



## **“From Distilling to Fulfilling”: Christina Lake Cannabis Produces First Ultra-High Potency Distillates and Commences Marketing to CPG Industry**

**VANCOUVER, British Columbia, JANUARY 13, 2021 Christina Lake Cannabis Corp. (the “Company” or “CLC” or “Christina Lake Cannabis”) (CSE:CLC) (FRANKFURT: CLB)** is pleased to announce that it is beginning to produce ultra-high potency cannabis distillate oils from its 32,500 kg / 71,650 lb harvest of sun-grown cannabis cultivated during the Company’s inaugural growing season, which can enable the Company to form supplier relationships with consumer packaged goods (“CPG”) manufacturers. Distillate oils, which typically contain tetrahydrocannabinol (“THC”) concentrations in excess of 90%, are generally used to add THC to consumable products as opposed to being directly consumed by a legal-aged end user. As an ingredient in a finished product, distillates can be likened to flour or granulated sugar in that they are not utilized as a standalone cannabis product, whereas products such as dried flower or winterized oil would commonly be used independently.

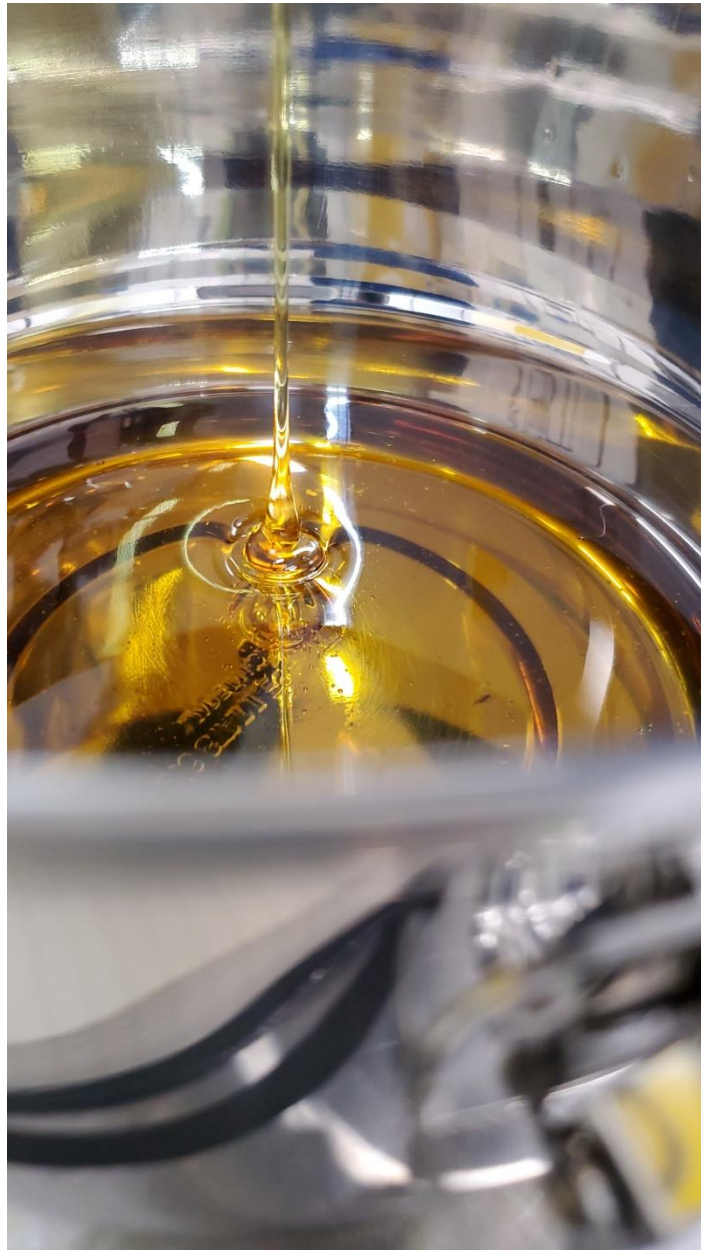
Given the growing popularity of products under “Cannabis 2.0” that are made with cannabis oils, the Company anticipates that its ability to produce oils in commercial quantities could create opportunities to supply distillate to CPG manufacturers in Canada on a wholesale basis. Additionally, because CLC’s extraction machine (Vitalis R-200-H-GMP-SS) is CO<sub>2</sub>-powered, cannabis oils made by the Company could qualify for GMP certification, thereby potentially allowing its distillates to be sold in the European Union.



*Metal vessel filled with distillate oil in the Company's extraction facility. Distillate oils can be incorporated into CPG products, and the Company is currently pursuing supplier relationships with CPG manufacturers.*

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In a press release dated January 5, 2021, the Company stated it was producing commercial quantities of winterized cannabis oil, as well as full-spectrum winterized cannabis oil derived from crude oil which was extracted from biomass grown by the Company in 2020. Winterized cannabis oils are often used in medicinal products, especially if the oils have specific terpene profiles that are well-suited to a particular purpose. Winterized cannabis oils can be further distilled to attain a higher potency level, thereby creating a distillate which is a significantly more transparent liquid due to its purity, as shown in the image below.



*Cannabis distillate being poured into a metal vessel in the Company's extraction facility, photographed to show the transparency of the extract due to its purity, as well as its honey-like viscosity.*

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Distillate produced by Christina Lake Cannabis is unique in the cannabis industry for two main reasons. Primarily, CLC's vertically integrated cultivation, processing, and extraction operations allow the entire journey from seed to finished extract to occur on the same site, allowing for full control of and visibility into workflows as well as lower net costs. Secondly, because the biomass from which the distillates are derived are proprietary cannabis strains that are grown outdoors under sunlight, CLC's distillate oils have a unique texture that could improve usability in certain types of consumer products.

At this time, the Company is pursuing supplier relationships with CPG manufacturers who could offer an enhanced experience to legal-aged consumers of cannabis through the addition of THC. Target CPG segments include food and beverage, cosmetic/personal care products, and vaporizer cartridges. Based on projected crop yields for the Company's growing season in 2021 and the capacity of its *Vitalis* extraction machine, the Company predicts it can reliably produce commercial quantities of distillate oil that is of a consistent quality and suitable for CPG manufacturers to use in their products.

Joel Dumaresq, CEO and Director of Christina Lake Cannabis commented, "With the introduction of 'Cannabis 2.0' in Canada in 2019, many opportunities for incorporating THC into everyday products for adult consumers have emerged. While the potential applications of distillate are limitless, the distillate itself is a very hot commodity that is currently in limited supply. As a vertically integrated producer and extractor of cannabis, producing distillates is very much our strong suit. Because of this, we are prioritizing initiatives to supply distillates made by CLC to manufacturers of CPG products as a way of further diversifying our sales channels based on present market demand."

Milan Stefancik, Director of Sales for the Company commented, "Here at CLC we have many advantages that make our cannabis products unique and competitive, including large-scale outdoor growing under sunlight, a fully integrated production facility, and the equipment to extract cannabis oils on-site. As demand for CPG products with THC continues to grow among legal-aged consumers, our ability to create distillates can enable us to become a key player in the wholesale trade. I anticipate many producers of CPG products will have an interest in distillates in 2021, and I look forward to exploring the many possible use cases for our distillate oils in the CPG industry."

### **About Christina Lake Cannabis Corp.**

Christina Lake Cannabis Corp. is a licensed producer of cannabis under the *Cannabis Act*. It has secured a standard cultivation licence and corresponding processing/sales amendment from Health Canada (March 2020 and August 2020, respectively) as well as a research and development licence (early 2020). CLC's facility consists of a 32-acre property, which includes over 950,000 square feet of outdoor grow space, offices, propagation and drying rooms, research facilities, and a facility dedicated to processing and extraction. CLC also owns a 99-acre plot of land adjoining its principal 32-acre site, which enables the Company to grow at a much larger scale. CLC cultivates cannabis using strains specifically developed for outdoor cultivation and in its inaugural harvest year produced 32,500 kg (71,650 lb) on its existing facility before developing an adjacent 99-acre expansion property. Such an expansion will ultimately bring CLC's annual cultivation footprint to over 4.35 million square feet, which could enable at least 150,000 kg (330,693 lb) of low-cost, high-quality, sun-grown cannabis to be produced annually by the Company.

**On behalf of Christina Lake Cannabis Corp.:**

*“Joel Dumaresq”*

Joel Dumaresq, CEO and Director

For more information about CLC, please visit: [www.christinalakecannabis.com](http://www.christinalakecannabis.com)

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