

November 12, 2019



CLS Holdings Announces October Financial Results

LAS VEGAS, NV, Nov. 12, 2019 (GLOBE NEWSWIRE) -- via NEWMEDIAWIRE -- CLS Holdings USA, Inc. (OTCQB: CLSH, CSE: CLSH) ("CLS" or the "Company"), a diversified cannabis company operating as Cannabis Life Sciences, is pleased to report unaudited consolidated revenue of \$1.025 million for the month of October 2019.

October 2019 Financial Highlights

- Consolidated revenue from Oasis Cannabis and City Trees of \$1.025 million compared to \$0.8 million in October 2018, an increase of 34.7%. Consolidated gross margin of 50.3% compared to 42.4% in October 2018.
- Record revenue from the Company's Oasis Cannabis dispensary of \$776,791, a 61.2% increase over October 2018 dispensary revenue of \$481,817.
- A 95.2% increase in dispensary customers, from 10,728 (346 per day average) in October 2018 to a record 20,940 (675 per day average) in October 2019.
- Record revenue per SF of \$444 compared to \$275 per SF in October 2018, an increase of 61.2%.
- Record October 2019 dispensary gross margin of 52.3%, up from 41.6% in October 2018.
- Revenue from City Trees, the Company's branded products and bulk flower division, of \$248,854, an 11.0% decrease over October 2018 City Trees revenue of \$279,703.
- October 2019 City Trees gross margin of 44.3%, up from 43.7% in October 2018.

Andrew Glashow, President and COO of CLS Holdings, stated, "October was another record month for our Oasis Cannabis dispensary, in terms of customers served, revenue and gross margin. Halloween saw the largest single day for the dispensary eclipsing 4/20 of this year. We continue to see our operating divisions operating profitably.

While the results are a complete team effort, Andrea Carter, head of marketing since March 2019, successfully took on the challenge of implementing a strategy to align our marketing efforts to meet the demands of our growing dispensary customer base. During this period of time we have experienced dramatic growth in revenue and customer visits. We are now able to offer products and targeted offerings to meet the demands of our rapidly growing customer base."

"City Trees reported slightly lower revenue compared to October 2018. The decrease was

the result of receiving some orders late in the month that are being shipped in November. Additionally, City Trees is transitioning from its current 1100 square foot operations into a brand-new \$3 million 9000 square foot state-of-the-art manufacturing facility. This is a remarkable event for us as it will increase our ability to manufacture our own branded products, is expected to increase profitability and will allow us to manufacture for third-party brands what we believe will be the safest high-quality cannabis products in the Nevada marketplace.”

“As part of our continuing commitment to safety, we have recently taken the added step of testing our City Trees products for vitamin E acetate, which according to published reports is believed to have caused an outbreak of lung related illnesses across the country. These lung related illnesses were reported as we were obtaining third-party Certificates of Analysis that we intend to provide to our customers as transparent evidence demonstrating that our City Trees products are made using only the finest ingredients. We will never waiver from our commitment to provide the market with products that are accurately labeled and safe.”

“Finally, we've also added Dominick Monaco, a recognized leader in overseeing, building and running conversion and extraction facilities throughout the United States, to our team.”

Operational Highlights

- On November 11, 2019, Oasis Cannabis broke ground on its third expansion this year, highlights of which include the following:
 - An increase in available retail space from 1,750 square feet to 2,000 square feet.
 - An increase in the number of point-of-sale systems from four to ten.
 - The addition of a dedicated express checkout line.
 - The ability to more efficiently engage with our valued customers.
 - The addition of new products:
- In October 2019, City Trees entered into a premier program partnership with Planet 13 in Las Vegas, a cannabis superstore, the initial results from which have been better than expected.
- In December 2019, City Trees is expected to transition into its new state of the art production facility.

MJBizCon

- On December 11-13, 2019, the Company will be presenting at the MJBizCon, the largest gathering of cannabis business professionals in the world with more than 35,000 attendees.
- Before, during, and after the MJBizCon, the Company will host a series of open houses at its Oasis Cannabis dispensary and its brand-new state of the art manufacturing facility.

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

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 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 timing of anticipated construction and implementation of our expansion plan. 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 for additional details.

Contact Information

Corporate:

Chairman and CEO

Jeff Binder

jeff@clsholdingsinc.com

888-438-9132

Investor Relations:

Torrey Hills Capital

Clay Chase

cc@sdthc.com

858-456-7300



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