

Nextleaf Labs Receives Research Licence for Sensory Evaluation with Human Subjects

Vancouver, British Columbia--(Newsfile Corp. - January 13, 2021) - Nextleaf Solutions Ltd. (**CSE: OILS**) (**OTCQB: OILFF**) ("**Nextleaf Solutions**", "**OILS**", or the "**Company**"), the world's most innovative cannabis extractor, is pleased to announce that its wholly-owned subsidiary, Nextleaf Labs Ltd. ("**Nextleaf Labs**"), has received an amendment to its existing Cannabis Research Licence from Health Canada to conduct controlled human administration trials for sensory evaluation of cannabis at its processing facility in Metro Vancouver.

This licence permits Nextleaf Labs to conduct R&D involving the administration of cannabis to human subjects for the assessment of taste, sight, or smell, subject to conditions laid out by Health Canada.

"We believe this licence provides added-value to consumer-packaged goods companies looking for product development and formulation capabilities within a federally legal market," said Nextleaf CEO, Paul Pedersen. "Sensory evaluation with human subjects is essential to the development of differentiated cannabis 2.0 products."

The Company plans to use this licence to conduct controlled human trials for the sensory evaluation of Rapid Emulsion Technology by OILS™, the company's proprietary water-soluble emulsion technology for cannabis infused products. The licence allows the Company to conduct focus-group studies to provide its commercial partners with data based on consumer feedback around taste and overall user experience.

Vape Technology R&D

Under the research licence, Nextleaf Labs can begin comprehensively testing cannabis vape oils for key fluid parameters such as viscosity, and how various oil formulations interact with different vape hardware to determine the best fit for each partners' formulations. The Company expects to drastically shorten design cycles and accelerate product development by validating new technologies and formulations more efficiently.

Nextleaf Labs Files for Sales Amendment

Nextleaf Labs has filed an amendment to its licence that upon receipt, will allow direct sale of finished products to provincially authorized distributors and retailers nationwide. The Company anticipates the issuance of the sales amendment during the first half of 2021. The amendment will enable Nextleaf Labs to offer additional value-added services to its current and future partners with a quicker and more seamless path to market.

Options Grant

The Company has awarded non-executive staff of the Company 630,000 options, pursuant to the Company's Stock Option Plan, exercisable at a price of \$0.35 per common share, vesting at various points throughout 2021. The Company has also cancelled options previously issued to consultants to the Company totalling 360,000 options.

"We believe in rewarding and aligning our entire team, not just our senior team, efforts and successes. We take a lot of pride in our employees also being owners of the Company," stated Charles Ackerman Nextleaf CFO.

About Nextleaf®

OILS is the world's most innovative cannabis extractor, having developed the 2nd largest portfolio of U.S. patents among all cannabis companies. The Company wholesales THC and CBD oils and provides extraction services through its wholly owned subsidiary Nextleaf Labs Ltd. 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 Labs holds Health Canada licenses for standard processing and research under the Cannabis Act, allowing for a number of licenced activities including sensory evaluation of cannabis via human testing. The Company owns a portfolio of 12 issued U.S. patents, and over 60 issued patents globally, for the extraction, purification, and delivery of cannabinoids.

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](#).

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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, 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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