



CHRISTINA LAKE CANNABIS ANNOUNCES SECOND OFFER

VANCOUVER, British Columbia, September 15, 2026 Christina Lake Cannabis Corp. (the "Company" or "CLC" or "Christina Lake Cannabis") (CSE: CLC) (OTCQB: CLCFF) (FRANKFURT: CLB) announces that it has received an unsolicited offer from an arm's length third party for a proposed transaction for the sale of substantially all of the assets of CLC. The proposed transaction involves a different potential buyer and is not related to the proposed transaction announced by CLC on August 21, 2026. CLC has entered into a non-binding letter of intent in respect of the second offer.

The Special Committee of the Board of Directors (the "**Special Committee**") formed in August 2026 will review the merits of the proposed transaction. The Special Committee is also continuing to review the merits of the original transaction proposal announced on August 21, 2026. The Board of Directors of CLC has not approved the entering into of any definitive agreement for either transaction at this time. See "*Special Committee*" below.

Original Transaction

On August 21, 2026, CLC announced in a press release (the "**August 21 Press Release**") that it had entered into a non-binding letter of intent (the "**Initial LOI**") with a private Alberta corporation (the "**Original Purchaser**"), to engage in due diligence and negotiations regarding the terms of a proposed transaction (the "**Original Transaction**") whereby the Original Purchaser would acquire all of the issued and outstanding common shares (the "**Shares**") of the Company. The final structure of the Proposed Transaction has not been determined and, if the parties agree to proceed, will be set out in a definitive agreement between CLC and the Original Purchaser.

The Initial LOI contemplates an aggregate transaction value of \$15,000,000 for 100% of the equity of the Company on a fully-diluted, cash-free, debt-free basis. The Initial LOI is non-binding and there can be no assurance that a definitive agreement for the Original Transaction will be entered into or that the Original Transaction contemplated by the Initial LOI, or any other transaction, will be completed.

Alternative Transaction

Subsequent to the execution of the Initial LOI and the issuance of the August 21 Press Release, the Company received an unsolicited offer from Medical Saints Ltd. an arm's length third party (the "**Alternative Purchaser**") for the sale of substantially all of the assets of CLC (the "**Alternative Transaction**"). In connection with the fiduciary obligations of the Board and the Special Committee, and as permitted by the exclusivity provisions of the Initial LOI, the Company entered into a non-binding letter of intent with the Alternative Purchaser effective September 11, 2026 for an Alternative Transaction (the "**Second LOI**"). No definitive agreement has been entered into in respect of the Original Transaction or the Alternative Transaction. "We are extremely pleased to move forward with the acquisition of the Christina Lake Cannabis assets. The scale of the cultivation platform is significant, but what makes this transaction particularly strategic for Medical Saints is the extraction infrastructure, processing capabilities, and expertise that Christina Lake has built. These assets complement our existing operations and materially expand what we can produce, process, and bring to market. Lucas Leone – Chief Executive Officer, Medical Saints Ltd."



Unlike the Original Transaction, which contemplates an acquisition of the Shares, the Alternative Transaction contemplates the acquisition by the Alternative Purchaser of all of the assets of the Company (other than cash, cash equivalents, tax receivables and certain other assets to be agreed as excluded), free and clear of any encumbrances. The assets to be acquired would include all owned land and buildings and assigned commercial leases used in the business, all machinery, office equipment, computers, furniture and inventory, and all customer lists, proprietary data, historical records, trademarks, patents, copyrights and software.

The Second LOI provides for an aggregate purchase price of \$18,000,000, on a cash-free, debt-free basis, payable in cash at closing and inclusive of a \$2,000,000 advance payment on the purchase price (the "**Advance**"). The Advance would be delivered to the Company's counsel, for the benefit of the Company, concurrently with the execution of a definitive agreement and would be credited against the purchase price at closing. In certain circumstances in which the transaction does not close as a result of the Alternative Purchaser's failure to fund or a material breach by the Alternative Purchaser, the Advance would be retained by the Company as liquidated damages; in other circumstances, including a failure to close not caused by the Alternative Purchaser or a breach by the Company, the Advance would be repaid to the Alternative Purchaser.

Under the Second LOI, the parties would negotiate and enter into a definitive agreement for the Alternative Transaction within 40 days of executing the Second LOI, and would use reasonable commercial efforts to work towards a closing following the satisfaction or waiver of the applicable closing conditions. The Second LOI provides for an exclusivity period of 40 days, which is expressly subject at all times to the fiduciary duties of the Board, including its ability to consider, negotiate or respond to unsolicited bona fide proposals, and which is expressly subordinate to the Company's existing contractual obligations to third parties, including its obligations under the Initial LOI.

Completion of the Alternative Transaction would be subject to a number of conditions, including the release and discharge of any encumbrances, negotiation and execution of a mutually agreed definitive agreement, receipt of all required regulatory, stock exchange, corporate and shareholder approvals, confirmation that no material adverse change has occurred, and the entering into of mutually agreed employment, consulting and/or transition services arrangements. The Alternative Purchaser is expected to offer employment to all of the Company's employees engaged in the business on substantially comparable terms, with any related severance, termination or similar liabilities to be for the account of the Alternative Purchaser.

Term

The Second LOI will terminate in the following circumstances: (a) by written agreement of the parties; (b) upon the execution of a definitive agreement between CLC and the Alternative Purchaser; or (c) at the end of the exclusivity period (or any extension thereof).

Special Committee

A Special Committee of the Board (the "**Special Committee**") was formed in August 2026 as described in the August 21 Press Release. The Special Committee's role is to consider, evaluate and, if applicable, negotiate the strategic alternatives available to the Company, including the Original Transaction and the Alternative Transaction, and to make recommendations to the Board in connection therewith, including prior to the execution of any definitive agreement or the submission of any such transaction to the shareholders.



of the Company for a vote. The Board of Directors of CLC has not approved the entering into of any definitive agreement for either transaction at this time.

Second LOI Non-Binding

The Second LOI is non-binding and does not create any binding legal rights or obligations, other than certain customary provisions - namely those relating to Legal Effect, Exclusivity, Termination, Confidentiality, Public Disclosure and General Provisions - which are binding upon execution. The Second LOI is governed by the laws of the Province of Ontario. As negotiations are ongoing, the Company can provide no assurance that it will agree on the final terms of, or execute, a definitive agreement with the Alternative Purchaser, or that the Alternative Transaction will be completed. Any such transaction would be subject to, among other conditions, the negotiation and execution of a definitive agreement and the receipt of all required shareholder, regulatory, stock exchange and other approvals.

If a definitive agreement with the Alternative Purchaser is executed, the Company expects that it will be required to hold a special meeting (the "**Special Meeting**") of the Company's shareholders to approve the Alternative Transaction. The Alternative Transaction is subject to receipt of the foregoing approvals and other customary closing conditions. Terms and conditions of the Alternative Transaction are expected to be disclosed in greater detail in a management information circular for the Special Meeting (the "**Circular**"). Following execution of the definitive Agreement, a Circular will be mailed to the Company's shareholders. There are no finder's fees payable by the Company in connection with the Alternative Transaction.

In the event that the Company executes a definitive agreement with either the Original Purchaser or the Alternative Purchaser, copies of such definitive agreement and the information circular for the special meeting of the Company's shareholders to approve such transaction will be filed with Canadian securities regulators. Documents filed by the Company with Canadian securities regulators are available on the SEDAR+ profile of the Company at www.sedarplus.ca. Shareholders are urged to read any relevant materials when they become available. **However, Shareholders do not need to take any action with respect to the Original Transaction or the Alternative Transaction at this time.**

Counsel

Prelia Canada LLP is acting as the Company's legal advisor.

About Christina Lake Cannabis Corp.

Christina Lake Cannabis is a licensed producer of cannabis under the Cannabis Act with a standard cultivation license and corresponding processing amendment from Health Canada as well as a research and development license. Christina Lake Cannabis' facilities consist of a 32-acre property, which includes over 950,000 square feet of outdoor grow space, offices, propagation and drying rooms, research facilities, and a facility dedicated to processing and extraction, and a 342-acre property which includes approximately 100 acres of licensed outdoor grow space, greenhouses, and a dry room. CLC focuses its production on creating high-quality outdoor flower, extracts and distillate for its B2B client base.

On behalf of Christina Lake Cannabis:

"Jay McMillan"
Jay McMillan, Chairman



For more information about CLC, please visit: www.christinalakecannabis.com

Investor Relations and Media Inquiries

investors@clcannabis.com

1.888.410.0304

About Medical Saints Ltd:

Medical Saints Ltd. is one of Canada's largest privately held federally licensed cannabis producers, operating a vertically integrated platform across cultivation, processing, manufacturing, product development and commercialization.

Medical Saints currently produces 100 tonnes (100,000 kilograms) of cannabis annually in Canada.

For more information, visit www.medicalsaints.com.

Media & Investor Contact:

Lucas Leone

Chief Executive Officer

Medical Saints Ltd.

Email: info@medicalsaints.com

THE CANADIAN SECURITIES EXCHANGE ("CSE") HAS NOT REVIEWED AND DOES NOT ACCEPT RESPONSIBILITY FOR THE ACCURACY OR ADEQUACY OF THIS RELEASE, NOR HAS OR DOES THE CSE'S REGULATION SERVICES PROVIDER.

All statements, other than statements of historical fact, contained in this press release constitute "forward-looking information" and "forward-looking statements" within the meaning of certain securities laws and are based on expectations and projections as of the date of this press release. Forward-looking information and forward-looking statements may relate to the Company, the Original Purchaser, the Alternative Purchaser, and to anticipated events or results, notably the negotiation and potential completion of the Original Transaction and/or the Alternative Transaction on terms substantially similar to those currently contemplated.

Statements regarding future results, performance, achievements, prospects, or opportunities of the Company, the Original Purchaser, the Alternative Purchaser, or similar statements concerning anticipated future events, results, circumstances, performance or expectations, notably the execution of a definitive agreement and the completion of a transaction with the Original Purchaser or the Alternative Purchaser, are also forward-looking statements. Forward-looking statements contained in this press release include, without limitation, those related to: (i) the Board's review and evaluation of the Second LOI; (ii) the relative benefits to the Company and its shareholders of the Original Transaction and the Alternative Transaction; (iii) the ability of the Company and either the Original Purchaser or the Alternative Purchaser to negotiate and execute a definitive agreement; (iv) the Company's receipt of all necessary approvals (including shareholder approval, any required court approval, regulatory and stock exchange approvals, and any approvals required in connection with the transfer or reissuance of the Company's licences); and (v) the final terms of any definitive agreement.

Forward-looking statements are based on expectations, estimates, and projections as of the time of this press release. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company, the Original Purchaser or the Alternative



Purchaser as of the time of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. These estimates and assumptions may prove to be incorrect.

Many of these uncertainties and contingencies can directly or indirectly affect, and could cause, actual results to differ materially from those expressed or implied in any forward-looking statements. There can be no assurance that the Company, the Special Committee, and the Board will be able to negotiate or approve a definitive Agreement on terms acceptable to each of them and to either the Original Purchaser or the Alternative Purchaser, as applicable. Future events could differ materially from what is currently anticipated by the Company, the Original Purchaser or the Alternative Purchaser.

By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that estimates, forecasts, and other forward-looking statements will not be achieved or that assumptions do not reflect future experience. Forward-looking statements are provided for the purpose of providing information about management's expectations and plans relating to the future. Readers are cautioned not to place undue reliance on these forward-looking statements as a number of important risk factors and future events could cause the actual outcomes to differ materially from the beliefs, plans, objectives, expectations, anticipations, estimates, assumptions, and intentions expressed in such forward-looking statements. All of the forward-looking statements made in this press release are qualified by these cautionary statements and those made in the Company's other filings with the securities regulators of Canada including, but not limited to, the cautionary statements made in the relevant portion of the Company's Management Discussion & Analysis prepared as of June 29, 2026, for the financial year ended February 28, 2026. The foregoing list of factors that may affect future results is not exhaustive and new, unforeseeable risks may arise from time to time. The Company disclaims any intention or obligation to update or revise any forward-looking statements or to explain any material difference between subsequent actual events and such forward-looking statements, except to the extent required by applicable law.