



CHRISTINA LAKE CLOSES FIRST TRANCHE OF NON-BROKERED PRIVATE PLACEMENT OF SECURED CONVERTIBLE NOTES

VANCOUVER, British Columbia, SEPTEMBER 12, 2023 Christina Lake Cannabis Corp. (the "Company" or "CLC" or "Christina Lake Cannabis") (CSE: CLC) (OTCQB: CLCFF) (FRANKFURT: CLB) further to the press release dated September 7, 2023, the Company is pleased to announce that it has closed the first tranche (the "First Tranche") of a non-brokered private placement of secured convertible promissory notes (the "Notes") in the principal amount of CDN\$3,190,000 (the "Offering").

The Company issued convertible promissory notes ("Notes") secured by land and buildings. The Note bears interest at a rate of 15% per annum over a term of 36 months (the "Term"). Repayment of the Note shall be in the form of interest only payments for the first 15 months of the Term and a blended principal and interest payment for the remaining Term. Outstanding principal and interest from the Notes will be convertible into common shares at a conversion price of \$0.06 per common share during the Term. The Company shall also have the right to redeem or repay the Notes at any time during the Term.

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

Proceeds from the Offering will be used for repayment of outstanding debentures, working capital and general corporate purposes.

MI 61-101 Disclosure

Certain insiders of the Company participated in the first tranche of the Offering for an aggregate total of \$1,800,000 in Notes. The participation by such insiders is considered a "related-party transaction" within the meaning of Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("MI 61-101"). The Company has relied on exemptions from the formal valuation and minority shareholder approval requirements of MI 61-101 contained in 5.5(b) and 5.7(1)(b), respectively, of MI 61-101, as no securities of the Company are listed or quoted on the Toronto Stock Exchange, Aequitas NEO Exchange Inc., the New York Stock Exchange, the American Stock Exchange, the NASDAQ Stock Market, or a stock exchange outside of Canada and neither the fair market value of the Notes to be acquired by the participating directors and officers nor the consideration to be paid by such directors and officers exceeds \$2,500,000. The Company did not file a material change report more than 21 days before the expected closing of the Offering as the details of the participation therein by related parties of the Company were not settled until shortly prior to closing of the first tranche of the Offering and the Company wished to close on an expedited basis for sound business reasons.



About Christina Lake Cannabis Corp.

Christina Lake Cannabis is a licensed producer of cannabis under the Cannabis Act with a standard cultivation license and corresponding processing amendment from Health Canada as well as a research and development license. Christina Lake Cannabis' 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. Christina Lake Cannabis also owns a 99-acre plot of land adjoining its principal site. CLC focuses its production on creating high quality extracts and distillate for its B2B client base with proprietary strains specifically developed for outdoor cultivation to enhance extraction quality.

On behalf of Christina Lake Cannabis:

"Mark Aiken"

Mark Aiken, CEO

For more information about CLC, please visit: www.christinalakecannabis.com

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This News Release includes certain "forward-looking statements" which are not comprised of historical facts. Forward-looking statements include estimates and statements that describe the Company's future plans, objectives or goals, including words to the effect that the Company or management expects a stated condition or result to occur. Forward-looking statements may be identified by such terms as "believes", "anticipates", "expects", "estimates", "may", "could", "would", "will", "likely", "probably", "often", or "plan". Since forward-looking statements are based on assumptions and address future events and conditions, by their very nature they involve inherent risks and uncertainties. Although these statements are based on information currently available to the Company, the Company provides no assurance that actual results will meet management's expectations. Risks, uncertainties and other factors involved with forward-looking information could cause actual events, results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking information. Forward looking information in this news release includes, but is not limited to, the size of the Offering, the completion and terms of the Offering, the use of the proceeds from the Offering, completion of any additional tranches of the Offering, the Company's objectives, goals or future plans, statements, harvesting results, and estimates of market conditions. Factors that could cause actual results to differ materially from such forward-looking information include future growth potential of the Company, fluctuations in general macroeconomic conditions, fluctuations in securities markets, expectations regarding the size of the future harvest, the ability of the Company to successfully achieve its business objectives, plans for expansion, inability to obtain adequate insurance to cover risks and hazards and general market conditions. Additional 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>. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected



Although the forward-looking statements contained in this news release are based upon what management of the Company believes, or believed at the time, to be reasonable assumptions, the Company cannot assure shareholders that actual results will be consistent with such forward-looking statements, as there may be other factors that cause results not to be as anticipated, estimated or intended. Readers should not place undue reliance on the forward-looking statements and information contained in this news release. These statements speak only as of the date of this news release. The Company assumes no obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change, except as required by law.