

Nextleaf Solutions Acquires Water-Soluble Technology for Cannabis Beverages

The intellectual property enables the creation and formulation of premium infused products, delivers a repeatable consumer experience, and can be produced at mass market scale

VANCOUVER, Sept. 23, 2019 /CNW/ - Nextleaf Solutions Ltd. ("**Nextleaf**", "**OILS**", or the "**Company**") (CSE: OILS) (OTCQB: OILFF) (FSE: LOMA) announced today it has entered into an agreement to acquire intellectual property pertaining to water-soluble cannabinoid formulations. Based around a Nano and Micro Emulsification process, the technology utilizes food grade emulsifiers already approved by Health Canada. These water-soluble cannabinoids are shelf stable, resulting in no constituent separation, and boast a rapid onset time.

"This nanotechnology increases onset time from over 90 minutes to less than 10 minutes when consuming cannabinoids in a beverage. We believe this represents a quantum leap for the industry, as fast onset is a pre-requisite for mass market acceptance of THC and CBD infused drinks." said Paul Pedersen, CEO of OILS.

Under the agreement, OILS will acquire the processing methodology and ingredient formulation from a private company led by a team with extensive experience in emulsifying hydrophobic molecules into various matrixes. The developers combine expert chemical engineering with tenured experience from one of the largest Canadian dairy product manufacturers. "This is a cannabis specific innovation built on proven and validated food and beverage technology," said Ryan Ko, Chief Technology Officer of Nextleaf Solutions. "The technology and formulation allow for versatile application into hot or cold liquids, semi-solid, or solid mediums. Homogeneity is crucial for a reliable consumer experience so that every bite or sip delivers a consistent amount of cannabinoids."

The Company's proprietary extraction, purification and refinement system paired with the newly acquired water-soluble formulation gives a superior advantage to Nextleaf's commercialization partners as products will represent cleaner ingredient profiles, minimizing the use of additives for flavor masking. OILS has granted an exclusive license to BevCanna Enterprises Inc. ("**BevCanna**") (CSE: BEV), a BC-based emerging leader in cannabis-infused beverages, for the use of intellectual property related to water-soluble cannabinoids for the development, manufacturing and sale of BevCanna products. Nextleaf also has a supply agreement with BevCanna to provide cannabinoids for the production of their products.

As consumer packaged goods companies enter the cannabis infused product landscape, OILS believes the scalability of its patented technology and ability to standardize ingredients is what sets it apart. Paul Pedersen, CEO of Nextleaf Solutions, "as the industry evolves, there's going to be increased demand for more sophisticated processing solutions to formulate standardized products."

Under the agreement, Nextleaf will compensate the developer for the intellectual property upon each of two milestones being met. For the first milestone, which has now been met, Nextleaf will pay the developer \$100,000 in cash and issue Nextleaf common shares having an aggregate value of \$100,000 through the issuance of 196,078 shares at a price of \$0.51 per share. Upon the developer meeting the second milestone, Nextleaf will pay the developer an additional \$65,000 and issue additional shares having an aggregate value of \$300,000, with the price per share and number of shares being determined once the second milestone has been met.

About Nextleaf Solutions

Nextleaf Solutions Ltd. (CSE: OILS) is developing disruptive intellectual property for industrial-scale extraction, purification and formulation of cannabinoids. OILS owns a portfolio of eight (8) issued and over 28 pending patents pertaining to the production of high-purity, cannabinoid rich distillate, the key ingredient used in the manufacturing of standardized THC and CBD infused products. Once cannabis concentrates and edibles become legal across Canada, OILS plans to commercialize its intellectual property portfolio through IP licensing and B2B processing services.

Nextleaf Solutions trades as OILS on the Canadian Securities Exchange (CSE: OILS), OILFF on the OTCQB Market in the United States (OTCQB: OILFF) and LOMA on the Frankfurt Stock Exchange (FSE: LOMA)

Contact:

Adel Fares, Investor Relations
604-283-2301 (ext. 201)
investors@nextleafsolutions.com

For more information visit www.nextleafsolutions.com or follow OILS across social media platforms: [Twitter](#), [LinkedIn](#), Facebook, [Instagram](#) and [YouTube](#).

CAUTIONARY STATEMENT:

The securities described herein, if any, have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws, and may not be offered or sold within the United States or to, or for the benefit of, U.S. persons (as defined in Regulation S under the U.S. Securities Act) except in compliance with the registration requirements of the U.S. Securities Act and applicable state securities laws or pursuant to exemptions therefrom. This release does not constitute an offer to sell or a solicitation of an offer to buy of any of Nextleaf Solutions securities in the United States. This news release may contain "forward-looking information" as defined in applicable Canadian securities legislation. All statements other than statements of historical fact included in this release, including, without limitation, future operating margins, future production and processing, processing results, and future plans and objectives of Nextleaf Solutions, constitute forward looking information that involve various risks and uncertainties. Forward-looking information is based on a number of factors and assumptions which have been used to develop such

information but which may prove to be incorrect, including, but not limited to, assumptions in connection with the continuance of Nextleaf Solutions and its subsidiaries as a going concern, general economic and market conditions, price of biomass, the accuracy of production resource estimates, and the performance of Nextleaf Solutions future operations. There can be no assurance that such information will prove to be accurate and actual results and future events could differ materially from those anticipated in such forward-looking information. Important factors that could cause actual results to differ materially from Nextleaf Solutions' expectations include but are not limited to: changes in economic conditions or financial markets; increases in costs; litigation; legislative, environmental and other judicial, regulatory, political and competitive developments; and technological or operational difficulties. This list is not exhaustive of the factors that may affect our forward-looking information. These and other factors should be considered carefully, and readers should not place undue reliance on such forward-looking information. For additional information with respect to risk factors applicable to Nextleaf Solutions, reference should be made to Nextleaf Solutions continuous disclosure materials filed from time to time with securities regulators, including, but not limited to, Nextleaf Solutions CSE Listing Statement. The forward-looking information contained in this release is made as of the date of this release. Nextleaf Solutions does not intend, and expressly disclaims any intention or obligation to, update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required by applicable law. The CSE has not reviewed, approved or disapproved the contents of this press release.

View original content to download multimedia:

<http://www.pnewswire.com/news-releases/nextleaf-solutions-acquires-water-soluble-technology-for-cannabis-beverages-300923023.html>

SOURCE Nextleaf Solutions Ltd.

View original content to download multimedia: <http://www.newswire.ca/en/releases/archive/September2019/23/c7179.html>

%SEDAR: 00043354E

CO: Nextleaf Solutions Ltd.

CNW 02:04e 23-SEP-19