

Nextleaf to Acquire Patent Pending Extraction Process and Award-Winning Formulation for Cannabis Concentrate

VANCOUVER, June 24, 2019 /CNW/ - Nextleaf Solutions Ltd. ("**Nextleaf**", "**OILS**", or the "**Company**") (CSE: **OILS**) (OTC: **OILFF**) today announced that it has entered into an agreement to acquire a U.S. patent pending hydrocarbon extraction process and award-winning formulation for a cannabis concentrate, also known as "shatter", a popular concentrate product set to become legal across Canada on October 17, 2019.

This unique patent pending butane hash oil, or "BHO", extraction process and formulation produces a broad spectrum cannabis concentrate with a rich terpene profile, unlike any product currently available on the Canadian legal cannabis market. The chemical selectivity of the proprietary solvent mixture, coupled with the specific processing techniques and operating parameters, efficiently extracts terpenes and cannabinoids from cannabis flower to produce a full-flavour concentrate void of undesirable waxes and pigments.

On June 14, 2019 Health Canada released updated regulations for the production and sale of a variety of THC and CBD based concentrates and derivatives. These consumer products will start to be available for sale to medical patients and adult-use consumers across Canada by December 2019.

"Nextleaf is committed to acquiring and developing market-validated intellectual property ("IP") pertaining to formulations and methodology to produce unique cannabis oils and concentrates. By acquiring this patent pending BHO extraction process and award-winning shatter formulation, Nextleaf adds valuable IP to its portfolio of innovative processes and formulations for THC and CBD based products. This acquisition allows Nextleaf to diversify its intellectual property portfolio, as consumers in legal recreational and medical states consistently illustrate increased consumption of hydrocarbon concentrates." says CEO Paul Pedersen.

Nextleaf will acquire the process and formulation from an arms' length third party, pursuant to an asset purchase agreement. As consideration, Nextleaf will issue 444,444 common shares at a deemed price of \$0.45 per share. The shares issued will be subject to a four (4) month hold period pursuant to applicable securities laws.

The acquisition of the BHO extraction process and shatter formulation follows Nextleaf recently being issued multiple patents for extraction technology the Company had previously acquired. The United States Patent and Trademark Office issued a patent to Nextleaf pertaining to the Company's proprietary process of extraction, refinement, and distillation of cannabinoids from cannabis biomass. Nextleaf's portfolio of three (3) issued and 24 pending patents - including the newly acquired patent pending BHO process - are part of its 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.

"We believe companies that can successfully develop and protect valuable intellectual property will benefit substantially in the long-term." says CEO Paul Pedersen.

With concentrates legal in Canada later this year, Nextleaf plans to commercialize its IP portfolio by providing B2B processing services to licensed cultivators and supplying cannabis oils and concentrates to qualified Canadian and international partners under the client's own brands.

Licensing Update

The site evidence package has been filmed at Nextleaf's built-out extraction and processing facility in Greater Vancouver, British Columbia. The recent changes by Health Canada to its licensing process now require a submission of a site evidence package as a final step to licensing. Health Canada has indicated a service standard goal for response time within 60 days from submission of a completed site evidence package.

About Nextleaf Solutions

Nextleaf Solutions Ltd. (**CSE: OILS**) (**OTC: OILFF**) 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, visit www.nextleafsolutions.com, contact investors@nextleafsolutions.com or follow the Company across social media platforms.

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