

## **SPEAKEASY CANNABIS CLUB LTD.**

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### **COMPANY PROVIDES UPDATE TO SHAREHOLDERS ON THE STATUS OF ITS FILINGS AND LEADERSHIP TRANSITION**

ROCK CREEK, BC – February 22, 2022 - **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 wishes to confirm that since the date of its press release of November 25, 2021 (the “**Original Announcement**”), it has continued to work towards completing and filing its audited financial statements and accompanying management discussion and analysis for the fiscal year ended July 31, 2021 (the “**Required Filings**”). While the Company was optimistic that it would be in a position to complete the year-end audit and be in a position to make the Required Filings before February 28, 2022, it now confirms that it does not expect to meet that deadline. An anticipated filing date is not expected prior to April 2022.

Similar to other companies, SpeakEasy has been impacted by COVID-19 related lockdowns, quarantine measures and economic pressures experienced worldwide. Reasons for the delay in filing include: the challenge to complete a portion, as it relates to the rapid growth of Company’s operations, of the Company’s annual audit in normal time frames as a result of an increase in complex accounting considerations relating to revenues, cost of sales, and inventory. In addition to the challenges surrounding COVID-19, the Company experienced another year of significant growth in its range of products available for sale further complicating the disclosure and reporting requirements of the financial statements. Consequently, the Company had previously experienced challenges in fulfilling the auditor’s requests for information prior to the original filing deadline for the Required Filings. In addition, the Company is experiencing financial difficulties, which have resulted in delays paying the auditor’s accounts when due.

The Company continues to adhere to the Management Cease Trade Order (“**MCTO**”) previously announced on November 30, 2021. If the Company fails to file the Required Filings and any other required continuous disclosure filings within the timeframes stipulated by the British Columbia Securities Commission (the “**BCSC**”), the BCSC could, among other things, issue a cease trade order against the Company and its securities.

The Company confirms that since it first announced the grant of the MCTO by the BCSC: (i) there has been no material change to the information set out in that announcement that has not been generally disclosed; (ii) there has been no failure by the Company in fulfilling its stated intentions with respect to satisfying the provisions of the alternative information guidelines set out in National Policy 12-203 – Management Cease Trade Orders (“**NP 12-203**”); (iii) other than the Company’s inability to file its financial statements and accompanying management discussion and analysis for the interim period ended October 31, 2021 until the Required Filings are made, there has not been any other specified default by the Company under NP 12-203; and (iv) there is no other material information concerning the affairs of the Company that has not been generally disclosed. The Company confirms it will continue to satisfy the provisions of the alternative information guidelines set out in NP 12-203 so long as it remains in default of the requirement to file the Required Filings.

#### **Leadership Transition**

The Company also wishes to announce the following transitions in leadership:

Pat Geen has transitioned into the role as Chief Executive Officer and has tendered his resignation as the Company's Chief Financial Officer. Pat has been with the Company since its inception and works closely with the operations team on a day-to-day basis.

Marc Geen has accepted an officer's position as Corporate Secretary. Marc is the founder of SpeakEasy Cannabis Club Ltd and will continue to play and crucial role in overseeing the on-site day-to-day operations.

Malcolm Davidson tendered his resignation as Chief Executive Officer and effective February 18, 2022, Malcolm's role has transitioned from CEO to interim CFO. The Company will commence an executive search for a permanent CFO.

The Company wishes Pat, Marc, and Malcolm the best with their new roles and thanks them for their contribution in their previous ones.

### **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.

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

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### **Forward-Looking Statements**

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 its expectation to file the Required Filings and the anticipated timing thereof, the Company's ability to continue to satisfy the requirements of NP 12-203, the Company's expectation that it will commence a search for a new CFO, 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 the global COVID-19 pandemic, including the risk that the Company be deemed a non-essential business and asked to temporarily cease operations; general economic conditions; 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 industry in Canada and generally; the demand for 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 Service has approved nor disapproved the contents of this news release.*