

Nextleaf Solutions Awarded Cannabis Extraction Patent in Israel

VANCOUVER, February 16, 2021 - Nextleaf Solutions Ltd. ("**Nextleaf**", "**OILS**", or the "**Company**") (CSE: **OILS**) (OTCQB: **OILFF**), the world's most innovative cannabis processor, announced today the Israeli Patent Office has granted the Company a patent for its foundational process for producing low-cost cannabis distillate, Nextleaf's fifth issued extraction patent in Israel.



The Company believes global patent protection is a key aspect of developing defensible intellectual property ("**IP**") around the most efficient methods for producing high-purity THC and CBD oils within a regulated environment.

With the medical cannabis market in Israel continuing to grow along with the tailwind of legalization, Nextleaf views Israel as a key jurisdiction for cannabinoid IP rights. In December 2020, Israel signed a regulatory amendment permitting the use of CBD in cosmetics and food products. According to the Israeli Medical Cannabis Association, there are over 71,000 legal medical cannabis patients, in addition to an estimated \$2 Billion in illicit cannabis consumption in Israel.

“This Israeli patent is a validation of our technology and is significant in achieving our vision of developing IP that improves cannabis oil economics globally,” said Paul Pedersen, CEO of Nextleaf Solutions.

Nextleaf owns one of the largest portfolios of issued U.S. patents related to cannabis extraction, and has been issued patents in Canada, Mexico, Australia, New Zealand, Colombia, South Africa, Cambodia, Israel, Germany, the U.K. and across Europe.

The Company is focused commercializing its portfolio of issued and pending patents through licensing of IP (royalties), processing services, and bulk sales of CBD and THC oils to qualified Canadian and international partners.

Nextleaf Issues Shares and Options

Nextleaf has issued an aggregate of 383,428 common shares at a price of \$0.285 per share, representing an aggregate value of \$109,277, to consultants of the Company, as compensation for services provided.

Nextleaf also issued an aggregate of 560,000 stock options to the non-executive employees, each option exercisable for five years at an exercise price of \$0.35.

About Nextleaf®

Nextleaf is an innovative cannabis processor that owns one of the largest portfolios of U.S. patents for the extraction, purification, and delivery of cannabinoids. The Company is a low-cost producer of cannabis distillate and private label THC & CBD oils through its wholly-owned subsidiary Nextleaf Labs Ltd. Nextleaf’s automated closed-loop extraction plant in Metro Vancouver has a design capacity to process 600 kilos of dried cannabis into oil per day. Nextleaf Labs holds Health Canada licenses for standard processing and research, allowing for a number of licenced activities including sensory evaluation of cannabis via human testing. The Company owns 12 issued U.S. patents and 70 issued patents globally.

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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www.nextleafsolutions.com

For more information please contact:

Jason McBride

604-283-2301 (ext. 219)

investors@nextleafsolutions.com

On behalf of the Board of Directors of the Company,

Paul Pedersen, CEO

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 or approved the contents of this press release.