



RED LIGHT HOLLAND
UNDERGROUND TO MAINSTREAM

RED LIGHT HOLLAND ANNOUNCES CLOSING OF FINAL TRANCHE OF FULLY SUBSCRIBED PRIVATE PLACEMENT INCLUDING STRATEGIC MUTUAL INVESTMENT WITH PHARMADRUG

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Toronto, ON – July 16, 2020 – Red Light Holland Corp. (“**Red Light Holland**” or the “**Company**”) (CSE:TRIP) (FSE:4YX), an Ontario-based corporation positioning itself to engage in the production, growth and sale of a premium brand of magic truffles to the legal, recreational market within the Netherlands, is pleased to announce that it has closed the final tranche (the “**Final Tranche**”) of its previously announced and now fully subscribed private placement (the “**Private Placement**”) of units (the “**RLH Units**”).

The Final Tranche was completed on a non-brokered basis, and was comprised of both cash investors and PharmaDrug Inc. (CSE:BUZZ) (“**PharmaDrug**”), which entered into a securities exchange agreement with the Company dated July 14, 2020 (the “**Securities Exchange Agreement**”). The transactions contemplated by the Securities Exchange Agreement, and the Company’s cash investment of \$200,000 into PharmaDrug, each closed in accordance with their terms, as more fully described in the Company’s press release of July 15, 2020. In addition, the Company issued a total of 7,147,272 RLH Units to cash investors at a price of \$0.165 per RLH Unit. Each RLH Unit consists of one common share in the capital of the Company (a “**RLH Share**”) and one common share purchase warrant (a “**RLH Warrant**”) of the Company. Each RLH Warrant entitles the holder to purchase one additional RLH Share at an exercise price of \$0.26 at any time until July 16, 2024, subject to an accelerated expiry option. If, following the date that is four months and one day following the date hereof, the volume weighted average trading price of the RLH Shares on the Canadian Securities Exchange (the “**CSE**”) for any 10 consecutive trading days equals or exceeds \$0.50, the Company may, upon providing written notice to the holders of RLH Warrants, accelerate the expiry date of the RLH Warrants to the date that is 30 days following the date of such written notice.

The Company intends to use the net proceeds of the Final Tranche for working capital and general corporate purposes.

All securities issued in the Final Tranche closing are subject to a four-month hold period under applicable securities laws expiring November 17, 2020.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any state in which such offer, solicitation or sale would be unlawful. The securities being offered have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the United States Securities Act of 1933, as amended, and applicable state securities laws.

About Red Light Holland Corp.

The Company is an Ontario-based corporation positioning itself to engage in the production, growth and sale (through existing Smart Shops operators and an advanced e-commerce platform) of a premium brand of magic truffles to the legal, recreational market within the Netherlands, in accordance with the highest standards, in compliance with all applicable laws.

About PharmaDrug Inc.

PharmaDrug Inc. is building an international controlled substance and natural medicine company with a focus on Europe. The Company owns 80% of PharmaDrug GmbH, a German medical cannabis distributor, with a Schedule I European Union narcotics license allowing for the importation and distribution of medical cannabis to pharmacies in Germany and throughout the EU. The Company also owns 100% of Super Smart, an early-stage retail company focused on consolidating the fragmented Dutch smartshop market. Smartshops are retail establishments in The Netherlands that specialize in the sale of psychoactive substances including psychedelic truffles.

For additional information on the Company:

Todd Shapiro
Chief Executive Officer & Director
Tel: 647-204-7129
Email: todd@redlighttruffles.com
Website: <https://redlighttruffles.com/>

Forward-Looking Statements

Neither the Canadian Securities Exchange nor its Market Regulator (as that term is defined in the policies of the Canadian Securities Exchange) accepts responsibility for the adequacy or accuracy of this release.

Certain information set forth in this news release may contain forward-looking statements that involve substantial known and unknown risks and uncertainties, certain of which are beyond the control of Red Light Holland. Forward-looking statements are frequently characterized by words such as "plan", "continue", "expect", "project", "intend", "believe", "anticipate", "estimate", "may", "will", "potential", "proposed" and other similar words, or statements that certain events or conditions "may" or "will" occur. These statements are only predictions. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements. Forward looking statements include, but are not limited to, the anticipated use of proceeds. The Company assumes no obligation to update forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.

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