

# CLC Closes Oversubscribed Private Placement for \$2.6M

**VANCOUVER, British Columbia, June 7, 2021 Christina Lake Cannabis Corp. (the “Company” or “CLC” or “Christina Lake Cannabis”) (CSE: CLC) (OTCQB: CLCFF) (FRANKFURT: CLB)** a federally licensed cultivator, processor and vendor under the *Cannabis Act* since 2019, is pleased to announce that it has closed a non-brokered private placement (the "Private Placement") of 6,283,813 units of the Company (the "Units") at a price of \$0.42 per Unit for gross proceeds of \$2,639,201.26. Each Unit consists of one common share (a "Share") and one-half of one transferable Share purchase warrant (with two half warrants being a "Warrant"). Each Warrant entitles the holder thereof to purchase one additional Share at a price of \$0.65 per Share for a period of thirty (30) months from the date of issuance. In the event that the Shares have a closing price on the Canadian Securities Exchange (or such other exchange on which the Shares may be traded at such time) of \$1.10 or greater per Share for a period of ten (10) consecutive trading days at any time from the closing of the Private Placement, the Company may accelerate the expiry date of the Warrants by giving notice to the holders thereof (by disseminating a news release advising of the acceleration of the expiry date of the Warrants) and, in such case, the Warrants will expire on the thirtieth (30<sup>th</sup>) day after the date of such notice.

Finder’s fees of \$34,020 cash, 81,000 Warrants and 230,546 Units of have been paid in connection with the Private Placement to qualified parties. The Warrants and Units issued to the finders have the same terms as noted above. The Company intends to use the net proceeds from the Private Placement for marketing, development of its products, investor relations activity, and for general working capital purposes.

CLC also announces that it has issued an aggregate of 445,000 Shares to three individuals, of which 200,000 Shares were issued to Rob Jones, the Company’s President and 200,000 Shares were issued to Salvatore Milia, a director of the Company (the “Insiders”) in satisfaction of certain consulting agreements (the “Consulting Agreements”), regarding management and consultant performance bonuses. The Shares have been issued at a deemed value of \$0.56 per Share and have vesting restrictions that range over a period of up to two years from issuance. The disinterested directors of the Company approved the Consulting Agreements with the Insiders.

Two Directors of the Company participated in the Private Placement and will acquire, directly or indirectly, an aggregate of 438,100 Units and 400,000 Shares will be issued to the Insiders pursuant to Consulting Agreement, both transactions are exempt from the valuation and minority shareholder approval requirements of Multilateral Instrument 61-101 ("MI 61-101") by virtue of the exemptions contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101 in that the fair market value of the consideration for the securities of the Company to be issued to the Insiders do not exceed 25% of its market capitalization.

All securities issued are subject to a statutory four-month and one day hold period from the date of issuance pursuant to applicable securities laws of Canada.

The Company is also pleased to announce that Ray Baterina has been appointed as the Company's Corporate Secretary, effective immediately. Mr. Baterina has over 20 years of experience in administrative and corporate services ranging from provincial government to publicly traded companies and private companies. Starting a career in financial services with the Ministry of Transportation of BC, Mr. Baterina was responsible for external agreements in accounts receivable, financial analysis and management of budgets. He was then instrumental in coordinating and establishing the head office of GBS Gold International Inc., a publicly traded junior mining and exploration company. As the Assistant Controller with the Pacific Group of Companies (NorLand Limited), Mr. Baterina was able to take his experience managing treasury and financial resources into his current position as the managing partner and financial controller of P&N Vero LLP, a privately owned wealth management company.

The Company wishes to thank Timothy O'Donnell for his work as CLC's previous Corporate Secretary and appreciates his continued efforts on-site in his role as Head of Extraction.

### **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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Forward-Looking Information: This news release includes certain statements that may be deemed “forward-looking statements.” The use of any of the words “anticipate,” “continue,” “estimate,” “expect,” “may,” “will,” “would,” “project,” “should,” “believe” and similar expressions are intended to identify forward-looking statements. Although the Company believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because the Company can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. These statements speak only as of the date of this News Release. Actual results could differ materially from those currently anticipated due to a number of factors and risks including various risk factors discussed in the Company’s disclosure documents which can be found under the Company’s profile on <http://www.sedar.com>.

#### **Statement Regarding Third-Party Investor Relations Firms**

Disclosures relating to investor relations firms retained by Christina Lake Cannabis Corp. can be found under the Company's profile on <http://sedar.com>.