



NEWLEAF BRANDS ANNOUNCES OVERSUBSCRIPTION OF BROKERED PRIVATE PLACEMENT LED BY CANACCORD GENUITY

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Vancouver, BC, May 22, 2020 - NewLeaf Brands Inc. (CSE:NLB) (OTC: NLBIF) (FSE:ONF) ("**NewLeaf Brands**" or the "**Company**") is pleased to announce that further to the previously announced brokered private placement (the "**Offering**") being led by Canaccord Genuity Corp. (the "**Agent**") of up to 6,666,667 units of the Company (the "**Units**") at a price of C\$0.30 per Unit (the "**Issue Price**") for aggregate gross proceeds of up to C\$2,000,000, the Offering has generated strong interest and oversubscribed demand.

Closing of the Offering is expected to occur on or before June 18, 2020, subject to the receipt of all necessary regulatory approvals. **All securities issued pursuant to the Offering will be subject to a four month hold period in accordance with applicable securities laws.**

The Company intends to use the net proceeds of the Offering to further its psychedelic medicine research programs in Canada, for investment in its recently acquired Colorado and Oregon-based mushroom and fungi lab facilities, and for general working capital purposes.

This news release does not constitute an offer to sell or a solicitation of an offer to sell any of the securities in the United States. The securities have not been and will not be registered under the U.S. Securities Act of 1933 (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons (as defined in Regulation S under the U.S. Securities Act) unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

About NewLeaf Brands

NewLeaf Brands Inc. is the parent company operating innovative product divisions in the Naturally Sourced Therapies (NST) space. While controlling a variety of Psilocybin and hemp-derived CBD brands that design, manufacture and distribute cutting edge products, NewLeaf Brands Inc. further enhances its portfolio with numerous cultivation properties, retail locations, and other land assets.

NewLeaf Brands Inc. is the progressive and innovative Naturally Sourced Therapies (NST) lifestyle group known around the globe. Focusing on the rapidly emerging psilocybin and psychedelic medicines market, the Company's wholly-owned subsidiary 1220611 B.C. Ltd. (operating as Mydecine Group) ("Mydecine") is a vertically integrated company engaged to utilize the vast medicinal, health and wellness capabilities of the various compounds found in mycology as a whole. Established to parallel the early emergence of the industry, Mydecine aims to be a pioneer in the cultivation, processing, product development, and research and development of mycology's exciting compounds through its three divisions, "Mydecine Farms," "Mydecine Wellness" and "Mydecine Labs."

Furthermore, the Company's wholly-owned subsidiaries in the hemp-derived CBD space, We are Kured LLC, Drink Fresh Water LLC, Relyfe Brand LLC, Fresh Water CBD LLC and TeaLief Brand LLC have quickly developed into market leaders and maintain extensive retail and cultivation land investments in the United States.

For further information about NewLeaf Brands, please consult the Company's profile on SEDAR at www.sedar.com or visit the Company's website at www.nabrandsinc.com.

On Behalf of the Board of Directors

Joshua Bartch
Chief Executive Officer
info@nabrandsinc.com

For Further Information Contact

Corporate Communications
info@nabrandsinc.com
250-488-6728

The Canadian Securities Exchange has neither approved nor disapproved the contents of this news release and accepts no responsibility for the adequacy or accuracy hereof.

This news release contains forward-looking statements, which relate to future events or future performance and reflect management's current expectations and assumptions. Such forward-looking statements reflect management's current beliefs and are based on assumptions made by and information currently available to the Company. Readers are cautioned that these forward looking statements are neither promises nor guarantees, and are subject to risks and uncertainties that may cause future results to differ materially from those expected including, but not limited to completion of planned improvements at both the Canadian and US sites on schedule and on budget, the availability of financing needed to complete the Company's planned improvements on commercially reasonable terms, planned occupancy by the tenant-growers, commencement of operations, differences in yield on expected harvests, delays in obtaining statutory approval for marijuana production plans, issues that may arise throughout the grow period, outdoor crops affected by weather, the ability to mitigate the risk of loss through appropriate insurance policies, and the risks presented by federal statutes that may contradict local and state legislation respecting legalized marijuana. There are no assurances that the business plans for NewLeaf described in this news release will come into effect on the terms or time frame described herein. These forward-looking statements are made as of the date hereof and the Company does not assume any obligation to update or revise them to reflect new events or circumstances save as required under applicable securities legislation. This news release does not constitute an offer to sell securities and the Company is not soliciting an offer to buy securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

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