

SPEAKEASY CANNABIS CLUB LTD.

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**SpeakEasy Receives Licence for its 13,300 Sq Ft Craft Cannabis Flowering Facility,
Tripling its Production Capabilities**

ROCK CREEK, BC – February 14, 2022 - **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 announces that it has completed Phase 2 of the Cannabis Complex buildout. The second building adds an additional 8 rooms bringing the total sq ft of craft growing space to 36,300 sq ft.

Founder, Marc Geen states, *“We’re thrilled to add an additional 13,300 sq ft to our licensed infrastructure, 11,000 square feet of which is growing space. Utilizing buildings within our cannabis campus for a single purpose allows us to use the square footage very efficiently, over 80% of the building is being used to grow crops in this newest facility. Until today, our craft cannabis vertical was running at capacity and we were only able to produce 100 KG per month. These additional rooms will allow us to increase our monthly output capacity to 350 KG.”*

The Craft Cannabis Complex

The goal of the Cannabis Craft Complex is to implement the legendary ‘BC bud’ growing techniques at scale. Utilizing decades of passed down knowledge, learning experiences, and 100% climate controlled small batch rooms (500-1200 sq ft) allows the growers to have absolute control over the entire growing period. Product quality has always been at the forefront of SpeakEasy’s values and this proven small batch, craft approach ensures each plant receives the care it requires to maximize unique strain attributes, high THC percentage and yield.

The Cannabis Complex is an engineering success from the SpeakEasy team. Not only was it designed with the focus on product quality and yield, but also to maximize the growable space within the structure. This operation gives our growers the tools they need to deliver craft cannabis at its highest potential, while offering the company the opportunity to scale through replication of proven models and long-term advantages to bring SpeakEasy’s IP into new locations around the world.

Phase Two Scale - Cannabis Complex Expansion

SpeakEasy’s Cannabis Complex Phase 1 Infrastructure and Capacity:

- 6 indoor craft grow rooms that are 100% climate controlled
- 10,000 sq ft of indoor craft grow facility
- 168 grow lights, 14 AC units
- Monthly output of 100 KG

SpeakEasy’s Cannabis Complex Phase 2 Infrastructure and Capacity:

- 13,300 sq ft approved by Health Canada
- 8 indoor craft grow rooms that are 100% climate controlled
- consisting of 8 grow rooms outfitted with 405 grow lights, electrical, 36 HVAC units
- Anticipated monthly output of 350 KG

The success of SpeakEasy's first craft cannabis facility exceeded management's expectations. Consistency and high quality were two key factors that were at the top of the priority list, and the SpeakEasy team was able to consistently achieve 25% one higher THC. Through the demand of craft cannabis from B-to-B sales, the Company has proven once again that its foundational beliefs and high product quality at competitive prices will continue to be a winning formula.

SpeakEasy will now focus its transition into Phase 3 and continue the steps in finalizing the Cannabis Complex. The additional space and output capacity will allow SpeakEasy to add B-to-C into the consumer market with its brands as well as allow it to increase its number of B-to-B partnerships and explore international sales opportunities.

Founder, Marc Geen states, *"Since day one, SpeakEasy's foundation was built on consistency and high quality. We proved that we can provide both through the B-to-B demand of SpeakEasy's craft cannabis product sales. Canada's largest producers are only starting now to figure out the value behind craft cannabis - they are spending a ton of money and playing catch up. The blueprint for our infrastructure has been long laid out and we have proven that it works. Now is the time to scale and continue focusing on the winning formula."*

Craft Cannabis Market and Demand

The rise of small-batch production comes after mass producers spent years and billions of dollars cultivating cannabis, the vast majority of which was ultimately unsaleable.^[1]

Market research has shown that there is no loyalty towards value brands from consumers. Craft cannabis users, on the other hand, become loyal to brands that are consistent with high quality and availability.^[2]

In its latest annual data report, the OCS noted that craft cannabis has successfully emerged in the market, "encouraging the rest of the industry to build brands based on fresh products and farm-to-consumer artisanal practices. In addition to maximizing product diversity in OCS 'dried flower and pre-roll assortment, craft cannabis helps to draw legacy consumers to the legal market by offering more products that reflect artisanal legacy production methods."^[1]

Canadian Licensed Producers are now switching their positioning from the amount of biomass they produce to delivering what the consumer wants - quality.^[2] Many LP's are now paying as high as \$54.4M^[2] to acquire craft cannabis brands, while one LP has 13 craft cannabis partners.^[2]

Greenhouse Cannabis vs Craft Cannabis Pricing*:

- Indoor craft cannabis High \$12.85/Low: \$7.14 ^[3]
- Greenhouse High \$7.13/Low \$4.85 ^[3]

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 concerning the introduction of new SKUs and the timing thereof, its expectation that it will receive final approval from Health Canada for its facilities, the timing thereof and the expected production increases from such facility, its intention to continue to innovate and create new products and position itself as a potential leader in its respective space, its intention to file the required financial statement filings and the anticipated timing thereof, the Company's ability to continue to satisfy the requirements of NP 12-203 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.

[1]<https://mjbizdaily.com/canadian-cannabis-producers-have-sold-less-than-20-percent-of-output-since-2018/>

[2] <https://mjbizdaily.com/how-large-canadian-cannabis-producers-are-leveraging-small-batch-craft-cultivation/>

[3] <https://www.bccannabisstores.com/>

* High and low cannabis prices were found using the BC Cannabis Stores Website