



New Leaf Ventures Announces Definitive Agreement to Acquire High Profile

VANCOUVER, British Columbia, Dec. 21, 2022 -- **New Leaf Ventures Inc.** (CSE: NLV) (OTC: NLVVF) ("New Leaf", "NLV" or the "Company"), is pleased to announce that, further to the press release dated October 3, 2022, it has entered into an amalgamation agreement (the "Amalgamation Agreement") with High Profile Holdings Corp. ("High Profile"), pursuant to which New Leaf has agreed to acquire all of the issued and outstanding common shares of High Profile by way of a statutory three-cornered amalgamation (the "Acquisition").

High Profile is a retail-focused private British Columbia cannabis company, offering premium cultivated products and elevated retail presence with its store-within-a-store activations. The Acquisition is expected to provide multiple operational synergies and accelerate the Company's entry into the Canadian legal market by leveraging High Profile's top-tier genetic library, seasoned operating team and access to top-performing Canadian markets.

"This is an exciting milestone for both New Leaf and High Profile. This transaction opens the doors to established shelf space with some of the most experienced retailers in Canada. Adding to our House of Brands is one of our main areas of focus, and with the addition of High Profile we open a whole new territory to New Leaf. Their commitment to quality and consistent products with innovative strains should be well received and we are excited to launch in the coming months. We look forward to closing the transaction and continuing the Company's strategic expansion plan," stated Mike Stier, President, CEO and Director.

Transaction Highlights

Pursuant to the Amalgamation Agreement:

- New Leaf will issue 0.052548929 of a common share (each whole share, a "Common Share") for each issued and outstanding common share of High Profile, and the common shares of High Profile will be cancelled, resulting in the issuance of approximately 10,000,000 Common Shares as total transaction consideration.
- High Profile will amalgamate with a wholly-owned subsidiary of New Leaf under the *Business Corporations Act* (British Columbia) and the amalgamated entity will continue as a wholly-owned subsidiary of New Leaf under the name "High Profile Holdings Cannabis Corp."
- The Common Shares issued to the former High Profile shareholders will be subject to a 24-month lock-up schedule, with 10% released from lock-up on closing of the Acquisition ("Closing"), 15% released six months from Closing, 20% released 12 months from Closing, 25% released 18 months from Closing and the remaining 30% released 24 months from Closing.
- Outstanding share purchase warrants of High Profile will remain outstanding on Closing and will remain exercisable to acquire Common Shares in accordance with their adjustment provisions.
- High Profile will be entitled to nominate one director for appointment to the New Leaf board of directors, subject to approval of the Canadian Securities Exchange.

Completion of the Acquisition is subject to shareholder approval for the Acquisition by the shareholders of High Profile, as well as receipt of regulatory approvals and other customary closing conditions. High Profile is expected to hold a shareholder meeting to seek approval for the Acquisition in early January, 2023.

About New Leaf Ventures Inc. (CSE: NLV) (OTC: NLVVF)

New Leaf Ventures Inc. is developing a cannabis sector-based scalable concept of focused financing and applied management to achieve earnings growth through targeted investment. The Company's flagship enterprise is New Leaf USA and its subsidiaries, which provide licenses, real property, intellectual property and equipment for lease, certain administrative services and other ancillary services to a Washington-based Tier 3 Processor focused on processing, packaging, and distributing cannabis and cannabis related products. Find out more at: <https://newleafventuresinc.com/>. For consumer interest visit: <https://www.damawashington.com/> and <https://damalife.com/>.

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Forward-Looking Statements

This news release contains certain forward-looking statements within the meaning of applicable securities laws. All

statements that are not historical facts, including without limitation, statements regarding future estimates, plans, programs, forecasts, projections, objectives, assumptions, expectations or beliefs of future performance, including statements regarding the timing and completion of the Acquisition, the receipt of all approvals for the Acquisition, including regulatory and High Profile shareholder approval, the satisfaction of conditions to completion of the Acquisition, the anticipated benefits of the Acquisition and the Company's intentions and plans regarding operations in Canada, are forward-looking statements. These forward-looking statements reflect the expectations and beliefs of management of the Company based on information currently available to it. Forward-looking statements are subject to a number of risks and uncertainties, including those detailed from time to time in filings made by the Company with securities regulatory authorities, which may cause actual outcomes to differ materially from those discussed in the forward-looking statements. These factors should be considered carefully, and readers are cautioned not to place undue reliance on such forward-looking statements. The forward-looking statements and information contained in this news release are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.