

March 9, 2020



# Cannabis Life Sciences Files Lawsuit Against In Good Health Inc.

*The complaint was filed after the Massachusetts-based dispensary allegedly refused to complete the sale of its business to CLS*

**LAS VEGAS, NV / ACCESSWIRE / March 9, 2020** /CLS Holdings USA, Inc. (OTCQB:CLSH) (CSE:CLSH) ("CLS" or the "Company"), a diversified cannabis company operating as Cannabis Life Sciences, announced today that it has filed a complaint against In Good Health, Inc. (IGH), a vertically integrated cannabis business in Brockton, Massachusetts, after it allegedly refused to complete the sale of its business to CLS.

The agreement to acquire IGH was originally announced in November 2018, but after IGH allegedly withheld financial documents, refused in-person visits and attempted to change terms of the acquisition documents, CLS filed the complaint claiming IGH breached its obligations to CLS, among other things. As the plaintiff, CLS is seeking the court declare that IGH must comply with the terms of the acquisition documents as well as award it monetary damages.

"We entered into this agreement in good faith and are disappointed that we were unable to reach our intended outcome," said Jeffrey Binder, Co-founder & CEO of CLS. "Despite this pivot, CLS is well positioned to not only scale its business within the Nevada cannabis market, but also to capitalize on other cannabis opportunities."

The Nevada market is projected to be worth nearly \$980 million by the end of 2022 according to information provided by Canaccord Genuity's US equity research team. CLS owns the award-winning Oasis Cannabis dispensary, located near the Las Vegas strip, and the rapidly growing City Trees brand, available in 75% of all Nevada dispensaries. In addition, CLS has secured patents in Canada and the U.S., and has patents pending in Europe, for its highly purified cannabinoid extraction technology. The company is also finishing a phased buildout of a 22,000 square-foot cultivation facility that will produce up to 6,600 pounds of flower per year at full capacity. CLS has recently completed its state-of-the-art extraction lab capable of generating \$10 million of annual revenue with a gross margin of approximately 50%. This facility allows the company to produce its own product for its City Trees brand, showcase its patented proprietary process along with manufacturing for other brands in the Nevada market. This is a major milestone for the company.

"Moving into calendar year Q2, we plan to double down in Nevada, our home market that attracts over 56 million tourists from around the world, providing us the opportunity to showcase our products and brands on an international stage," said Binder. "With our new facility operational and patents on a superior extract technology, CLS will have both the assets and capital to successfully scale and drive shareholder value."

## **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 patented proprietary method of extracting various cannabinoids from the marijuana 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.

<http://www.clsholdingsinc.com>

Twitter: [@CLSHusa](https://twitter.com/CLSHusa)

## **About Oasis Cannabis**

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 marijuana 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. In August 2017, the company commenced wholesale offerings of cannabis in Nevada with the launch of its City Trees brand of cannabis concentrates and cannabis-infused products.

<http://oasiscannabis.com>

## **About City Trees**

Founded in 2017, City Trees is a Nevada-based cannabis cultivation, production and distribution company. Offering a wide variety of products with consistent results, City Trees is one of the fastest growing wholesale companies in the industry. Its products are now available at 44 dispensaries.

<https://citytrees.com>

## **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 anticipated future events, future results of operations or future financial performance, and anticipated growth, including the completion and timing of the expansion of its Nevada operations and the amount and value of product its operation may be capable of generating in the future. 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 and we cannot guaranty that the proposed transactions described in this press release will occur. 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](http://www.sedar.com) for additional details.

## **Contact Information**

### **Corporate:**

Chairman and CEO

Jeff Binder

[jeff@clsholdingsinc.com](mailto:jeff@clsholdingsinc.com)

888-438-9132

**SOURCE:** CLS Holdings USA, Inc.

View source version on [accesswire.com](http://accesswire.com):

<https://www.accesswire.com/579648/Cannabis-Life-Sciences-Files-Lawsuit-Against-In-Good-Health-Inc>