



Bluma Wellness Announces US\$7.5 Million Loan from Cresco Labs

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TORONTO--(BUSINESS WIRE)--Bluma Wellness Inc. (the “**Company**” or “**Bluma Wellness**”) (CSE: BWEL.U) (OTCQX:BMWLF) announces that its wholly-owned, indirect operating subsidiary, 3 Boys Farm, LLC (d/b/a One Plant Florida) (“**One Plant Florida**”), has agreed to borrow the principal amount of US\$7,500,000 (the “**Loan**”) from a subsidiary of Cresco Labs Inc. (CSE:CL) (OTCQX:CRLBF) (“**Cresco**”). The proceeds of the Loan are expected to be used for capital expenditures associated with the expansion of One Plant’s operations in the State of Florida and to satisfy tax liabilities relating to the settlement of vested restricted share units (each an “**RSU**”).

The unpaid principal amount of the Loan, together with all accrued and unpaid interest, will be due and payable, in cash, on the earlier of (i) the termination or expiration of the arrangement agreement between Cresco and the Company dated January 13, 2021; and (ii) December 31, 2021, unless declared due and payable prior to maturity as a result of an event of default. The Loan may be prepaid in whole or in part at any time, without premium or penalty.

About Bluma Wellness Inc.

Bluma Wellness Inc. owns and operates a vertically-integrated, licensed medical cannabis company in the State of Florida doing business as “One Plant Florida.” One Plant Florida cultivates, processes, dispenses and retails medical cannabis to qualified patients in the State of Florida through multiple retail dispensaries and an innovative next-day door-to-door e-commerce home delivery service, thereby offering convenient access for its customers and meeting the demands of an evolving retail landscape. Bluma Wellness plans to continue expanding its cultivation and distribution operations as the Florida market grows.

Additional Information

The Company’s securities have not been and will not be registered under the U.S. Securities Act and may not be offered or sold in the United States or to a U.S. Person absent registration or an applicable exemption from the registration requirement. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

Forward-Looking Information

This news release contains “forward-looking information” within the meaning of applicable Canadian securities laws including information relating to the expected use of the proceeds of the Loan and its repayment. Although the Company believes, in light of the experience of its officers and directors, current conditions and expected future developments and other factors that have been considered appropriate, that the expectations reflected in this forward-looking information are reasonable, undue reliance should not be placed on them because the Company can give no assurance that they will prove to be correct. Readers are cautioned to not place undue reliance on forward-looking information. Actual results and developments may differ materially from those contemplated by these statements depending on, among other things: risks relating to cannabis being illegal under US federal law and risks of US federal enforcement actions related to cannabis activities; the Company's ability to comply with all applicable governmental regulations in a highly regulated business; negative changes in the political environment or in the regulation of medical cannabis in the state of Florida; the risk of any disruptions to the Company's business and operations as a result of the COVID-19 pandemic; negative shifts in public opinion and perception of the cannabis industry and cannabis consumption; increasing competition in the industry; risks of product liability and other safety-related liability as a result of usage of the Company's cannabis products; the Company's limited operating history with no assurance of profitability; the ability of the Company to access future financing if needed or on terms acceptable to the Company; the risk of defaulting on its existing debt; risk of shortages of or price increases in key inputs, suppliers and skilled labor; the risks inherent in running agricultural operations such as pests and crop failure; loss of licenses; reliance on key personnel; cybersecurity risks; constraints on marketing products; fraudulent activity by employees, contractors and consultants; tax and insurance related risks and risk of litigation.

The forward-looking information in this press release are made as of the date of this release. The Company does not undertake any obligation to update forward-looking information except as required by applicable securities laws.

Contacts

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