

Nextleaf Awarded U.S. Patent for Technology that Maximizes Cannabinoid Yield and Reduces Waste

Vancouver, British Columbia--(Newsfile Corp. - April 5, 2022) - Nextleaf Solutions Ltd. (**CSE: OILS**) (**OTCQB: OILFF**) (**FSE: LOMA**) ("**Nextleaf**", or the "**Company**"), a federally regulated manufacturer and distributor of cannabis vapes and oils, is pleased to announce that the United States Patent and Trademark Office has granted the Company its 18th issued U.S. patent.

Nextleaf's latest U.S. patent describes a system in which spent cannabis biomass is heated in stages to reclaim residual cannabinoids while simultaneously generating carbon with a desired porosity level. When utilized, this patented process allows Nextleaf to maximize its cannabinoid molecule yield, reduce waste destined for landfills, and create a new business vertical at minimal cost. The Global Activated Carbon Market is expected to garner 2.7 million tonnes and have a total addressable market over \$5.1 billion in 2022.^[1]

The cannabis industry has a major issue with cannabis waste. In 2020, 20% of all dried cannabis (279,837 kilograms) was destroyed by Canadian licensed producers, and over 500 tonnes of cannabis have been destroyed since 2018.^[2] This issued U.S. patent is the latest example of Nextleaf's respect for the plant and its continuous commitment to developing innovative solutions for industry-wide problems.



Nextleaf's multi-patented automated extraction plant

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https://orders.newsfilecorp.com/files/5347/119290_18117bda443699ef_001full.jpg

Nextleaf owns one of the largest collections of U.S. patents among all cannabis companies, as well as a Greater Vancouver-based extraction plant producing low-cost cannabinoid ingredients under its Health Canada licences. Nextleaf's multi-patented automated extraction plant up-cycles aged cannabis flower and biomass, which would otherwise be destroyed, into high-purity cannabinoid ingredients at industrial scale.

Nextleaf's intellectual property ("**IP**") includes 18 U.S. patents and over 95 issued patents globally on cannabinoid processing including extraction, distillation, and acetylation. With this latest issued patent,

Nextleaf has a success rate above 95% for pending application to issued patents. The average success rate of pending to issued patents in the pharmaceutical industry is 42.8%.^[3]

"Given the U.S. House of Representatives passing the MORE Act - a bill that would end the federal prohibition on cannabis - and the need for the U.S. Government to address the opioid epidemic, we believe cannabis legalization will become a reality in the United States in the near term. With a U.S. patent stack protecting what we believe to be the most efficient methods of producing distilled THC and CBD in a regulated market, Nextleaf is well positioned to benefit from U.S. legalization," said Nextleaf CEO Paul Pedersen.

Executive Officer Update

Nextleaf announces a recent update to its leadership structure with the transition of Ryan Ko, Chief Technology Officer of Nextleaf Solutions Ltd., from his executive officer role to serve as Nextleaf's Vice President of Innovation & Technology. The change is effective as of April 5th, 2022. A co-founder of Nextleaf, Mr. Ko has authored over 80 global patents and will remain as the key driver of Nextleaf's innovation & IP commercialization strategy.

About Nextleaf®

Nextleaf is a federally regulated manufacturer and distributor of cannabis vapes and oils under its award-winning prohibition-era brand, *Glacial Gold*[™]. The Company's multi-patented ingredient processing technology transforms cannabis and hemp biomass into high-purity distillate at an industrial scale. Nextleaf is a low-cost producer of cannabis oils, and supplies THC and CBD ingredients to qualified wholesale partners across Canada. Nextleaf is the first publicly traded company to be issued a U.S. patent for the industrial extraction and purification of cannabinoids. The Company has been issued 18 U.S. patents, and over 90 patents globally, on cannabinoid processing including distillation and acetylation. Nextleaf develops proprietary cannabinoid-based formulations and delivery technology through its Health Canada Research Licence with sensory evaluation of cannabis via human testing. For more information visit www.nextleafsolutions.com and www.Glacial.Gold

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](#).

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Jason McBride, Corporate Development
604-283-2301 (ext. 219)
jason@nextleafsolutions.com

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

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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 or approved the contents of this press release.

[1] <https://www.alliedmarketresearch.com/activated-carbon-market>

[2] <https://mjbizdaily.com/canadian-producers-destroyed-over-500-tons-of-cannabis-since-2018/>

[3] Yale Journal of Law and Technology, 2015

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