



Golden Leaf Receives Approval to Extend Maturity of Convertible Debentures

Balance Sheet Strengthened and also Announces Retention of Investor Relations Firm

TORONTO, Jan. 25, 2021 (GLOBE NEWSWIRE) -- Golden Leaf Holdings Ltd. (CSE: GLH) (OTCQB: GLDFF) ("Golden Leaf", "GLH", or the "Company"), a premier, consumer-driven cannabis company specializing in production, processing, wholesale, distribution and retail, announced that it has received unanimous approval of holders of Convertible Debentures (the "Debentureholders") that voted to amend certain terms of the Convertible Debentures due November 16, 2021 (the "Convertible Debentures") at an extraordinary meeting held on January 21, 2021 (the "Meeting").

The amendments (the "Amendments") include extending the maturity date of the Convertible Debentures from November 16, 2021 to November 16, 2022, providing immediate relief to the Company and its current liabilities. As consideration for this extension, the conversion price of the principal will change from C\$0.30 to US\$0.06 per common share. The Debentureholders will also receive a one-time restructuring fee of 2% of the principal amount to be paid in common shares equal to US\$0.06 per share.

Currently the outstanding balance of Convertible Debentures is C\$8,039,000. At the original conversion price, these could have been converted into approximately 26,796,6667 common shares. With the Amendments approved, at the current C\$:US\$ exchange rate, the Convertible Debentures could be convertible into approximately 105,000,000 common shares. These Amendments are also subject to the approval of the Canadian Securities Exchange.

Management believes that the uncertainty as to the Company's ability to repay this debenture upon maturity has had a negative impact on the value of Golden Leaf. "The support from our debenture holders is another vote of confidence in current management's progress over the last 18 months," stated John Varghese, Executive Chairman. "Our balance sheet restructuring is now complete, leaving us with one of the cleanest balance sheets in the industry. Equally as important, it also allowed us to successfully raise equity this month providing much needed flexibility for Golden Leaf. As we near profitability, we will continue to execute our business plan and look for accretive acquisitions to grow our footprint. In November 2020, we were able to reach an agreement with the Chalice group to restructure long term liabilities for up to 60 months. By agreeing to a conversion price of USD\$0.06 that was 200% greater than current market value, both independent groups of debt holders have endorsed our belief that GLH has been undervalued."

Details regarding the Amendments and the Meeting were mailed to the Convertible Debentureholders in advance of the Meeting.

Certain of the Company's directors and executive officers who own in the aggregate C\$149,000 principal amount (or 1.9%) of the outstanding Convertible Debentures are considered "related parties" to the Company for the purposes of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("MI 61-101"), and accordingly, the Amendments are considered "related party transactions" within the meaning of MI 61-101. The Company is relying on exemptions from the valuation and minority shareholder approval requirements in Sections 5.5(a) and 5.7(1)(a) of MI 61-101, respectively, in respect of the Amendments as neither the fair market value of the Convertible Debentures held by interested parties (as such term is defined in MI 61-101) nor any consideration for the transaction insofar as it involves interested parties exceeds 25% of the market capitalization of the Company. In addition, as the Company is listed only on the CSE, the Amendments are exempt from the formal valuation requirements of MI 61-101.

Retention of Investor Relations Firm

The Company is also pleased to announce that it has retained RBMG (RB Milestone Group, LLC) to provide investor relations, marketing communications and educational support services to the Company.

RBMG* is a leading U.S. corporate communications firm that specializes in investor relations advisory. With corporate offices in New York City and Stamford, Connecticut, RBMG helps clients build relationships with niche U.S. stakeholders utilizing digital techniques, AI and machine learning to improve traditional client IR initiatives and penetrate new markets.

John Varghese, Executive Chairman of GLH, commented, "We are pleased to announce that we have selected RBMG to help build and expand the profile of GLH in the financial community. We look forward to working with the RBMG team to enhance the communication of our growing business with a wider shareholder base throughout the United States."

**RBMG has been engaged for services paid in cash and has not been granted any equity by GLH as compensation.*

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