

Nextleaf Announces Q1 Results and Provides Commentary

VANCOUVER, March 2, 2023 - Nextleaf Solutions Ltd. ("**Nextleaf**", "**OILS**", or the "**Company**") (CSE: **OILS**) (OTCQB: **OILFF**) (FSE: **LOMA**), a federally regulated manufacturer and distributor of cannabis extracts, has released its Q1 financial statements for the quarter ended December 31, 2022. Nextleaf is pleased to provide selected financial highlights and milestones achieved:

- Generated positive cashflow from operations
- Revenue increased 24% from Q1 last year
- Operating expenses decreased 63% from Q1 last year
- Glacial Gold™ was the #1 selling brand of CBD vape in British Columbia, with over 39% market share

"Nextleaf has established itself as one of the top producers of cannabis vapes and oils. I'm proud of our team for competing head-to-head against the largest and most well capitalized cannabis companies in the world, and winning our key categories. We believe it's a validation of Nextleaf's intellectual property stack, with 10 U.S. patents covering the most efficient methods for producing high-purity cannabinoids within a regulated market," said Nextleaf CEO, Paul Pedersen.

[Embed Video Link: <https://www.youtube.com/watch?v=Q-B8Y4NQsfs&feature=youtu.be>]

Commercial Highlights During Q1

Glacial Gold™ Anytime Vape was the #1 selling CBD vape SKU in British Columbia.

Glacial Gold™ was the #3 selling brand of cannabis oil in British Columbia.

Entered the cannabis softgel market as the #4 selling brand in B.C. Nextleaf launched Glacial Gold™ THC Softgels in 50-pack large format (500 mg of THC), and 10-pack trial size (100 mg of THC) to address the market for edible cannabis products by offering better value (price per dose) versus traditional edibles like gummies, which are restricted to a maximum 10mg THC per package by Health Canada.

Nextleaf launched its new High Plains™ brand with a lineup of high-flavour vape SKUs. High Plains™ currently holds the market leading value price point for THC vapes in British Columbia. High Plains™ was launched to address the demand from Government Distributors for value priced THC vapes with popular botanical fruit flavours. The Company differentiates its Glacial Gold™ branded vapes with premium ingredients and all natural flavours.

The Company entered the Newfoundland and Labrador market through a strategic partnership with Atlantic Cultivation Inc., the #1 distributor in the province by market

share. Nextleaf supplies private label cannabis vapes, oils, and softgels to the Newfoundland market under the partnership.

Nextleaf continued to win business from Canadian producers outsourcing their oil production. Nextleaf supplied THC and CBD ingredients to a number of large, federally licensed partners for distribution under their own market leading brands.

Nextleaf powered the Canadian Launch of Cookies™ “C” branded vapes through its partnership with Ontario-based NOYA Cannabis.

Nextleaf completed its first shipment of cannabis vape products destined for the international market. THC vapes custom manufactured by Nextleaf under private label are being distributed through pharmacies outside Canada where medical cannabis is legal. Subsequent to quarter end, Nextleaf received multiple re-orders due to strong demand from the international market.

Subsequent to Quarter End

Nextleaf has seen a significant ramp in sales and purchase orders in 2023, with Revenue in January and February increasing approximately 46% and 96% respectively, from December 2022 revenue.

The Company amended the terms of the senior secured note (the "Note") issued to an institutional investor on March 31, 2021, extending the maturity date of the Note to June 1, 2023. Between January 1 and March 1, 2023, the Company issued 6,500,000 common shares to the holder of the Note for conversion of principal of the Note. As at March 2, 2023, the balance of the Note was \$555,731.



Financial Statements

The consolidated Q1 financial statements for the quarter ended December 31, 2022 and accompanying MD&A have been filed with the securities regulators and are available on SEDAR at www.sedar.com under Nextleaf's issuer profile.

About Nextleaf Solutions Ltd.

Nextleaf® is a federally regulated manufacturer and distributor of cannabis vapes and oils under its award-winning prohibition-era brand, *Glacial Gold*™. The Vancouver-based company sells its branded products to government distributors and authorized retailers in 4 provinces in Canada. Nextleaf Labs is a low-cost producer of cannabis oils, and supplier of THC and CBD to qualified wholesale partners across Canada and internationally. Nextleaf's patented ingredient processing technology transforms unsold cannabis and hemp biomass into high-purity distillate at an industrial scale. The Company has been issued 19 U.S. patents, and 100 patents globally, on cannabinoid processing including extraction, distillation, and acetylation.

Nextleaf Solutions trades as [OILS on the Canadian Securities Exchange](#), [OILFF on the OTCQB Market in the United States](#), and [L0MA on the Frankfurt Stock Exchange](#).

For more information visit www.nextleafsolutions.com and www.Glacial.Gold

Follow the Company on social platforms: [Twitter](#), [LinkedIn](#), [Facebook](#), and [Instagram](#)

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On behalf of the Board of Directors of the Company,

Paul Pedersen, CEO

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