



Core One Labs Inc.

CSE : COOL

OTCQX : CLABF

Frankfurt: LD6, WKN: A14XHT

Core One Labs' Subsidiary Signs Loan for USD\$900,000; Also Announces Extension of Filing Deadline for Annual and Interim Financial Statements and MD&A, Settlement of Debts for Shares and Resignation of CFO

Vancouver, British Columbia, Canada, April 29, 2020, Core One Labs Inc. (CSE: COOL), (OTCQX: CLABF), (Frankfurt: LD6, WKN: A14XHT) ("COOL" or the "Company") announces that its wholly owned subsidiary, LDS Development Corporation, has entered into an agreement with Viva Capital Ventures LLC ("Viva") for a secured loan for USD\$900,000 (the "Loan"). The Company also announces that it intends to rely on the blanket relief provided by the Canadian Securities Administrators in response to the COVID-19 pandemic. This relief provides issuers with a 45 day extension for filings required on or before June 1, 2020. Finally, the Company also announces that it has entered into agreements for the settlement of certain debts in exchange for shares of the Company, and that Yanika Silina, the Company's Chief Financial Officer, has resigned to pursue other opportunities.

Viva Loan

Under the terms of the Loan, Viva will advance to the Company USD\$900,000, to be repaid on or before May 1, 2022 (the "Maturity Date"). Total interest and other fees payable under the Loan are expected to total \$180,000, and are to be paid together with the outstanding principal, on the Maturity Date. The Loan will be secured by a mortgage on the Company's property located at 11420 Rancho Road, Adelanto. The proceeds of the Loan will be used to fund the construction of the buildout of the dispensary building to be operated by Highway 395 Dispensary Inc. and located at the property. Highway 395 Dispensary has agreed to be jointly and severally liable for the amounts owing under the Loan.

Extension of Filing Deadlines for Annual and Interim Filings

The Company also announced that it intends to rely on the blanket relief provided by the Canadian Securities Administrators in response to the COVID-19 pandemic to extend the filing deadline for its annual consolidated financial statements for the year ended December 31, 2019, and its interim consolidated financial statements for the period ended March 31, 2020, and the related management's discussion and analysis and certifications (the "Annual Filings" and the "Interim Filings", respectively). The Company currently expects to file the Annual Filings by the extended filing deadline of June 15, 2020, and the Interim Filings by the extended deadline of July 14, 2020. Until the Annual Filings and the Interim Filings are filed, management and other insiders of the Company are subject to trading black-outs reflecting the principles of Section 9 of National Policy 11-207 *Failure-to-File Cease Trade Orders and Revocations in Multiple Jurisdictions*.

The Company confirms that, other than as set forth in this news release, since the filing of its interim consolidated financial statements for the period ended September 30, 2019, there have

been no material business developments other than those that have been previously disclosed in the Company's news releases and filings.

Settlement of Debts for Shares

The Company has also announced that it has entered into agreements for the settlement of \$808,325 in debt through the issuance of common shares of the Company (the "Debt Settlements"). Pursuant to the Debt Settlements, the Company will issue a total of 4,898,939 common shares of the Company at a price of \$0.165 per share to certain creditors of the Company, including certain directors and officers of the Company (collectively, the "Creditors").

863,636 common shares will be subject to a hold period expiring four months and one day from the date of issuance. The remaining 4,035,303 common shares issued to the Creditors are not subject to hold periods under applicable Canadian securities laws. The common shares being offered under the Debt Settlements 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. Accordingly, common shares issued to Creditors in the United States may not be reoffered or resold in the United States except in compliance with the registration requirements of the U.S. Securities Act and any applicable state securities laws, or pursuant to available exemptions therefrom.

Due to the participation of certain directors and officers, the Debt Settlements are considered a related party transaction under Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("MI 61-101"). The Debt Settlements are exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as neither the fair market value of the securities issued to the related party Creditors, nor the consideration paid by them, exceeded 25% of the Company's market capitalization

Resignation of Chief Financial Officer

The Company also announced that Yanika Silina, the Company's Chief Financial Officer, will resign effective April 30, 2020, to pursue other opportunities. The Company is currently interviewing suitable candidates to replace Ms. Silina.

"On behalf of the Board of Directors, I would like to thank Ms. Silina for all of her contributions to the Company," said Brad Eckenweiler, the Company's CEO. "Ms. Silina's contributions have been invaluable to the development of our business, and we wish her all the best in her future endeavors."

About Core One Labs Inc.

Core One Labs Inc. is a technology company that licenses its technology to a state-of-the-art production and packaging facility located in Southern California. The Company's technology produces infused strips (like breath strips) that are not only a safer, healthier option to other forms of delivery but also superior bioavailability of cannabis constituents. Some strips will also include supplemental co-active ingredients such as nutraceuticals, vitamins and peptides. The

technology provides a new way to accurately meter the dosage and assure the purity of selected product. From start to finish, the production process, based on the Company's technology, tests for quality and composition of all the ingredients used in every strip which results in a delivery system that is safe, consistent and effective. In addition, through its efforts to develop a better CannaStrips™ product, the Company has developed considerable expertise in cannabis extraction and nursery activities. The operational expertise developed by the Company as a result of these efforts has created new market opportunities for the Company in white label sales.

Core One Labs Inc.
Brad Eckenweiler
CEO & Director

FOR MORE INFORMATION, PLEASE CONTACT:
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Cautionary Disclaimer Statement:

The Canadian Securities Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of the content of this news release.

Information set forth in this news release contains forward-looking statements that are based on assumptions as of the date of this news release. These statements reflect management's current estimates, beliefs, intentions and expectations. They are not guarantees of future performance. The Company cautions that all forward-looking statements are inherently uncertain, and that actual performance may be affected by several material factors, many of which are beyond the Company's control. Such factors include, among other things: risks and uncertainties relating to the Company's limited operating history and the need to comply with environmental and governmental regulations. In addition, marijuana remains a Schedule I drug under the United States Controlled Substances Act of 1970. Although Congress has prohibited the US Justice Department from spending federal funds to interfere with the implementation of state medical marijuana laws, this prohibition must be renewed each year to remain in effect. Accordingly, actual and future events, conditions and results may differ materially from the estimates, beliefs, intentions and expectations expressed or implied in the forward-looking information. Except as required under applicable securities legislation, The Company undertakes no obligation to publicly update or revise forward-looking information.