additional jurisdictions permitting sales of the brand's products in the future; and future changes in legislation and the regulations not impacting the Company's ability to fulfil its plans and goals, including the ability to sell the Company's products in newmarkets.

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, expansion, production, sales and commercialization 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 industry, including the global regulatory landscape and enforcement related to the brand's products; 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 industry; risk that the Company's products will be unsafe for personal consumption and/or not provide their anticipated benefits; risk that there may not be continued demand for the Company's products and/or demand will plateau; risk that the Company and MISTERCAP may be unable to fulfill their future plans and goals, including the launch of the MISTERCAP website and associated merchandise; risk that the MISTERCAP brand and/or the product offered under the brand will be unsuccessful and will not sell; risk that the Company will be unable to offer product under the MISTERCAP brand; risks that the Company will be unable to meet the timelines and/or sell in the markets outlined herein associated with launching products under the MISTERCAP brand or at all; risks surrounding future marketing and advertising campaigns of the Company and MISTERCAP, including how the Company's marketing budget will be utilized; risks around the quantum owing under the additional payment obligations owed to MISTERCAP pursuant

to the terms of the IP Licensing Agreement; risk that the Company, alongside MISTERCAP, will be unable to increase revenues; risk that the Company and MISTERCAP will be unable to fulfill their respective obligations under the IP Licensing Agreement; risk that the Company will be unable to hit certain benchmark sales under the IP Licensing Agreement; risk that the term of the IP Licensing Agreement won't be renewed following the initial term; risks surrounding additional jurisdictions not permitting sales of the brand's products in the future; risk of future changes to regulations surrounding the brand's products and/or to the Company's business which may hinder the ability of the Company to attain its goals and/or pursue its plans and/or sell its products in additional markets; 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.

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.



RED LIGHT HOLLAND

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