

Nextleaf Solutions Reports Quarterly Results with Record Revenue

Vancouver, British Columbia--(Newsfile Corp. - March 1, 2024) - **Nextleaf Solutions Ltd. (CSE: OILS) (OTCQB: OILFF) (FSE: LOMA) ("Nextleaf", "OILS", or the "Company")**, a leading biotech firm and licensed cannabis processor, is pleased to report financial results for the quarter ended December 31st, 2023. The Company achieved record quarterly revenue growth, driven by market expansion, strong performance across its product portfolio, and successful operational investments and initiatives, bolstering the overall health of the business.

Quarterly Financial Highlights:

- Reports third profitable quarter.
- This quarter marked the Company's highest gross sales period, generating over \$4,100,000.
- Achieved a 190% increase in quarterly gross sales year-over-year (Q1 FY24 vs Q1 FY23), driven by strong sales performance across all product categories.
- Recorded a notable 25.1% increase in gross sales compared to the previous quarter (Q1 FY24 vs Q4 FY23).
- The Company maintained a debt-free position.

Market Expansion and Product Performance:

- Expanded market presence and increased distribution channels throughout Alberta.
- Strategically invested in inventory across key categories to bolster commercialization efforts and expand territory sales.

The Company's revenue growth is driven by sustained momentum across all product categories within its consumer brand portfolio, including vapes, oils, and softgels.

The Company's house brands, including acclaimed legacy-to-legal brand Glacial Gold and High Plains Cannabis, launched into Alberta only two months prior to the start of Q1 (in August 2023).

The Company substantially increased its distribution Province-wide and achieved successful sell-through of all initial purchase orders, receiving reorders on all items within the quarter.

"I have a personal affinity towards Alberta and its success for us as a Company, having spent over 20 years there. This was my first full quarter as interim CEO, so I spent time visiting retailers in Alberta to support our Company's launch. It was gratifying to see first-hand how the products are gaining immediate traction and how the value proposition is resonating early on with retailers, particularly with our softgel SKUs," shares Emma Andrews, Interim CEO.

Nextleaf anticipates launching 9 new products nationwide in Q2 FY24, further bolstering its year-over-year revenue growth.

Q2 FY24 Product Launches Include:

- Glacial Gold CBD 50 Softgels 10-Pack
- Glacial Gold Balanced 10:10 Softgels 10-Pack
- Glacial Gold CBD 50 Softgels 100-Pack
- Glacial Gold Balanced 10:10 Softgels 100-Pack
- Glacial Gold MAX THC Blueberry Dream Hybrid Vape 1.2g
- Glacial Gold HIGH THC Fuzzy Mango Vape 1g
- Glacial Gold MAX THC Grape Escape Double D Infused Prerolls 3x0.7g
- Glacial Gold MAX THC Cherry K.O. Double D Infused Prerolls 3x0.7g

- High Plains 1000mg THC Indica Oil Drops 35ml

Operational Investments and Initiatives:

Key investments made during this quarter included building up inventory to support sales expansion and commercialization initiatives, as well as equipment purchases to support manufacturing. The Company also engaged new contract manufacturing partners to increase capacity and meet growing demand.

Equity and Stock Options:

Nextleaf has issued an aggregate of 535,714 common shares to Company executives as compensation for services rendered, at a deemed price of \$0.14 per share.

The Company has cancelled 1,275,000 options to purchase common shares under its Stock Option Plan.

The Company awarded various employees, executives and directors options to purchase up to 9,925,000 common shares pursuant to the Company's Stock Option Plan, with an exercise price of \$0.14 per share.

About Nextleaf Solutions Ltd.

Nextleaf® is an innovative cannabis processor with a portfolio of federally regulated emerging consumer brands, market validated cannabis derivative products, and high-purity and high-potency bulk ingredients. Nextleaf's multi-patented, highly automated, closed loop extraction and distillation technology sets the global standard for processing cannabis at-scale.

The Company currently manufactures over 80 different products, across 4 categories for white label clients and house brands. Formulated products and bulk ingredients are sold domestically to B2B partners and exported to applicable international jurisdictions.

With coast-to-coast distribution, Nextleaf brands are sold through both medical and recreational channels and includes award-winning legacy-era brand Glacial Gold, offering unparalleled value across multiple formats including high purity and high potency vapes, oils, softgels and infused prerolls. Additionally, newly launched house brand High Plains offers a broader assortment of cannabinoids and plant compounds, reaching additional market segments.

Nextleaf's commitment to constant innovation, and speed-to-market advantage is guided by their team's unique depth of industry experience, complimented by their Health Canada Research License allowing for unique sensory evaluation of cannabis via human trials, and rapid prototyping. The Company has been issued 19 U.S. patents, and 75+ patents globally, on cannabinoid processing including extraction, distillation, and acetylation.

On behalf of the Board of Directors of the Company,
Emma Andrews, Interim CEO

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Nextleaf trades as [OILS on the Canadian Securities Exchange](#), [OILFF on the OTCQB Market in the United States](#), and [LOMA on the Frankfurt Stock Exchange](#).

Disclaimers and Disclosure Statements:

Certain statements contained in this press release constitute "forward-looking statements" within the meaning of applicable securities laws. All statements other than statements of historical fact contained in

this press release, including, without limitation, statements regarding the Company's anticipated delivery of its products to provincial markets across Canada and those regarding 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 Canadian Securities Exchange has not reviewed or approved the contents of this press release.

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