

# Vibe Growth Furthers Expansion with Acquisition of Palm Springs, California Dispensary

## Vibe keeps rolling with 7th retail dispensary, located in California's Coachella Valley

Sacramento, California--(Newsfile Corp. - April 7, 2021) - Vibe Growth Corporation (**CSE: VIBE**) (**OTC PINK: VBSCF**) (**FSE: A061**) (the "**Company**" or "**Vibe**"), a vertically integrated California cannabis enterprise, is pleased to announce that it has entered into a definitive agreement to purchase Desert Organic Solutions Collective ("**Desert Organics**"), located in Palm Springs, California.

Under the terms of the acquisition, Vibe will purchase the assets, inventory, and lease for the 2,838 square foot licensed, adult-use dispensary located in Palm Springs, California for a cash consideration of \$380,000 and assumption of existing and estimated liabilities of USD \$1.8 million. The closing of the transaction is subject to the satisfaction of certain conditions of the license ownership transfer; Vibe and its management team intend to work with the City of Palm Springs concerning local and state regulations. The Company intends to rename the location under its iconic Vibe By California™ brand, enhance the product offering and add online ordering with express pickup & delivery.

The newly acquired location will represent Vibe's seventh cannabis dispensary as the Company continues to rapidly expand its retail cannabis dispensary footprint across California. The Palm Springs location follows the Company's recent addition of its Salinas location to a dispensary portfolio that includes California locations in Sacramento, Stockton, Redding, and Ukiah in addition to its Portland, Oregon dispensary.

Mark Waldron, CEO of Vibe, stated, "We are thrilled to add Palm Springs to our portfolio of retail dispensary locations. Vibe's investment thesis has always been to capitalize on the large but fragmented California retail cannabis market. We continue to execute on our business model of being nimble and opportunistic when acquiring assets that meet management's specific criteria, taking strategic location, facilities, regional demographics, and transportation factors all into consideration. Importantly, our Vibe team continues to evidence its ability to not only grow existing location sales, but to turn around assets in a very efficient manner. We intend to quickly focus and engage our team's efforts on our newest location in Palm Springs, and remain steadfast on providing a quality cannabis experience to our customers, and adding value for our shareholders."

Palm Springs is one of the most recognized cities in the Coachella Valley, which encompasses nine unique cities traditionally known as winter resort locales for snowbirds and retirees looking for sunshine. While still a major winter destination, the Valley has become known as an arts and culture hub, hosting several annual events including, of course, the Coachella Valley Music and Arts Festival. Vibe's newest acquisition is located 10 minutes north of the Palm Springs city center and is both strategically and conveniently located just one block off of Interstate 10, the major national highway connecting Los Angeles to the Coachella Valley and Phoenix, Arizona. Interstate 10 averages daily traffic (AADT) of approximately 100,000 vehicles per day at Desert Organic's I-10 exit.

### RSU and Stock Option Grant

Additionally, the Company announces that it has granted stock options and restricted share units (RSUs) to certain new employees, pursuant to the Company's stock option plan, and restricted share unit plan as originally approved by shareholders on June 24, 2020, and subject to the Canadian Securities Exchange policies and approval.

On March 25, 2021, the Company granted a total of 555,000 stock options, expiring in three years, to certain new employees. Each stock option entitles the holder thereof to subscribe for one (1) common share of the Company at an exercise price of CAD \$1.07 per common share, as quoted on the Canadian Securities Exchange. The Company has also granted 100,000 restricted share units (RSUs) to a new employee in accordance with the restricted share unit plan adopted by the shareholders at Vibe's 2020 annual and special meeting.

## **About Vibe Growth Corporation**

[Vibe Growth Corporation](#) and its cannabis retail brand, Vibe By California, is a trusted, vertically integrated California cannabis enterprise with retail dispensaries; cannabis greenhouse cultivation; premium indoor cultivation; commercial cannabis distribution; brand sales and marketing; e-commerce platform; home delivery; and [Hype Cannabis Co.](#) marijuana and [Vibe CBD](#) products. In California, Vibe is focused on maximizing shareholder value through accelerating organic growth, opportunistic acquisitions, distressed workouts, and new license applications. The Company operates retail and e-commerce under its iconic Vibe By California brand.

To learn more about Vibe, please visit: [www.vibebycalifornia.com](http://www.vibebycalifornia.com).

## **Cautionary Note Regarding Product & Forward-Looking Information**

Certain statements contained in this press release constitute forward-looking information. These statements relate to future events or future performance. The use of any of the words "anticipate", "could", "intend", "expect", "believe", "will", "projected", "estimated" and similar expressions and statements relating to matters that are not historical facts are intended to identify forward-looking information and are based on the parties' current belief or assumptions as to the outcome and timing of such future events, and may be impacted as a result of general economic conditions or the ongoing COVID-19 pandemic. In this news release, forward-looking statements relate to, among other things, the Company's expectations of revenue, EBITDA profitability and adjusted funds flow, higher sales volumes, and the company's retail operations. Actual future results may differ materially.

The forward-looking information contained in this release is made as of the date hereof and the parties are not obligated to update or revise any forward-looking information, whether as a result of new information, future events, or otherwise, except as required by applicable securities laws. Because of the risks, uncertainties, and assumptions contained herein, investors should not place undue reliance on forward-looking information. The foregoing statements expressly qualify any forward-looking information contained herein. Risk factors related to the Company are described in the Company's Management Discussion and Analysis, a copy of which is available under the Company's profile on SEDAR.

This press release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any State securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available. Not for distribution to U.S. Newswire Services or dissemination in the United States. Any failure to comply with this restriction may constitute a violation of U.S. securities laws.

Unlike in Canada which has Federal legislation uniformly governing the cultivation, distribution, sale, and possession of medical cannabis under the Cannabis Act (Federal), readers are cautioned that in the U.S., cannabis is largely regulated at the State level. To the knowledge of Vibe Growth Corporation, there are to date a total of 33 states, plus the District of Columbia, that have legalized cannabis in some form. Notwithstanding the permissive regulatory environment of medical cannabis at the State level, cannabis continues to be categorized as a controlled substance under the Controlled Substances Act in the U.S. and as such, cannabis related practices or activities, including without limitation, the manufacture, importation, possession, use or distribution of cannabis are illegal under U.S. federal law. Strict compliance with state laws concerning cannabis will neither absolve Vibe of liability under the U.S.

Federal law nor will it provide a defense to any Federal proceeding, which may be brought against Vibe Growth Corporation. Any such proceedings brought against Vibe may adversely affect its operations and financial performance.

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