

24 April 2024

Northern Leaf Plc
(“Northern Leaf” or the “Company”)
Company number 128967

Funding Update

Northern Leaf Plc, the Jersey based medicinal cannabis producer, advises that subsequent to the termination of the proposed merger with Voyager Life Plc on 6 April 2024, as a result of a lack of support for the associated prerequisite £2m Fundraising, the Board has been urgently procuring a number of alternative funding options to secure the future of the Company as a going concern.

As announced on 8 April 2024, Northern Leaf sold its entire vault inventory and product that was with our manufacturing partner in Portugal for processing and final packaging for approximately 10% of its normal selling price to provide urgently needed funds to maintain the Company in the short term whilst alternative long-term funding was sought.

Immediately following the failure of the Merger Fundraising the equity value in the Company was effectively nil and the Company remains on the brink of liquidation with board meetings taking place on an extremely frequent basis to monitor the situation and to ensure the Board fully complies with all its obligations. As a safeguard, Grant Thornton Channel Islands, attend all board meetings to advise in this regard.

Despite the extremely difficult situation, the Company is making good headway in negotiations with a number of interested parties to procure unconditional offers of funding to maintain the business as a going concern.

In parallel, the Company is also in discussions with the Government of Jersey to seek their financial support to assist in raising the working capital required to bridge the Company through to profitable operations, still expected to be in Q4 2024.

A further update will be provided in due course as matters progress.

Geoff Eyre, Chief Executive Officer of Northern Leaf Plc. Commented:

"The Board and I remain committed to securing the long-term future of Northern Leaf Plc for the benefit of our creditors, shareholders, employees and other stakeholders. Although discussions with potential investors remain at an early stage, I am cautiously optimistic that a solution can be found in the time available to avoid the Company falling into liquidation."

For further information contact:

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

Frank Walker, Chairman (frankwalkerjsy@gmail.com)

Ed Douglas, Head of Administration (edward.douglas@northern-leaf.com)

ENDS