

SPEAKEASY CANNABIS CLUB LTD.

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For Immediate Release

September 23, 2021

SpeakEasy Announces Strategic Plan to Release Multiple Consumer Brands Over the Next 12 Months

Rock Creek, B.C. – SpeakEasy Cannabis Club Ltd. (CSE: EASY) (Frankfurt: 39H) (the “Company” or “SpeakEasy”) a holder of a federal licence to cultivate, process, and sell cannabis under the Cannabis Act is pleased to announce it has created a strategic plan to release multiple consumer-facing brands over the next 12 months. The brands will represent SpeakEasy’s agricultural foundation and core principles - product quality, respecting the culture and achieving a competitive price point that will rival our competitors and the black market.⁽¹⁾

Founder Marc Geen, states, *“We’re excited about taking the next step with our business, after receiving the sales licence for extracts in early September 2021, the Company has started the brand-budding journey. We’re looking forward to releasing brands that tell the story of authenticity within an emerging industry that is dominated by too many faceless offerings and has yet to really capture the true cannabis enthusiast from the black market.”*

Brand Positioning

Speakeasy invested in a comprehensive discovery study to identify under-served areas of the market. The study brought back 3 key points that were consistent across the nation. Simply stated - consumers want real “premium” quality, consistent quality and availability, and economically priced options. These 3 key points were identified as the most important areas that are not being capitalized on with the current offerings.

Using data collected from the market, SpeakEasy was able to establish each of its upcoming brand's position in the recreational market. This research reinforces the Company’s agricultural strategies from day one - greenhouse products will serve middle market consumers and it is a segment that is currently saturated.

Brand Launch Strategy

SpeakEasy has been continually dedicating time and resources to ensure the Company’s brands have a successful launch across Canada. Recently, the Company hired a Manager of Marketing and Sales who comes from a successful background of marketing and sales for one of the largest live entertainment companies in Western Canada. LOI’s have also been signed with a National Sales Teams that will grant SpeakEasy access to strong market knowledge, existing relationships, and front of line sales support.

Additionally, the team brings with them in depth relationships that will make up the complete marketing mix of - in store, online digital, public relations, and events, while being rooted in culture.

Three Distinct Market Segments that Offer the Company Immediate Opportunity in the Canadian Cannabis Industry

Brand Opportunity One: High-End Craft Indoor Flower

The first brand will enter the market with 4 high THC legacy strains. This brand narrative highlights SpeakEasy's deep roots embedded in "BC Bud". Through the rigorous strain selection process, we have been able to achieve THC levels of over 25%. It's a common goal between SpeakEasy's growers to achieve up to 30 % THC levels with select strains.

Brand Opportunity Two: Alive Extracts

The second brand will be built around SpeakEasy's robust outdoor supply chain to create products that will compete with Cannabis 2.0 pricing in the lucrative and expanding extract market. These products will be heavily targeted to the expanding dab culture and pertain to products offering such as live resin Vape, live resin sugar, terp sauce, diamonds and other forms of high THC extracts.

Brand Three: Economically Priced Flower & Extracts

Our third brand will take advantage of favorable growing conditions and being one of the largest outdoor licenced growing facilities in Canada. The brand will enter the market with 3 products: dried flower, pre-rolls and ratio-based extracts. Each product will be competitively priced.

Founder Marc Geen further states, *"We understand that there are still huge gaps in product offerings and some sections of the industry have yet to emerge. While the industry talks about a glut of product, we see this as a result of poor quality, backlog of stale products, and lack of product innovation. This is 'Cannabis 2.0', and since day one, we have always stated that this is an industry that's no different than wine; it's agriculture as an art."*

About the Canadian Cannabis Market

The Canadian recreational market has shown a drastic increase in retail cannabis sales. The average sale from Q1 2019 has increased by 275% when compared to Q1 2020. Additionally, retail sales in 2020 have grown exponentially as well, seeing a 66% increase when comparing January 2020 to July 2020.^[2]

Statista is predicting 2021 recreational sales to top \$4B, an increase of 60% from the previous year. Recreational sales of cannabis extracts have also grown exponentially. When comparing March 2020 sales of \$527,978 to March 2021 sales of \$1,659,370, the market has shown a growth of 109%.^[3]

Warrant Extension

On September 28, 2018, the Company issued an aggregate of 3,863,804 units (the "2018 Units"). Each 2018 Unit was comprised of one common share in the capital of the Company (a "Common Share") and one-half of one Common Share purchase warrant (each whole warrant, a "Warrant"). Each Warrant entitles the holder to acquire an additional Common Share at a price of \$1.00 per share until September 27, 2021. In accordance with the policies of the Canadian Securities Exchange (the "CSE"), the Company has extended the expiry date of the Warrants for an additional 12 month period, such that the new expiry date of the Warrants will be September 27, 2022. The CSE granted the Company an exemption from the

requirement set forth in Section 7.4.1(d) of CSE Policy 6 that 10 trading days remain prior to the original expiry date when applying to amend the terms of the Warrants.

About SpeakEasy Cannabis Club Ltd.

SpeakEasy Cannabis Club Ltd. holds a cultivation, processing and sales licence issued by Health Canada under the *Cannabis Act*. [SpeakEasy](#) owns 290 acres of land in Rock Creek, British Columbia, and leverages five generations of farming experience in B.C. as well as its favorable location to grow and process high-quality cannabis products at low cost. SpeakEasy cultivates small batch, high quality craft cannabis at scale in a portion of its 63,200-square foot indoor cannabis complex and has completed its harvest of its 60-acre outdoor field.

On behalf of the Board of the Directors

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Forward Looking Statement

This news release contains statements that constitute "forward-looking statements." Such forward looking statements involve known and unknown risks, uncertainties and other factors that may cause SpeakEasy's actual results, performance or achievements, or developments in the industry to differ materially from the anticipated results, performance or achievements expressed or implied by such forward-looking statements. Forward looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects," "plans," "anticipates," "believes," "intends," "estimates," "projects," "potential" and similar expressions, or that events or conditions "will," "would," "may," "could" or "should" occur.

Forward-looking statements in this document include statements concerning SpeakEasy's expectations concerning the introduction of its brands and the timing thereof; Canadian recreational cannabis market trends and all other statements that are not statements of historical fact.

Although SpeakEasy believes the forward-looking information contained in this news release is reasonable based on information available on the date hereof, by their nature forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. By their nature, these statements involve a variety of assumptions, known and unknown risks and uncertainties and other factors, which may cause actual results, levels of activity and achievements to differ materially from those expressed or implied by such statements.

Examples of such assumptions, risks and uncertainties include, without limitation, assumptions, risks and uncertainties associated with general economic conditions; COVID-19, adverse industry events; future legislative and regulatory developments involving cannabis; the Company's ability to access sufficient

capital from internal and external sources, and/or inability to access sufficient capital on favorable terms; the cannabis and hemp industries and markets in Canada and generally; the demand for CBD distillate, cannabis and cannabis related products, the ability of SpeakEasy to implement its business strategies; competition; the ability of SpeakEasy to obtain and retain all applicable licences under the Cannabis Act and other assumptions, risks and uncertainties.

THE FORWARD-LOOKING INFORMATION CONTAINED IN THIS NEWS RELEASE REPRESENTS THE EXPECTATIONS OF THE COMPANY AS OF THE DATE OF THIS NEWS RELEASE AND, ACCORDINGLY, IS SUBJECT TO CHANGE AFTER SUCH DATE. READERS SHOULD NOT PLACE UNDUE IMPORTANCE ON FORWARD-LOOKING INFORMATION AND SHOULD NOT RELY UPON THIS INFORMATION AS OF ANY OTHER DATE. WHILE THE COMPANY MAY ELECT TO, IT DOES NOT UNDERTAKE TO UPDATE THIS INFORMATION AT ANY PARTICULAR TIME EXCEPT AS REQUIRED IN ACCORDANCE WITH APPLICABLE LAWS.

The Canadian Securities Exchange nor its Regulation Services accepts responsibility for the adequacy or accuracy of this release.

- (1) <https://mjbizdaily.com/canadas-legal-cannabis-market-continues-to-erode-illicit-markets-share/>
- (2) <https://www.canada.ca/en/health-canada/services/drugs-medication/cannabis/research-data/market/extracts.html>
- (3) <https://www.statista.com/statistics/1244942/canada-legal-recreational-cannabis-market-size/>