

Nextleaf Solutions Awarded U.S. Patent and Announces Extraction Services Agreement

Vancouver, British Columbia--(Newsfile Corp. - December 10, 2020) - Nextleaf Solutions Ltd. (**CSE: OILS**) (**OTCQB: OILFF**) ("**Nextleaf Solutions**", "**OILS**", or the "**Company**"), Canada's most innovative cannabis extractor, is pleased to provide the following commercial and intellectual property update:

Cannabis Tolling Agreement with Large Canadian Producer

Nextleaf Labs Ltd. ("**Nextleaf Labs**") has entered into a Cannabis Extraction Services Agreement (the "**Services Agreement**") with a Canadian licensed producer which operates cannabis production and distribution facilities across Canada (the "**Client**").

Pursuant to the Services Agreement, the Client provides cannabis biomass to be processed into THC distillate at Nextleaf's processing facility. The pricing and value of the Services Agreement is based upon the volume of distillate produced by Nextleaf Labs from the Client's cannabis biomass. The extraction services are paid in cash and are based on a minimum of 1,000 kilograms of dried marijuana per service order.

"We are thrilled to add another strong LP to our Commercial Partners Program. OILS will supply high purity cannabis distillate to help support our partner's cannabis 2.0 strategy nationally," said Nextleaf CFO, Charles Ackerman.

U.S. Patent Granted for Ultrasonic Cannabinoid Extraction

The United States Patent and Trademark Office has granted The Company a patent for ultrasonic cannabinoid extraction using a non-flammable co-solvent. The process describes a method of extracting cannabinoids from cannabis biomass in a non-flammable and inexpensive co-solvent system using a flow-through ultrasonic extraction system.

"This technology has the potential to differentiate from the established extraction methods through the use of an innovative continuously-fed cannabinoid extraction system," commented Dr. David Novitski, co-author of Nextleaf's 11th issued U.S. patent. "The ability to continuously extract THC from biomass is a gamechanger in the realm of extraction."

This issued patent is the latest example of Nextleaf's commitment toward the development of new technologies which result in high-quality and low-cost distillate products.

Nextleaf Issues Shares and Options

Nextleaf has issued an aggregate of 418,823 common shares at a price of \$0.17 per share, representing an aggregate value of \$71,200, to two non-executive employees and to one consultant of the Company, as compensation for services provided.

Nextleaf has also issued an aggregate of 911,765 common shares at a price of \$0.17 per share, representing an aggregate value of \$155,000, to two consultants of the Company as settlement for existing debts. The shares are subject to a four month period in accordance with applicable securities laws. Nextleaf also issued an aggregate of 250,000 stock options to the consultants, each option exercisable for five years at an exercise price of \$0.25 and vesting immediately.

About Nextleaf®

OILS is Canada's most innovative cannabis extractor, developing technology for extracting and distilling cannabinoids. OILS wholesales THC and CBD oils and provides extraction services through its wholly

owned subsidiary Nextleaf Labs Ltd., a Health Canada licensed processor. The Company owns a portfolio of over 60 issued patents and over 50 pending patents for the extraction, purification, and delivery of cannabinoids. The Company's automated closed-loop extraction plant in Metro Vancouver has a design capacity to process 600 kg per day of dried cannabis biomass into distilled oils.

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 OILS,

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, 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.

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