

December 29, 2023



CLS Holdings USA, Inc. Announces Amendments to Convertible Debentures and Underlying Warrants

LAS VEGAS, NV / ACCESSWIRE / December 29, 2023 /CLS Holdings USA, Inc. (OTCQB:CLSH)(CSE:CLSH), the "Company" or "CLS", a diversified cannabis company operating as Cannabis Life Sciences, today announced that following receipt of the requisite approval of debentureholders and the Canadian Securities Exchange, it has amended the terms of its outstanding US\$5,252,873 principal amount unsecured convertible debentures (the "December Debentures") issued December 12, 2018 by, among other things, (i) decreasing the conversion price of the remaining December Debentures (following the mandatory conversion) to \$0.07 per unit; (ii) changing the maturity date of the December Debentures so that the December Debentures mature on January 31, 2028; (iii) providing for interest accruing between July 1, 2022 and December 31, 2023 to be added to the principal balance of the December Debentures; (iv) granting debentureholders a put right exercisable to December 29, 2023, granting each debentureholder the right to require the Company to redeem all or any part of such debentureholder's outstanding December Debenture in cash at a redemption price equal to US\$600 per US\$1000 principal amount of December Debentures elected to be redeemed; any accrued but unpaid interest through to and including the date of the debentureholder's election shall not be paid and shall be cancelled; (v) granting debentureholders a put right in the event the Company's cash available for debt service for any fiscal quarter exceeds US\$750,000, subject to pro ration, to require the Company to redeem all or any part of such debentureholder's outstanding December Debentures in cash at a redemption price equal to the aggregate principal amount of the December Debentures being so redeemed, (vi) including a provision providing that the Company shall redeem on the last day of each calendar month beginning March 31, 2025 an aggregate amount of outstanding December Debentures equal to US\$108,799.73 less the amount of interest paid on such date; and (vii) subject to the receipt of regulatory approvals, granting a security interest in certain of the Company's assets (such as licenses, inventory (including work in process), equipment (excluding equipment subject to purchase money financing) and contract rights (excluding investments in entities other than wholly owned subsidiaries)) to the holders of the December Debentures and to other holders of the Company's debt, now or in the future, as the Company may elect.



About CLS Holdings USA, Inc.

CLS Holdings USA, Inc. (CLSH) is a diversified cannabis company that acts as an integrated cannabis producer and retailer through its Oasis Cannabis subsidiaries in Nevada and plans to expand to other states. CLS stands for "Cannabis Life Sciences," in recognition of the Company's proprietary method of extracting various cannabinoids from the cannabis plant and converting them into products with a higher level of quality and consistency. The Company's business model includes licensing operations, processing operations, processing facilities, sale of products, brand creation and consulting services.

Oasis Cannabis has operated a cannabis dispensary in the Las Vegas market since dispensaries first opened in Nevada in 2015 and has been recognized as one of the top cannabis retailers in the state. Its location within walking distance to the Las Vegas Strip and Downtown Las Vegas in combination with its delivery service to residents allows it to efficiently serve both locals and tourists in the Las Vegas area. In February 2019, it was named "Best Dispensary for Pot Pros" by Desert Companion Magazine.

oasiscannabis.com

[@oasisdispensary](https://www.instagram.com/oasisdispensary)

Founded in 2017, City Trees is a Nevada-based cannabis cultivation, production and distribution company. Offering a wide variety of products with consistent results, including cannabis concentrates and cannabis-infused products. City Trees products are available in numerous dispensaries throughout the state of Nevada.

citytrees.com

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Forward-Looking Statements

This press release contains certain "forward-looking information" within the meaning of

applicable Canadian securities legislation and "forward-looking statements" as that term is defined in the Private Securities Litigation Reform Act of 1995 (collectively, the "forward-looking statements"). These statements relate to, among other things, the impact of the COVID-19 virus on our business, the results of our initiatives to retain our employees and strengthen our relationships with our customers and community during the pandemic, the effect of our initiatives to expand market share and achieve growth, the expected development of our business and joint ventures, results of operations and financial performance, future liquidity, working capital and capital requirements, the impact of the reverse stock split on our stock price, the effects of the additional dilution in our common stock that may occur as a result of the amendments to our convertible debentures, and anticipated future events. The continued spread of COVID-19 could have, and in some cases already has had, an adverse impact on our business, operations and financial results, including through disruptions in our cultivation and processing activities, supply chains and sales channels, and retail dispensary operations as well as a deterioration of general economic conditions including a possible national or global recession. In some cases, you can identify forward looking statements by terminology such as "may," "might," "will," "should," "intends," "expects," "plans," "goals," "projects," "anticipates," "believes," "estimates," "predicts," "potential," or "continue" or the negative of these terms or other comparable terminology. These forward-looking statements are only predictions, are uncertain and involve substantial known and unknown risks, uncertainties and other factors which may cause our actual results, levels of activity or performance to be materially different from any future results, levels of activity or performance expressed or implied by these forward-looking statements. We cannot guarantee future results, levels of activity or performance. You should not place undue reliance on these forward-looking statements, which speak only as of the date that they were made. These cautionary statements should be considered together with any written or oral forward-looking statements that we may issue in the future. Except as required by applicable law, we do not intend to update any of the forward-looking statements to conform these statements to reflect actual results, later events or circumstances or to reflect the occurrence of unanticipated events. See CLS Holdings USA filings with the SEC and on its SEDAR profile at www.sedar.com for additional details.

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