

Nextleaf Becomes First Public Company to be Issued a Patent for Extraction and Purification of Cannabinoids

VANCOUVER, March 28, 2019 /CNW/ - **Nextleaf Solutions Ltd.** ("**Nextleaf**" or the "**Company**") (**CSE: OILS**) is pleased to announce that it has been issued a patent by the United States Patent and Trade Office pertaining to the Company's proprietary process of extraction, refinement, and distillation of cannabinoids from marijuana and hemp.

The resulting THC or CBD distillate is tasteless, odourless, standardized for potency, and ready to use in a wide range of products, including topicals, transdermal or sublingual delivery technology, vape technology, edible oils, beverages, and water-soluble extracts. Nextleaf's patented technology allows for low-quality dried cannabis biomass to be efficiently processed into a high-purity distilled oil, simplifying the manufacturing of differentiated cannabinoid formulations and delivery methods.

Nextleaf is pleased to further announce that it has been issued a standard patent by IP Australia – the Australian Government agency that administers intellectual property ("IP") rights - for the Company's unique, industrial-scale process of producing purified cannabinoid distillate.

The Company's management believes, to the best of its knowledge, that Nextleaf is the first publicly traded company to be issued a patent for the extraction and purification of cannabinoids.

"Nextleaf Solutions has succeeded in beating big pharma, big tobacco, big alcohol, and *every single* billion-dollar cannabis company to the first issued patent for the extraction and purification of cannabinoids." said Paul Pedersen, CEO. "We believe companies that can develop and protect valuable intellectual property will benefit substantially in the long-term, especially in an industry as young as the cannabis industry.

Currently, legal cannabis producers in Canada can only sell one form of cannabis extract ("cannabis oil") with a maximum potency of approximately 3% THC. However, the Federal Government has announced that cannabis concentrates, edibles, beverages, topicals, and vape pens will be legal by October 2019, and is expected to publish draft regulations in the coming months. These products are extremely popular in other legal cannabis jurisdictions, and demand for them continues to grow.

"Nextleaf's patented process allows a cannabis processor to turn raw biomass or a crude extract into a refined, high-purity oil that's tasteless, odourless, easy to standardize, or even make water soluble. Developed by Nextleaf's team of chemists and engineers, it allows us to efficiently separate and isolate THC and CBD molecules at an industrial scale, before reformulating in the ideal combination based on the product, client, and end consumer's needs. The mass-market consumer is looking for a consistent experience to either reliably target a particular medical condition, or to bring about a desired effect. We expect Nextleaf's issued patent will have a major impact on the production of the next generation of legal cannabis products, especially since most federally-legal cannabis processors seem to be lacking the technology and expertise to do it themselves," said Nextleaf Co-Founder and CEO Paul Pedersen.

Nextleaf's patented process improves upon traditional extraction methods that use only CO₂ or ethanol to produce crude cannabis extracts. Unrefined botanical extracts contain chlorophyll, fats, and other impurities that result in undesirable flavours and aromas when consumed. Nextleaf's unique method of extracting and separating cannabinoids and terpenes makes it possible to purify and concentrate the desired compounds, which can be used for the manufacturing of a diverse array

of products standardized for dose.

The Company initially files its patents in the United States to create a priority date and allow for future filings in other selected jurisdictions. This is common in the field of IP protection. Following the issuance of its patent in the United States, Nextleaf filed for patent protection in Canada, Europe, Mexico, Colombia, and Jamaica. These patent filings are part of the Company's overall strategy to develop and protect IP pertaining to the production of innovative cannabinoid-based products geared towards both medical cannabis patients and adult-use consumers.

About Nextleaf Solutions

Nextleaf Solutions Ltd. (**CSE: OILS**) is an extraction technology company that has developed a portfolio of issued and pending patents pertaining to the company's unique, industrial-scale process of producing purified cannabinoid distillate, a tasteless, odourless cannabis concentrate best suited for infusing premium value-added products. Nextleaf plans to commercialize its intellectual property portfolio by providing B2B processing services to licensed cultivators and supplying cannabis oil and extracts to qualified Canadian and international partners under the client's own brands. Nextleaf has completed construction of its dedicated extraction and processing facility in Greater Vancouver, British Columbia, in time for Canada's legalization of edibles and other cannabis derivative products. The Company's processing facility includes research and laboratory infrastructure, allowing for the continued development of novel, scalable cannabis processing technology and intellectual property.

For more information about Nextleaf Solutions (CSE: OILS) visit www.nextleafsolutions.com or follow Nextleaf across social media platforms.

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include but are not limited to: changes in economic conditions or financial markets; increases in costs; litigation; legislative, environmental and other judicial, regulatory, political and competitive developments; and technological or operational difficulties. This list is not exhaustive of the factors that may affect our forward-looking information. These and other factors should be considered carefully, and readers should not place undue reliance on such forward-looking information. For additional information with respect to risk factors applicable to Nextleaf Solutions, reference should be made to Nextleaf Solutions continuous disclosure materials filed from time to time with securities regulators, including, but not limited to, Nextleaf Solutions CSE Listing Statement. The forward-looking information contained in this release is made as of the date of this release. Nextleaf Solutions does not intend, and expressly disclaims any intention or obligation to, update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required by applicable law. The CSE has not reviewed, approved or disapproved the contents of this press release. To contact the company, email investors@nextleafsolutions.com

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CNW 08:00e 28-MAR-19