



## Golden Leaf Announces Date for Release of First Quarter 2021 Financial Results and Provides Corporate Update

PORTLAND, Ore., May 14, 2021 (GLOBE NEWSWIRE) -- Golden Leaf Holdings Ltd. (CSE:GLH) (OTCQB:GLDFF) ("Golden Leaf" or the "Company"), operating as Chalice Brands, a premier, consumer-driven cannabis company specializing in retail, production, processing, wholesale, and distribution, today announces it will report its first quarter 2021 results before market open on Tuesday, May 25<sup>th</sup>, 2021.

### Investor Conference Call

Golden Leaf management, led by Mr. John Varghese, Executive Chairman, and Mr. Jeff Yapp, Chief Executive Officer, will hold a conference call on Tuesday, May 25<sup>th</sup> at 5.00 PM EDT to report its financial results for first quarter 2021.

**REGISTRATION:** Please visit [click here to register](#) and stream the conference call, or use the following dial-in information as follows:

**Program Title:** Golden Leaf Holdings – First Quarter 2021 Earnings Call  
**Canada & US:** 1-877-407-0784  
**International:** 1-201-689-8560

Once dialed in, participants must request the "Golden Leaf Holdings - First Quarter 2021 Earnings Call".

### Replay

A replay of the audio webcast will be available online on the Company's website at [www.goldenleafholdings.com](http://www.goldenleafholdings.com) where it will be archived for one year. A replay of the conference call will also be available at 7:30 PM EDT on May 25, 2021 and will be accessible until June 8<sup>th</sup>, 2021. For access to replay:

**Canada/US:** 1-844-512-2921  
**International:** 1-412-317-6671  
**Conference PIN:** 13719831

### Corporate Updates

The Company is pleased to announce that it had a record 412,089,878 shares voted at this year's Annual General Meeting and that we received over whelming support, in excess of 95% on all of the motions contained within its management information circular. Included in the approved motions approved was changing the name to "Chalice Brands Ltd." and to affect a 23 for 1 share consolidation. The Company anticipates setting the date for the share consolidation and name change shortly.

The Company also announces that it has signed a settlement agreement (the "Settlement Agreement") with Peter Saladino and settled the lawsuit the Company filed against him on June 19, 2020. The case has now been dismissed with prejudice. The Company filed a lawsuit captioned GL Management, Inc. et al. v. BMF Washington LLC and Peter Saladino, in the United States District Court Western District of Washington at Tacoma ("Court"), Court Case No. 3:20-cv-05434-MAT, which was later amended to GL Management, Inc. and Golden Leaf Holdings Ltd. v. Peter Saladino ("Lawsuit"). The claims asserted in the Lawsuit originated from a transaction that closed on or about January 20, 2016, among Golden Leaf Holdings, Ltd.; GL Management, Inc.; Saladino; Liberty Reach LLC; and BMF Washington LLC (the "Transaction"). Pursuant to the terms of the Settlement Agreement, Saladino waived his right to pursue counterclaims against the Company stemming from the Transaction. The Company and Saladino have also released all claims against each other and mutually agreed that neither party would be pay any monetary consideration to the other.

The Company also wishes to share preliminary unaudited first quarter 2021 results of US\$5.5 million revenues and gross profit of US\$2.5 million or 45% gross margin and adjusted EBITDA<sup>1</sup> was positive for the quarter.

The Company has agreed to issue, on a non-brokered basis, an aggregate of 34,205,336 common shares, at C\$0.06 per share, to certain executives and directors, being 5,041,238 to Executive Chairman John Varghese and 4,941,238 to CEO Jeff Yapp, and 24,222,860 to Lead Director Rick Miller. The issuance is being assisted through a loan from a subsidiary of the Company. Each of Messrs. Varghese and Yapp had previously acquired common shares on an assisted basis will, upon issuance, hold 31,722,860 and 31,622,860 shares respectively through these arrangements. All common shares to be acquired do not have any vesting condition, and all shares previously acquired that had vesting conditions, will have such conditions waived. The purpose of the issuances is to provide the executives with a more significant financial stake in the success of the Company. The issuances have been approved by the independent directors of the Company outside of Mr. Varghese and Mr. Yapp.<sup>2</sup>

### **About Golden Leaf Holdings**

Golden Leaf Holdings, operating as Chalice Brands, is a premier consumer-driven cannabis company specializing in production, processing, wholesale, distribution and retail, with seven 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. GLH operates nationally through Fifth and Root and has operations in Oregon and California. Visit <http://www.glhmonthly.com> for regular updates.

#### **Investor Relations:**

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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.*

<sup>1</sup>Adjusted EBITDA is a supplemental, non-GAAP financial measure. EBITDA is defined by the Company as earnings before interest, income taxes, depreciation and amortization. Adjusted EBITDA, as presented, additionally excludes impairment charges, extraordinary losses, unexpected employee settlement costs and start-up costs, all other non-cash items and one-time transaction fees. Management believes providing Adjusted EBITDA is useful to investors' understanding and assessment of the Company's ongoing continuing operations and prospects for the future and it is used by the financial community to evaluate the market value of companies considered to be in similar businesses. Since Adjusted EBITDA is not a measure of performance calculated in accordance with IFRS, it should not be considered in isolation of, or as a substitute for, measures of performance prepared in accordance with IFRS. Adjusted EBITDA may not be comparable to similarly titled measures employed by other companies. In addition, Adjusted EBITDA is not necessarily a measure of our ability to fund our cash needs.

<sup>2</sup>Pursuant to Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("MI 61-101"), this placement constitutes a "related party transaction". 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 common shares issued to the related parties does not exceed 25% of the Company's market capitalization (as determined under MI 61-101). A material change report will not be filed by the Company 21 days before the intended date to complete the issuances as the Company wishes to complete the placement to the executives as expeditiously as possible.

*Disclaimer: This press release contains "forward-looking information" within the meaning of applicable securities legislation. Forward-looking information includes, but is not limited to, statements with respect to the Company's future business operations, the opinions or beliefs of management and future business goals. Generally, forward looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "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 is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information. These risks include but are not limited to general business, economic and competitive uncertainties, regulatory risks, market risks, risks inherent in manufacturing and retail operations such as unforeseen costs and production shutdowns, difficulties in maintaining brand loyalty, and other risks of the cannabis industry. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward looking information. Forward-looking information is provided herein for the purpose of presenting information about management's current expectations relating to the future and readers are cautioned that such information may not be appropriate for other purpose. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws. This press release does not constitute an offer of securities for sale in the United States, and such securities may not be offered or sold in the United States absent registration or an exemption from registration or an exemption from registration.*