

# Nextleaf Solutions Completes Acquisition of Water-Soluble Technology for Cannabis Beverages

VANCOUVER, Feb. 6, 2020 /CNW/ - Nextleaf Solutions Ltd. ("**Nextleaf**", "**OILS**", or the "**Company**") (**CSE: OILS**) (**OTCQB: OILFF**) (**FSE: LOMA**) announced today it has completed the acquisition of intellectual property pertaining to the nano delivery of cannabinoids, including the foundational processing methodology and two water soluble formulations (the "**Acquired IP**"). The initial agreement to purchase the Acquired IP was announced on September 23, 2019.

Ten years of R&D has resulted in a proprietary delivery system that has been adapted to cannabis, increasing bioavailability through nanoemulsification to deliver rapid onset of THC, CBD, and other cannabinoids.

Nextleaf believes the critical driver for the success of cannabis-infused drinks and edibles involves onset time — how long it takes for the consumer to feel the desired effect from the product.

"The intellectual property we've acquired allows consumers to feel the desired effect from cannabinoid infused drinks and edibles in under 10 minutes. We are excited to commercialize this game changing technology by supplying water-soluble THC and CBD solutions through our private label program", said Paul Pedersen, CEO of the Company.

Nextleaf plans to seek patent protection around the Acquired IP and to develop a new patent family. The Company currently has a pending to issued patent allowance success rate of 100% (i.e. the Company has never received a final rejection from any patent office globally) compared with a cannabis sector average of less than 30%, with 12 issued patents related to the industrial-scale extraction and purification of cannabinoids.

The Company remains committed to developing and monetizing its intellectual property portfolio through IP licensing, and supplying THC and CBD oils under private label through Nextleaf Labs, a Health Canada licensed Standard Processor. The Company started generating licensing royalties in 2019 from its previously announced agreement to license non-core IP.

"For the past three years our team has focused on developing efficient, patented extraction technology to put distilled cannabinoids into IP-protected delivery formats such as beverages and edibles." said Pedersen.

The developers behind the Acquired IP combine expert chemical engineering with tenured experience from one of the largest Canadian dairy product manufacturers. By meeting the second and final milestone defined in the agreement, Nextleaf will issue the developers 937,500 Nextleaf common shares at a price of \$0.32 per share.

## About Nextleaf Solutions

OILS is developing disruptive intellectual property for extraction, purification, and formulation of cannabinoids. The Company owns a portfolio of 12 issued patents pertaining to the industrial-scale production of high-purity, cannabinoid-rich distillate, the key ingredient used in the manufacturing of standardized THC and CBD based products. Nextleaf Solutions commercializes its intellectual property portfolio through IP licensing, and supplying THC and CBD oils through Nextleaf Labs, a Health Canada licensed Standard Processor.

Nextleaf Solutions trades as **OILS** on the Canadian Securities Exchange, **OILFF** on the OTCQB Market in the United States, and **LOMA** on the Frankfurt Stock Exchange.

Follow OILS across social media platforms: [Twitter](#), [LinkedIn](#), [Facebook](#), and [Instagram](#).  
[www.nextleafsolutions.com](http://www.nextleafsolutions.com)

For further information, please contact:  
604-283-2301 (ext. 201)  
[investors@nextleafsolutions.com](mailto:investors@nextleafsolutions.com)

*On behalf of the Board of Directors of the Company,*  
Paul Pedersen, CEO

## CAUTIONARY STATEMENT:

Certain statements contained in this press release constitute "forward-looking statements". All statements other than statements of historical fact contained in this press release, including, without limitation, those regarding the Company's ability to capitalize on its IP portfolio and enter into agreements with third parties, expected market growth, and the Company's strategy, plans, objectives, goals and targets, and any statements preceded by, followed by or that include the words "believe", "expect", "aim", "intend", "plan", "continue", "will", "may", "would", "anticipate", "estimate", "forecast", "predict", "project", "seek", "should" or similar expressions or the negative thereof, are forward-looking statements. These statements are not historical facts but instead represent only the Company's expectations, estimates and projections regarding future events. These statements are not guarantees of future performance and involve assumptions, risks and uncertainties that are difficult to predict. Therefore, actual results may differ materially from what is expressed, implied or forecasted in such forward-looking statements. Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to the risk factors discussed in the Company's MD&A for the most recent fiscal period. Management provides forward-looking statements because it believes they provide useful information to investors when considering their investment objectives and cautions investors not to place undue reliance on forward-looking information. Consequently, all of the forward-looking statements made in this press release are qualified by these cautionary statements and other cautionary statements or factors contained herein, and there can be no assurance that the actual results or developments will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, the Company. These forward-looking statements are made as of the date of this press release and the Company assumes no obligation to update or revise them to reflect subsequent information, events or circumstances or otherwise, except as required by law. The CSE has not reviewed, approved or disapproved the contents of this press release.

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