

**Northern Leaf Plc
("Northern Leaf" or the "Company")
Company number 128967**

**Proposed Merger with Voyager Life Plc
("Voyager")**

Northern Leaf, the Jersey based medicinal cannabis producer, is pleased to announce that further to its announcements on 22 February 2024 and 28 February 2024, the Company has signed binding heads of terms for an all share merger with Voyager (the "Merger").

Voyager is a public limited company incorporated pursuant to the laws of Scotland with company number SC680788 whose registered office is at Arran House, Arran Road, Perth, Perthshire, United Kingdom, PH1 3DZ. Voyager's shares are publicly traded on the Aquis Stock Exchange, which is a UK regulated market regulated by the United Kingdom's Financial Conduct Authority. Voyager's business focusses on manufacturing, suppling and retailing premium plant-based health & wellness products. More information on Voyager and its business can be found on Voyager's website which can be accessed via the following link: <https://voyagerlife.uk>

Voyager publicly announced the proposed Merger earlier today, a full copy of which can be found via the following link: <https://www.aquis.eu/companies/VOY>

In order to facilitate the rescue of a company that is in serious financial difficulty, the Takeover Panel has conditionally granted a waiver from the application of the Takeover Code in respect of the Merger.

Details of the Merger

The terms of the proposed Merger remain substantially unchanged from those previously announced on 22 February 2024. The agreed terms are set out again in this announcement for your consideration.

Details of consideration

The total consideration of up to £3.7 million is comprised of a preliminary element, a loyalty element, and deferred performance-based consideration:

- **preliminary consideration**: new Voyager shares to be issued pro rata to former shareholders of Northern Leaf with an indicative value of £1.1 million
- **loyalty consideration**: new Voyager shares to be issued to former shareholders of Northern Leaf who remain on the Voyager shareholder register for six months after completion in proportion to their current shareholdings in Northern Leaf, with an indicative value of £220,000
- **deferred consideration**: new Voyager shares issued pro rata to former shareholders of Northern Leaf subject to Northern leaf achieving annual revenues by no later than 31 March 2025 of:
 - not less than £2.0 million – new Voyager shares with an indicative value: £1.2 million
 - £3.5 million – new Voyager shares with an indicative value: £1.8 million
 - *More than* £5.0 million – new Voyager shares with an indicative value: £2.4 million

The intermediate revenue threshold is provided for illustrative purposes only as the actual Voyager shares vesting will be calculated on a straight line basis for revenue in between the £5.0 million upper and £2.0 million lower limit.

Note: Management’s most recent forecast for FY24 anticipates the achievement of over £5 million of sales in FY24. Whilst this does not represent a guarantee of performance, it is the basis on which the deferred consideration has been agreed.

Ownership of the enlarged group

Based on the above arrangements, the ownership of the enlarged group (assuming all consideration shares vest and at the agreed Merger share price) is expected to be:

- Existing Voyager shareholders – 20.8%
- Fundraising investment – 27.7%
- Northern Leaf shareholders – 51.5%

The breakdown of the relative shareholdings at each step is as follows:

	Voyager shareholders	Northern Leaf shareholders	Fundraising investment	Total	Northern Leaf shareholders
	£'m	£'m	£'m	£'m	%
Current market cap	1.50	N/A		1.50	
Preliminary consideration		1.10		2.60	42.3%
Loyalty consideration		0.22		2.82	46.8%
Deferred consideration		2.40		5.22	71.3%
Fundraising investment			2.00	7.22	Note 1
	1.50	3.72	2.00	7.22	
	20.8%	51.5%	27.7%	100.0%	

Note 1: Dependent on participation in Fundraising

Recommendation of the Merger

The Board repeats its recommendation that the Merger be approved by all shareholders as the best way forward for Northern Leaf to:

- secure the funding required to achieve profitability during H2 2024;
- provide an immediate return on investments made in the Rights Issue;
- provide our loyal shareholders with continued exposure to the growth in value of Northern Leaf;
- achieve liquidity for shareholders;
- provide a future exit for shareholders;
- realise meaningful economies of scale in the short term by gaining access to the UK Listed’s capabilities and experience in the areas of:
 - digital marketing
 - product branding
 - website presence
 - finished product packaging and logistics
 - shared corporate functions
- enhance the Company’s corporate governance;
- provide staff with equity based compensation enhancing retention and performance without increasing cash costs; and
- become part of an exciting growth story in the cannabis industry.

Conditionality of the Merger

Completion of the Merger remains conditional upon:

- the Company receiving valid signed copies of the enclosed power of attorney letters from shareholders representing not less than 75% of the Company’s issued share capital;
- shareholders with larger holdings entering into orderly market agreements;

- successful completion of the Fundraising (as defined below); and
- approval by Voyager's shareholders of resolutions to authorise the issue of the new shares needed in connection with the Merger (of which Voyager shareholders holding approximately 28% of the Voyager's issued share capital have committed to vote in favour).

Shareholder action required

Please **complete, sign and return** by email to investors@northern-leaf.com the enclosed new power of attorney letter which now specifically identifies Voyager as the Merger counterparty (but otherwise is substantially in the same form as the power of attorney letter circulated with the 22 February 2024 announcement) **no later than the close of business on Friday 15th March 2024** to confirm your support for the Merger.

Fundraising

The previously advised equity fundraising of not less than £2 million (the "Fundraising") to provide the enlarged group with the liquidity designed to facilitate delivery on its growth plans and see Northern Leaf financed through to projected profitable, self-sustaining cash flows in the latter half of 2024 will commence immediately. This is not a profit forecast.

Voyager's brokers, Stanford Capital and SI Capital will commence work on the Fundraising immediately.

Shareholders in Northern Leaf will be entitled to participate in the Fundraising which qualifies for the UK Government's Enterprise Investment Scheme and is expected to represent c.27.7% of the enlarged group. Shareholder enquiries should be directed to SI Capital whose contact details are on Voyager's announcement.

Non-completion of the proposed Merger

In the event that the Merger does not complete in a timely manner, the board of directors will have no choice but consider ceasing to trade with immediate effect to protect creditors as there would be no realistic prospect of avoiding a heavily insolvent liquidation. The board has therefore appointed Mr Alan Roberts of Grant Thornton Limited, Channel Islands to advise the directors of the Company as regards to solvency and, if required, acting as liquidator in a Jersey Creditors' Winding Up.

Frank Walker OBE, Chairman of Northern Leaf Plc commented, "After a tremendous amount of hard work behind the scenes by the management team, I am very pleased that, subject to formal endorsement from shareholders, we are now able to commence the Merger fundraising process to secure the funding necessary to ensure Northern Leaf's survival and the opportunity to develop the potential of the business."

Geoff Eyre, Chief Executive Officer of Northern Leaf Plc. Commented, "This Merger with Voyager will deliver on our long-standing commitment to bring Northern leaf onto the listed markets and provide liquidity for our shareholders. We have been impressed with the breadth of Voyager's operations and the integration of the two businesses provides numerous opportunities for each of us to accelerate our development. Frank and I are looking forward to joining the Voyager board and taking the enlarged group to a position of market leadership of the cannabis industry within the British Isles."

The enlarged group will benefit from a number of meaningful operational synergies and efficiency savings as we move towards profitable, self-sustaining cash flow generation during H2 2024."

For further information contact:

Geoff Eyre, CEO (geoff.eyre@northern-leaf.com)

Frank Walker, Chairman (frankwalkerjsy@gmail.com)

Ed Douglas, Senior Manager (edward.douglas@northern-leaf.com)

ENDS

The Directors
Northern Leaf Plc
Retreat Farm
Rue des Varvots
St Lawrence
Jersey JE3 1GX

by email to investors@northern-leaf.com

Date: ____ March 2024

Dear Sirs

Northern Leaf Plc (“Northern Leaf”)

I refer to the announcements issued by Northern Leaf on 22 & 28 February 2024 as supplemented by the announcements issued by both Northern Leaf and Voyager on 13 March 2024 (together the “**Announcements**”).

I also refer to the proposed all share merger (the “**Merger**”) between Northern Leaf and Voyager Life Plc (the “**Voyager**”).

Confirmation of support for the Merger

I confirm that I have given consideration to the information set out in the Announcements and the additional information provided by Northern Leaf and I ask that this letter be taken as evidence of my support for the Merger.

Authorisation

I hereby confirm that I will sign whatever documents are required to give effect to the Merger.

I do however also irrevocably grant each of the directors of Northern Leaf with the necessary power to sign any such documents in my stead to the extent it would expedite matters to achieve a successful closing of the Merger.

Power of Attorney

Accordingly, by signing this letter, I _____ of _____
(the “**Principal**”) hereby appoint each of Frank Walker, Geoffrey Eyre, Tobias Mathews and Michael Thompson (the “**Attorney**”) severally as an attorney with full power and authority for, and in the name of and on behalf of the Principal in any part of the world to do all or any of the following (in each case as the Attorney in his absolute and unfettered discretion shall think fit):

- (a) to negotiate, agree the terms of, approve, sign, execute and deliver any agreements, documents, notes, instruments, stock transfer forms, deeds, letters, notices (including any Drag Along Notice (as defined in article 8.2 of the articles of association of Northern Leaf (the “**Articles**”)), certificates, acknowledgements and

instructions (the “**Documents**”) considered by the Attorney necessary or expedient in connection with the Merger;

- (b) to approve any amendments to any Document considered by the Attorney necessary or expedient (the execution and delivery of such document to be conclusive evidence of the Attorney’s approval to any such amendments); and
- (c) to do all other such acts and things as the Attorney may consider necessary or expedient for the purposes of the Merger and/or the Documents.

1.2 The power of attorney granted in this letter shall:

- (a) be effective immediately; and
- (b) expire at midnight on the date that is six months from the date of the power of attorney granted in this letter (the “**Expiry Date**”); and
- (c) be irrevocable until the Expiry Date.

1.3 The expiry of the power of attorney granted in this letter shall not affect the validity of any act, matter, communication or other thing done during the validity of this power of attorney.

1.4 I hereby:

- (a) undertake to ratify and confirm each and every act or thing which may be done or effected by the Attorney in the proper exercise of any of the Attorney’s powers under the power of attorney granted in this letter;
- (b) undertake to indemnify the Attorney and to hold him harmless against all actions, claims, demands, costs, charges, expenses, losses and other liabilities whatsoever arising from or otherwise relating to the exercise or purported exercise in good faith of any power conferred by this power of attorney;
- (c) declare that any person dealing with the Attorney shall not be concerned to see or enquire as to the propriety or expediency of any act, deed, matter or thing which the Attorney may do or perform in the Principal’s name under the power of attorney granted in this letter; and
- (d) empower the Attorney to procure to be done any and every other act or thing whatsoever which may be necessary to give full effect to the power of attorney granted in this letter.

Drag along rights

I understand that by giving my support for the Merger and by signing this letter, Northern Leaf may include my shareholding in the calculation to determine whether or not the threshold for activating the drag along right in article 8.1 of the Articles has been met.

For the purposes of article 8.5 of the Articles, to the extent there are any defaulting Called Members (as defined in article 8.1 of the Articles), I hereby nominate each of the directors of Northern Leaf

to execute and deliver all necessary transfers and take all necessary steps to transfer the Called Shares (as defined in article 8.2(a) of the Articles).

This letter and the power of attorney granted in this letter is governed by and shall be construed in accordance with the laws of Jersey.

Yours faithfully,

Signed by _____

.....
Signature

in the presence of a witness

.....
Signature of witness

.....
Name of witness

.....
Address of witness

.....
Occupation of witness