

Red Light Holland Updates Acquisition and Development of 100 Acres of Farmland in Ontario, Canada Expanding Its Mushroom Farms Division in North America

- *Through experienced partners, Red Light's Farm Division plans on growing mushroom production with projected additional 65,000 sq feet of "Innovative and Unique" mushroom production facilities*
- *Red Light Holland is currently working with an expert mushroom design firm in The Netherlands and experienced Canadian engineers*
- *Plans are expected to be submitted to the township of Cavan-Monaghan in Peterborough, Ontario within 8 weeks*

Toronto, Ontario--(Newsfile Corp. - January 24, 2023) - Red Light Holland Corp. (CSE: TRIP) (FSE: 4YX) (OTCQB: TRUFF) ("Red Light Holland" or the "Company"), an Ontario-based corporation engaged in the production, growth and sale of functional mushrooms and mushroom home grow kits in North America and Europe, and a premium brand of psilocybin truffles to the legal, recreational market within the Netherlands, in compliance with all applicable laws is pleased to provide an update further to its press release dated June 20, 2022, whereby the Company had acquired 100 acres of farmland located in the Township of Cavan-Monaghan (the "Township") in Peterborough, Ontario (the "Peterborough Farm") for \$1.85 million paid in cash. With great enthusiasm, the Company proudly presents an initial draft 3D rendering of the future Peterborough Farm.



Figure 1

To view an enhanced version of this graphic, please visit:

https://images.newsfilecorp.com/files/2017/152298_082860c33466cbcb_001full.jpg

The Company continues to work with Acadian Exotic Mushrooms Ltd. ("AEM Farms"), an operating gourmet mushroom production facility in New Brunswick, Ontario, which is majority owned by Red Light, and co-owned by the leading Canadian mushroom farming groups and individuals: Holburne Mushroom Farm and Mike and Fernando Medeiros of Carleton Mushroom Farms, to develop two mushroom production facilities with the aggregate footprint of 65,000 sq. ft. (the "Mushroom Facilities") to be located on the Peterborough Farm. This development will enable the Company to dramatically expand its farm division ("Red Light Farms"), by adding the *Peterborough Farm* to its existing portfolio of farms: *Happy Caps Gourmet Mushroom Farm* in Halifax, Nova Scotia, *AEM Farms* in New Brunswick, Ontario, and *MiniChamp BV Home GrowKit Farm* and *Red Light's Truffle Farm* - both located in Horst, The Netherlands.

The Company has had further productive conversations with the Township and is currently working with an expert mushroom farm design firm in The Netherlands and experienced Canadian engineers to finish the site plans. With the design phase nearing completion, the Company intends to submit the finalized engineered stamped plans within the next 8 weeks to the Township in order to begin the approval process as the Company seeks to obtain permits for the construction of the Mushroom Facilities.

"Red Light Holland remains very confident because of how prudent we have been at running our psychedelic business, preserving cash at a time when most of our peers are straining to attract new capital. Red Light Holland on the other hand, still has a significant cash position as we are clearly focused on increasing revenues while having a strategic and aligned plan to grow, in order to weather difficult markets and harder economic times." said Todd Shapiro, CEO and Director of Red Light Holland. "These were the same words I used in our June 20, 2022, press release and I reiterate them today again because our vision remains unchanged. We have a clear direction and don't mind being patient as we aim on growing now and in the future. We look forward to updating the market once plans are submitted, approvals are obtained, and of course when the Peterborough Farm commences operations where we expect to have significant revenue generation with the ultimate goal of always doing our best to create shareholder value. Personally I've always had a vision board with optimistic individual goals with many of my pictures coming to fruition in real life. My new Screensaver is the 3D rendering shown above. I love my new Red Light Holland vision board and look forward to the future!" added Mr. Shapiro.

Once completed, the Peterborough Farm is expected to immediately generate revenues of approximately \$80,000 per week. As it ramps up to its full production capacity, the Company expects a revenue run rate of approximately \$16.0 to \$17.0 million per annum with strong profit margins and cash flows from operations.

The Mushroom Facilities should take approximately 18 months to construct following the submission of the final plans to the Township. The cost to build the Mushroom Facilities is estimated to be around \$8.0 million.

The above referenced sales and construction information represents our previous MD&A disclosures on the topics. The sales figures were developed using both production and market demand information provided by our in-house mushroom experts.

"The purchase of 100 acres of farmland and these current engineered plans will provide AEM Farms with another great opportunity, which we feel will be very successful," said Mike Medeiros, co-owner of Carleton Mushroom Farms and President of Mushrooms Canada. "As planning continues and the permit process begins, we look forward to starting to build an advanced world class mushroom farm - so innovative and unique in fact, that only a few like it exist in the world," added Mr. Medeiros.

About Mike and Fernando Medeiros, Carleton Mushroom Farms

Carleton Mushroom Farms, located in Osgoode, Ontario, 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/>.

About Holburne Mushroom Farm

Holburne Mushroom Farm, located in Greenwood, Ontario, 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

Red Light Holland is an Ontario-based corporation engaged in the production, growth and sale of functional mushrooms and mushroom home grow kits in North America and Europe, and a premium brand of psilocybin truffles to the legal, recreational market within the Netherlands, in compliance with all applicable laws.

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Neither the Canadian Securities Exchange nor its Market Regulator (as that term is defined in the policies of the Canadian Securities Exchange) accepts responsibility for the adequacy or accuracy of this release.

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 Farms, Red Light Farms 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 Company's plans of increasing its mushroom production with the design, approval, construction and future operations of the Peterborough Farm; the proposed design, construction, and obtaining all necessary approvals from any external parties, including the Township, needed for the Mushroom Facility; the Peterborough Farm will enable the Company to dramatically expand its farm division; the expected revenues and expenses of the Peterborough Farm; the timing with respect to the Company's plans to submit the Mushroom Facility' plans to the Township and the construction thereof; the continued compliance of all applicable laws with respect to the Company's products and operations; the continued offering of the Company's products herein described; and the continued operation of the Company businesses and subsidiaries.

Forward-looking information is based on a number of key expectations and assumptions made by Red Light Holland, including without limitation: the Company will increase its mushroom production

through the design, approval, construction and future operations of the Peterborough Farm; the Company will complete its design, construction, and obtain all necessary approvals from any external parties, including the Township, needed for the Mushroom Facility; the Peterborough Farm will enable the Company to dramatically expand its farm division; the actual revenues and expenses of the Peterborough Farm will be as forecasted; the timing with respect to the Company's plans to submit the Mushroom Facility' plans to the Township and the construction thereof will be as forecasted; the Company will remain in compliance of all applicable laws with respect to the Company's products and operations; the Company will continue offering products herein described; and the Company businesses and subsidiaries will continue to operate as herein described.

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 Company's inability to increase its mushroom production through the design, approval, construction and future operations of the Peterborough Farm; the Company's inability to complete its design, construction, and obtain all necessary approvals from any external parties, including the Township, needed for the Mushroom Facility; the Peterborough Farm's inability to enable the Company to dramatically expand its farm division; the actual revenues and expenses of the Peterborough Farm will not be as forecasted; the timing with respect to the Company's plans to submit the Mushroom Facility' plans to the Township and the construction thereof will not be as forecasted; the Company's inability to remain in compliance of all applicable laws with respect to the Company's products and operations; the Company's inability to continue offering products herein described; and the Company businesses and subsidiaries' inability to continue to operate as herein described.

Readers are cautioned that the foregoing list is not exhaustive. Readers are further cautioned not to place undue reliance on forward-looking statements, as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated.

Forward-looking statements contained in this press release are expressly qualified by this cautionary statement and reflect the Company's expectations as of the date hereof and are subject to change thereafter. The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, estimates or opinions, future events or results or otherwise or to explain any material difference between subsequent actual events and such forward-looking information, except as required by applicable law.

CAUTIONARY NOTE REGARDING FUTURE ORIENTED FINANCIAL INFORMATION

*This press release may contain future oriented financial information ("**FOFI**") within the meaning of Canadian securities legislation, about prospective results of operations, financial position or cash flows, based on assumptions about future economic conditions and courses of action, which FOFI is not presented in the format of a historical balance sheet, income statement or cash flow statement. The FOFI has been prepared by management to provide an outlook of the Company's activities and results and has been prepared based on a number of assumptions including the assumptions discussed under the heading above entitled "Cautionary Note Regarding Forward-Looking Statements" and assumptions with respect to the costs and expenditures to be incurred by the Company, capital expenditures and operating costs, taxation rates for the Company and general and administrative expenses. Management does not have, or may not have had at the relevant date, firm commitments for all of the costs, expenditures, prices or other financial assumptions which may have been used to prepare the FOFI or assurance that such operating results will be achieved and, accordingly, the complete financial effects of all of those costs, expenditures, prices and operating results are not, or may not have been at the relevant date of the FOFI, objectively determinable.*

Importantly, the FOFI contained in this press release are, or may be, based upon certain additional assumptions that management believes to be reasonable based on the information currently available to management, including, but not limited to, assumptions about: (i) the future pricing for the Company's products, (ii) the future market demand and trends within the jurisdictions in which the Company may from time to time conduct the Company's business, (iii) the Peterborough Farm's expected revenues of approximately \$80,000 per week upon being operational, (iv) the estimated revenue run rate of \$16.0 to \$17.0 million per annum when the Peterborough Farm becomes operational and the resulting strong profit margins and cash flow from operations; and (v) the estimated cost of building the Mushroom Facilities at \$8.0 million. The FOFI or financial outlook contained in this press release do not purport to present the Company's financial condition in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and there can be no assurance that the assumptions made in preparing the FOFI will prove accurate. The actual results of operations of the Company and the resulting financial results will likely vary from the amounts set forth in the analysis presented in any such document, and such variation may be material (including due to the occurrence of unforeseen events occurring subsequent to the preparation of the FOFI). The Company and management believe that the FOFI has been prepared on a reasonable basis, reflecting management's best estimates and judgments as at the applicable date. However, because this information is highly subjective and subject to numerous risks including the risks discussed under the heading above entitled "Cautionary Note Regarding Forward-Looking Statements" and under the heading "Risk Factors" in the Company's public disclosures, FOFI or financial outlook within this press release should not be relied on as necessarily indicative of future results.

Readers are cautioned not to place undue reliance on the FOFI, or financial outlook contained in this press release. Except as required by Canadian securities laws, the Company does not intend, and does not assume any obligation, to update such FOFI.

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