



Golden Leaf Announces Non-Brokered Private Placement of Up To C\$3,000,000

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PORTLAND, Ore., Dec. 21, 2020 -- Golden Leaf Holdings Ltd. (CSE: GLH) ("**GLH**" or the "**Company**") announced today a proposed non-brokered private placement (the "**Financing**") of up to 100,000,000 units ("**Units**") priced at C\$0.03 per Unit for aggregate gross proceeds of up to C\$3,000,000. Each Unit will be comprised of one common share of the Company (a "**Common Share**") and one full common share purchase warrant (each whole warrant, a "**Warrant**"). Each whole Warrant will entitle the holder to purchase one Common Share (a "**Warrant Share**") at an exercise price of C\$0.06 for a period of 24 months from the date of issuance thereof. The proceeds of the Offering will be used by the Company for general corporate purposes and for retail store acquisitions. The Financing is expected to close within 2 weeks.

Insiders of the Company are expected to participate in the Financing for an aggregate amount of up to approximately C\$500,000. Pursuant to Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"), the Financing constitutes a "related party transaction" to the extent that insiders of the Company subscribe for Units. The Company is relying on exemptions from the formal valuation and minority approval requirements of MI 61-101, specifically: (i) the valuation requirement of MI 61-101 by virtue of the exemption contained in Section 5.5(b), as the Common Shares are not listed on a market specified in MI 61-101, and (ii) the minority shareholder approval requirement of MI 61-101 by virtue of the exemption contained in Section 5.7(1)(a) of MI 61-101, as the fair market value of the Units being issued to insiders will not exceed 25% of the Company's market capitalization (as determined under MI 61-101). A material change report is not expected to be filed by the Company 21 days before the closing of the Financing as the details of the Financing and insider participation are only now being determined and the Company is seeking to close the Financing expeditiously. In the view of the Company, this was reasonable in the circumstances because the Company wishes to complete the Financing as soon as possible. The Financing was approved by all of the independent directors of the Company.

Units issued in connection with the Financing to persons subject to Canadian securities laws will be subject to a statutory hold period of four months plus one day from the applicable closing date and Units issued in connection with the Financing to persons subject to United States securities laws will be subject to a hold periods under such laws.

The securities offered have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**") or any U.S. state securities laws, and may not be offered or sold in the United States or to United States persons absent of registration, or the availability of any applicable exemption from the registration requirement, of the U.S. Securities Act and applicable U.S. state securities laws. This release shall not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

[About Golden Leaf Holdings](#)

Golden Leaf Holdings is a premiere consumer-driven cannabis company specializing in production, processing, wholesale, distribution and retail, with 7 dispensaries in Portland, Oregon. The company is committed to developing a dynamic portfolio built around the recognized brands of Chalice Farms, with a focus on health and wellness. Markets served include Oregon, California, Nevada and Washington. Visit glhmonthly.com for regular updates.

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