

Nextleaf Solutions Announces Private Placement Financing

Vancouver, British Columbia--(Newsfile Corp. - May 7, 2020) - Nextleaf Solutions Ltd. (**CSE: OILS**) ("**Nextleaf**", "**OILS**", or the "**Company**"), Canada's most innovative cannabis extractor, announced today that it will be conducting a non-brokered private placement of units (the "**Units**") at a price of \$0.30 per Unit for gross proceeds of up to \$2,000,000 (the "**Offering**"), subject to the over-allotment option described below.

Each Unit will be comprised of one common share in the capital of the Company (a "**Common Share**") and one common share purchase warrant of the Company (a "**Warrant**"). Each Warrant shall be exercisable to acquire one Common Share (a "**Warrant Share**") at a price per Warrant Share of \$0.50 for a period of 24 months from the date of issuance.

Provided that the Common Shares trade above \$0.70 per share for 10 consecutive trading days, then the expiry date of the Warrants will be automatically accelerated to the date that is 30 days after the date the Company provides notice by press release to the holders of the Warrants.

The Units to be issued under the financing will be subject to a four month hold period. There is no minimum offering amount. The Company may close the Offering in one or more tranches. The Company may pay commissions or finder fees on the amount raised through the Offering. The Offering is subject to an over-allotment option, at the discretion of the Company, under which the Company may issue additional Units for additional gross proceeds of up to 100% of the gross proceeds of the Offering described above. The terms of the financing are subject to applicable securities laws and regulatory approval. Additional details regarding the Offering can be found in the Form 9 filed in accordance with the rules of the Canadian Securities Exchange, a copy of which is accessible at www.thecse.com under the Company's profile.

"Following our recently announced commercial contracts and the growing market opportunities with additional cannabis product manufacturing coming on line, we feel this is the right time to provide our Company with additional growth working capital to pursue these accretive opportunities," says Nextleaf CFO Charles Ackerman. "As we move towards the outdoor cannabis harvest this fall, our goal is to have our cannabis oil refinery at 100% utilization. This capital will help us move toward that goal, and most importantly - profitability," continued Ackerman.

The Company intends to use the proceeds of the Offering to fund operating expenses related to its recently announced extraction contracts and for general working capital.

About Nextleaf®

OILS is Canada's most innovative cannabis extractor, developing technology for extracting and distilling THC and CBD oils. Nextleaf's industrial-scale extraction plant in Greater Vancouver, BC has a design capacity to process 600 kg per day of dried cannabis biomass into refined oils. The Company owns a portfolio of over 20 issued patents and 60 pending patents for the extraction, purification, and formulation of cannabinoids. Nextleaf Solutions commercializes its patent 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

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

CAUTIONARY STATEMENTS

This press release shall not constitute an offer to sell or the solicitation of an offer to buy the securities in any jurisdiction. The Units (and the Common Shares and Warrants that comprise the Units) will not be and have not been registered under the United States Securities Act of 1933 and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. All statements other than statements of historical fact included in this release, including, without limitation, future operating margins, future production and processing, processing results, and future plans and objectives of Nextleaf Solutions, constitute forward looking information that involve various risks and uncertainties. Forward-looking information is based on a number of factors and assumptions which have been used to develop such information but which may prove to be incorrect, including, but not limited to, assumptions in connection with the continuance of Nextleaf Solutions and its subsidiaries as a going concern, general economic and market conditions, price of biomass, the accuracy of production resource estimates, and the performance of Nextleaf Solutions future operations. There can be no assurance that such information will prove to be accurate and actual results and future events could differ materially from those anticipated in such

forward-looking information. Important factors that could cause actual results to differ materially from Nextleaf Solutions' expectations 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. 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.

To view the source version of this press release, please visit <https://www.newsfilecorp.com/release/55576>