

SPEAKEASY CANNABIS CLUB LTD.

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For Immediate Release

April 8, 2021

**SPEAKEASY REPORTS EARNINGS FOR IT'S FIRST QUARTER OF SALES AND
RELEASES QUARTER TWO FINANCIAL RESULTS**

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 reported initial sales and net earnings from the sale of its indoor grow operations and provides corporate update. The information in this release should be read in conjunction with the Company’s unaudited condensed interim consolidated financial statements and associated management discussion and analysis (“MD&A”) for the interim period ended January 31, 2021 which are available of the Company’s website at www.speakeasygrowers.com and under the Company’s profile on SEDAR at www.sedar.com.

“We are incredibly pleased to report our earnings for Q2 2021, marking this the first quarter of reported revenues and positive earnings. This achievement is particularly satisfying given the challenging environment for many cannabis companies and the uncertainty in the current markets”, stated Malcolm Davidson, CEO. *“It is an absolute privilege to be part of team that has worked relentlessly around the clock to bring these remarkable results to our shareholders and to their fellow team members. The transition to sales has come with its fair share of challenges however we did it by demonstrating profitable and reliable operations. Our goal will be to continue to grow and expand our operations while achieving an increase in efficiencies which will lead to profitability and create value for our shareholders”.*

Q2 2021 Financial Highlights

- Revenue from the sale of flower \$723,740
- Gross profit before fair value adjustments \$643,446
- Operating expenses \$1,867,804 – a decrease of 11% over the comparative quarter
- Total of 205,882 grams sold
- Earnings per share of \$0.01
- Inventory of \$14,878,555
- Working capital of \$11,793,658
- Total assets of \$35,620,328
- Total liabilities of \$7,689,481

Q3 2021 Outlook

- Indoor flower production is expected to increase by 33% starting in April 2021
- First deliveries of concentrates expected first week of April 2021
- Pre-roll production ramps up to fulfill supply orders
- Cloning for this year’s outdoor crop is now in full swing in the new facility

Founder, Marc Geen states, *“In a year that will be filled with firsts and milestones achieved, this is a particularly important one for the Company and all of our shareholders. Working for as long as we have*

been to build the infrastructure and get producing, finally showing the fruits of our labor is incredibly satisfying. Becoming self-sufficient and profitable is one of our short-term goals and something we are all eager to prove what we can accomplish. Thank you to all of our incredible shareholders and congratulations to us all."

Other Corporate Announcements

Change in Auditor

The Company also announces that the board of directors of the Company has appointed Manning Elliott LLP (the "**Successor Auditor**") as the Company's new auditor, replacing Davidson & Company LLP (the "**Former Auditor**"). At the request of the Company, the Former Auditor resigned as the auditor of the Company effective March 19, 2021 and the board of directors of the Company appointed the Successor Auditor as the Company's auditor effective March 19, 2021.

In accordance with National Instrument 51-102 – *Continuous Disclosure Obligations* ("**NI 51-102**"), the notice of change of auditor, together with the required letters from the Former Auditor and the Successor Auditor, have been reviewed by the board of directors of the Company and filed on SEDAR. There were no "reportable events" as such term is defined in NI 51-102 between the Company and the Former Auditor.

Warrants

On February 16, 2021, the Company announced the extension of the expiry date for certain of its Share purchase warrants issued pursuant to private placements that closed on each of March 8, 2019 (the "**March 2019 Warrants**") and April 24, 2019 and April 25, 2019 (collectively, the "**April 2019 Warrants**"). The Company wishes to rectify such disclosure and confirm that the terms of the March 2019 Warrants and April 2019 Warrants have not been amended and that all such warrants have now expired in accordance with their original terms.

Passing of Advisor to Board

The Company is saddened by the sudden passing of Ian Waddell Q.C. Ian recently joined our team as a strategic advisor to the board.

Mr. Waddell held a Master of Laws degree from the London School of Economics (UK) and practiced as both a Crown Attorney and Defence Counsel. As the Director of the Storefront Lawyers (VCLAS), he litigated the first class action suit in Canadian law history. In 2013, he was appointed Queen's Counsel (Q.C.) by the Attorney General of British Columbia. He served as a Member of the Canadian Parliament for over 14 years, first representing the Vancouver Kingsway riding then Port Moody-Coquitlam. Later, he was elected to the British Columbia Legislature where he served as: Minister of Tourism, Culture & Small Business; Minister of Environment, Lands & Parks; and Minister on Intergovernmental Affairs. As minister, he started the successful 2010 Winter Olympic bid and grew BC Film into a billion dollar industry. As Special Counsel to the Royal (Berger) Commission of the Mackenzie Valley Pipeline, he gained extensive knowledge and valuable insights into Aboriginal and energy issues whereby his experience and expertise was instrumental in drafting sections of the repatriated Canadian constitution regarding Aboriginal rights (Section 35).

It was a pleasure to have Ian on the team we will certainly miss his colorful stories and his passion for politics and adventure.

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

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Forward Looking Statements

This new 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 expected increase in indoor flower production and the timing thereof; its expected timing for first deliveries of concentrates; its expectation that pre-roll production will commence to fulfill supply orders; and its intent to produce and sell high quality craft cannabis at scale, 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 has not approved nor disapproved the contents of this news release.