

**SPEAKEASY CANNABIS CLUB LTD.**

THIS NEWS RELEASE IS NOT FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES FOR DISSEMINATION IN THE UNITED STATES

For Immediate Release

April 22, 2021

**SPEAKEASY COMPLETES PRODUCT MENU FOR TWO UPCOMING CONCENTRATE BRANDS**

**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 that it has completed its product menu for two of its concentrate brands scheduled for release over the next two quarters. In addition, further to its press releases of January 21, 2021 and April 9, 2021, the Company has completed the transactions contemplated by a convertible loan agreement (the “**Loan Agreement**”) among the Company, 10161233 Canada Limited, 1287866 B.C. Ltd. (the “**Lender**”) and Bhayana Ventures Ltd. (the “**Administrative Agent**”) dated April 9, 2021, for aggregate gross proceeds of CDN\$3,000,000 (the “**Loan**”).

**Product Development**

SpeakEasy has created a complete line of products formulated from its fresh frozen and dried cannabis material that will be launched under two separate brands scheduled to be introduced over the next two quarters. We have studied the markets in Canada and in the US, noting that certain market trends are favorable and therefore we have created products based on both existing products in high demand and others that are not yet in this country. Formulating these products has been a multi-year project involving genetics, outdoor cultivation, acquisition and development of intellectual property in addition to the acquisition of equipment that can produce the desired products. The advantage of having low-cost input material gives SpeakEasy the ability to enter markets focusing on the lowest priced competitor as an entry price point.

**The Importance of Brands**

Management believes that branding makes the cannabis industry more legitimate in the eyes of the consumer which, in turn, drives brand recognition. As the cannabis industry grows, and new differentiating entrants come into the market, the sure-way to survive is by building a unique brand experience within a particular niche. We feel SpeakEasy’s history and overall philosophy gives us a unique connection to consumers by telling a story through our brands which will be an important part of creating customer loyalty and brand recognition.

*Founder Marc Geen, Canopy Growth’s recent acquisition of Supreme Cannabis for \$435 million is a clear indication in the value of brand equity. From day one, we have invested a huge amount of time in building brands for our future. We believe we’re in a unique position to create quality products at low-cost while being immersed in our culture. Authenticity is the biggest factor to building real brands that customers want to engage with. It’s not a brand until your audience is willing to wear your logo because of the values you represent. It’s exciting times over here.”*

### **Extract Product Portfolio**

SpeakEasy has created and tested a menu of over 25 unique products that are now ready for launch. Once we receive our amended sales licence, expected within the next 45 days, we will be able to introduce brands and products to the market. We have established production, processing and packaging methods and anticipate entering into contracts with multiple provinces once we are granted our amended sales licence. Many of the products that we are developing are not yet available to the Canadian market however once they are launched, we expect they will be priced aggressively with a view to capturing additional market share.

### **Convertible Loan Financing of CDN\$3.0 Million**

The Company has completed the transactions Loan Agreement for aggregate gross proceeds of CDN\$3,000,000.

In accordance with the terms and conditions of the Loan Agreement, the Company has issued the Administrative Agent an aggregate of 288,462 common shares in the capital of the Company (the “**Common Shares**”), at a deemed price of \$0.52 per share, in satisfaction of the payment of a finder’s fee. In addition, the Company has granted the Administrative Agent an aggregate of 5,769,231 Common Share purchase warrants (the “**Warrants**”). Each Warrant entitles the holder to purchase a Common Share at a purchase price of \$0.70 per Common Share, subject to adjustment, until April 21, 2024.

The principal amount of the Loan and any accrued but unpaid interest thereon will be convertible into Common Shares at the option of the Administrative Agent (on behalf of the Lender) at a price of \$0.52 per Common Share, subject to adjustment, in accordance with the terms and conditions set forth in the Loan Agreement.

### **Option Grant**

The Company also announces the grant of an incentive stock option to purchase up to 200,000 common shares (the “**Options**”) to a consultant of the Company, such Option to be granted in accordance with applicable laws and the policies of the Canadian Securities Exchange.

### **Shares for Debt**

The Company also announces that it intends to issue an aggregate of 18,657 Common Shares in settlement of bona fide debt owing to an arm’s length creditor in the amount of \$12,500. The Common Shares will be issued at a deemed price of \$0.67 per share.

### **Proposed Board Member**

In connection with the Company’s annual general meeting of shareholders scheduled to occur on April 28, 2021, management of the Company understands that a nomination from the floor will be made for the election of Ryan Kennedy as an additional independent director of the Company. The election of Mr. Kennedy would be contingent upon his receipt of security clearance by Health Canada. The nomination of Mr. Kennedy is supported by management and the Company recommends that shareholders vote in favour of the contingent election of Mr. Kennedy as a director of the Company.

Mr. Kennedy resides in Penticton, British Columbia, where he has been the President of WestRep Solutions, a manufacturer's representative agency since April 2000. Mr. Kennedy currently holds, or exercises control over, 716,425 Common Shares.

Mr. Kennedy is a well-respected entrepreneur with a depth of experience in strategic planning and management. He brings more than 28 years' experience in creating start ups, strategic planning, selling and marketing products, and building business relationships.

Malcolm Davidson, CEO states, *"We are looking forward to working with Ryan and harvesting some of the valuable knowledge and guidance he brings to the table as we implement our initiatives to further our corporate strategies and goals and build on our strong governance."*

#### **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 favourable 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. Total yearly production of cannabis flower and biomass is projected to be in excess of 70,000 kilograms per year once in full production.

#### ***On behalf of the Board of the Directors***

For more information please contact:

Malcolm Davidson  
CEO  
investor@speakeasygrowers.com  
1-604-218-9797

## 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 its brands; the availability of its products, including the pricing sales and the timing thereof; its expectations that concerning receipt of an amendment to its licence and the timing thereof; its expectations regarding the nomination and election of Ryan Kennedy, and its intent to produce and sell high quality craft cannabis, 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.*