

Core One Labs Signs Term Sheet for \$1.5M Credit Facility with Cannabis Growth Opportunity Corporation

Vancouver, British Columbia--(Newsfile Corp. - February 11, 2020) - Core One Labs Inc. (CSE: COOL), (OTCQX: CLABF), (FSE: LD6), (WKN: A14XHT) ("COOL" or the "Company") announces that it has signed a non-binding term sheet for a CDN\$1,500,000 convertible loan facility (the "CGOC Loan Facility") to be advanced by Cannabis Growth Opportunity Corporation ("CGOC").

Pursuant to the term sheet, CGOC has committed to advance up to CDN\$1,500,000 (the "Loan Limit") in three equal tranches of CDN\$500,000, with the first tranche to be released upon execution of definitive agreements, with each subsequent tranche to be released upon completion of mutually agreed operational milestones. The CGOC Loan Facility shall mature on December 31, 2022, bears interest at 12% per annum, calculated and accrued monthly in arrears and due on maturity. The CGOC Loan Facility shall also be secured by a general security agreement covering all of the Company's personal property upon CGOC advancing the total principal amount of the Loan Limit. Upon entry into the definitive agreements for the CGOC Loan Facility, the Company will issue 1,500,000 common share purchase warrants (the "Warrants") to CGOC that shall vest in three equal tranches upon each of the three advances being made under the CGOC Loan Facility. The Warrants shall be exercisable until December 31, 2022, at a price of CDN\$0.60 per share. The Company will have the right to accelerate the expiration date of the Warrants to 30 days after providing written notice to CGOC if the Company's common shares close at or above CDN\$1.50 per share for a period of 10 consecutive trading days on the CSE. The principal amount advanced under the CGOC Loan Facility and any accrued and unpaid interest thereon will be convertible at the option of CGOC into common shares of the Company at anytime prior to maturity at a price of CDN\$0.40 per share.

In addition, the Company and CGOC have also agreed to enter into subscription agreements to exchange approximately CDN\$2,000,000 worth of each other's common shares (the "Share-Swap") whereby the Company shall receive a total of 3,149,606 common shares of CGOC at a deemed price of CDN\$0.635 per share and CGOC shall receive a total of 5,333,333 common shares of the Company at a deemed price of CDN\$0.375 per share. Pursuant to the Share-Swap, both CGOC and the Company will also sign a voting and resale agreement providing that each party will be required to vote such common shares acquired under the share-swap as recommended by the other party and will be restricted from trading such common shares for a period of 18 months. Furthermore, CGOC will have the right to nominate one director to the Company's board and, if CGOC's nominee is not on the Company's board, CGOC will have the right to appoint a board observer.

Brad Eckenweiler, Chief Executive Officer of Core One, commented, "We are excited with the prospect of developing a relationship that will benefit both parties in the United States, Canada and Europe. While CGOC has expertise that can expedite our Canadian goals, I also believe our experience will assist CGOC's interests throughout California."

Sean Conacher, Chief Executive Officer of CGOC, commented, "COOL operates out of a state-of-the-art facility in California and we believe this investment will assist in advancing our interests in the California market. CGOC also believes there is significant opportunities with COOL's infused strip technology and we work to advance this technology globally."

The transactions as outlined above are subject to the approval of the board of directors for each party and all necessary regulatory and corporate approvals, including approval of the CSE, if so required.

About Core One Labs Inc.

Core One Labs Inc. is a technology company that licenses its technology to a state-of-the-art production and packaging facility located in Southern California. The Company's technology produces infused strips (like breath strips) that are not only a safer, healthier option to other forms of delivery but also superior bioavailability of cannabis constituents. Some strips will also include supplemental co-active ingredients such as nutraceuticals, vitamins and peptides. The technology provides a new way to accurately meter the dosage and assure the purity of selected product. From start to finish, the production process, based on the Company's technology, tests for quality and composition of all the ingredients used in every strip which results in a delivery system that is safe, consistent and effective. In addition, through its efforts to develop a better CannaStrips™ product, the Company has developed considerable expertise in cannabis extraction and nursery activities. The operational expertise developed by the Company as a result of these efforts has created new market opportunities for the Company in white label sales.

About Cannabis Growth Opportunity Corporation

CGOC is an investment corporation that offers unique global exposure to the emerging global cannabis sector. CGOC's main objective is to provide shareholders long-term total return through its actively managed portfolio of securities, both public and private, operating in, or that derive a portion of their revenue or earnings from products or services related to the cannabis industry.

Core One Labs Inc.
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Cautionary Disclaimer Statement:

The Canadian Securities Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of the content of this news release.

Information set forth in this news release contains forward-looking statements that are based on assumptions as of the date of this news release. These statements reflect management's current estimates, beliefs, intentions and expectations. They are not guarantees of future performance. The Company cautions that all forward looking statements are inherently uncertain and that actual performance may be affected by a number of material factors, many of which are beyond the Company's control. Such factors include, among other things: risks and uncertainties relating to the Company's limited operating history and the need to comply with environmental and governmental regulations. In addition, marijuana remains a Schedule I drug under the United States Controlled Substances Act of 1970. Although Congress has prohibited the US Justice Department from spending federal funds to interfere with the implementation of state medical marijuana laws, this prohibition must be renewed each year to remain in effect. Accordingly, actual and future events, conditions and results may differ materially from the estimates, beliefs, intentions and expectations expressed or implied in the forward looking information. Except as required under applicable securities legislation, The Company undertakes no obligation to publicly update or revise forward-looking information.

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