



LEEF Brands Closes Acquisition of 1,900 Acre Ranch in Santa Barbara County for the Purpose of Cannabis Cultivation

VANCOUVER, British Columbia, Sept. 20, 2023 -- LEEF Brands Inc. (CSE: LEEF, OTC: LEEEF) ("LEEF" or the "Company"), a vertical cannabis operator, is pleased to announce the successful closing of the acquisition of the Salisbury Canyon Ranch LLC. (the "Acquisition"), a 1,900-acre ranch located in Santa Barbara County (the "Ranch"). Additionally, as previously announced on June 1, 2023, the Company has sold a 60% interest in the Ranch for \$7.0 Million through an interest-free loan agreement, of which the proceeds will be used to finance the buildout and operation of one of the largest biomass cultivation sites in California. LEEF will remain the 100% owner of the state cannabis licenses and shall exclusively occupy and manage the Ranch and the cultivation operation.

"This is a monumental milestone for LEEF as the acquisition and buildout of the Ranch will enable us to fully execute our vision of building one of the largest biomass cultivation sites in California. The buildout marks a tremendous opportunity for LEEF and lays the foundation for future expansion. As a customer-service-focused company, we believe that controlling our supply chain will allow us to improve upon quality and consistency, create superior products and provide exceptional service to our clients. I would also be remiss if I didn't mention the recent federal contemplation of rescheduling cannabis to Schedule 3. The elimination of the 280E tax on our business and on our customer's business would have dramatic and immediate positive implications for an industry that has been plagued by high taxes, high cost of capital, lack of investment capital and lack of access to traditional financial services," said Micah Anderson, CEO of LEEF Brands.

Kevin Wilson, Chief Financial Officer added, "Our team has devoted substantial resources to identifying areas in which we can garner operational efficiencies and increase profitability. For LEEF, our intention is to slowly build out a secure supply chain that will be strategically planted to support our specific manufacturing capabilities."

Under the terms of the Transaction, the Company has acquired the Ranch for a purchase price of \$5.48 Million with \$1.1 Million due at closing. The Company separately entered into a five-year promissory note agreement with Salisbury Canyon Ranch LLC. (the "Lender") to vendor finance \$4.2 Million on which interest only payments will be made for a period of 24 months at an interest rate of 4% per annum.

About LEEF Brands Inc. (formerly, Icanic Brands Company Inc.)

LEEF Brands Inc. is a leading California based extraction and manufacturing cannabis company. LEEF is owned and managed by some of the best legacy operators in the industry and is one of California's largest and most sophisticated cannabis companies. The Company's platform consists of an integrated supply chain, state of the art manufacturing, and a robust bulk concentrate portfolio that powers some of the largest brands in California. For more information, please visit the company's website at www.LeefBrands.com.

SOURCE LEEF Brands, Inc.

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Forward Looking Statements

This news release contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). Forward-looking statements reflect current expectations or beliefs regarding future events or the Company's future performance or financial results. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates", "targets" or "believes", or variations of, or the negatives of, such words and phrases or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. All forward-looking statements, including those herein are qualified by this cautionary statement.

Although the Company believes that the expectations expressed in such statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the statements. There are certain factors that could cause actual results to differ materially from those in the forward-looking information, including financial and operational results not proving to be as expected or on the timelines expected; the Company not completing certain proposed acquisition or financing transactions at all, or on the timelines expected; the Company not achieving the synergies expected; and other risks disclosed in the Company's Annual Information Form and other public filings on SEDAR at www.sedar.com. Accordingly, readers should not place undue reliance on forward-looking statements.

For more information on the Company, investors are encouraged to review the Company's public filings on SEDAR at www.sedar.com. The forward-looking statements and financial outlooks contained in this news release speak only as of the date of this news release or as of the date or dates specified in such statements. The Company disclaims any intention or obligation to update or revise any forward- looking information, whether as a result of new information, future events or otherwise, other than as required by law.