



Choom Announces Filing of Final Prospectus

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Vancouver, BC – June 28, 2021– Choom Holdings Inc. ("**Choom**" or the "**Company**") (CSE: CHOO; OTCQB: CHOOF), a fast-expanding Canadian retail cannabis company, is pleased to announce that further to the Company's press release of May 25, 2021, it has filed a final short form prospectus (the "**Final Prospectus**") with the securities regulators in British Columbia, Alberta, Saskatchewan, Ontario and New Brunswick in connection with the Company's public offering of units (the "**Units**") at a price of \$0.08 per Unit (the "**Offering Price**") for minimum gross proceeds of \$3.5 million and maximum gross proceeds of up to \$5.0 million (the "**Offering**"). The Company has also entered into an agency agreement with Canaccord Genuity Corp. (the "**Lead Agent**") and Leede Jones Gable Inc. (together with the Lead Agent, the "**Agents**"). The Company has also granted the Agents an option (the "**Agents' Option**"), exercisable at any time up to two (2) business days prior to the closing of the Offering (the "**Closing**"), to offer for sale up to an additional 9,375,000 Units at the Offering Price.

Each Unit will consist of one common share in the capital of the Company (a "**Common Share**") and one-half of one Common Share purchase warrant (each whole Common Share purchase warrant, a "**Warrant**"). Each Warrant will entitle the holder to purchase one additional Common Share at price of \$0.12 per share for a period of thirty-six (36) months from the Closing of the Offering, provided that, if, at any time, the daily volume weighted average trading price of the Common Shares on the Canadian Securities Exchange (the "**CSE**") or such other stock exchange on which the Common Shares are listed—if the Common Shares are listed on any stock exchange—is greater than \$0.16 per Common Share over the ten (10) preceding consecutive trading days, the Company may, upon providing written notice to the holders of Warrants, accelerate the expiry date of the Warrants to the date that is thirty (30) days following the delivery of such written notice.

The Company has agreed to pay the Agents a cash fee equal to 7.0% of the aggregate gross proceeds raised from the Offering (other than with respect to president's list sales, for which such fee will be reduced to 3.5%) and issue compensation options (the "**Compensation Options**") exercisable at the Offering Price at any time up to thirty-six (36) months following Closing to purchase compensation option units (the "**Compensation Option Units**") of the Company in an amount equal to up to 7.0% of the number of Units sold in connection with the Offering (other than with respect to president's list sales, for which the Company will issue Compensation Options exercisable to purchase Compensation Option Units in an amount equal to up to 3.5% of the number of Units sold in connection with such sales). Each Compensation Option Unit will be comprised of one Common Share and one-half of one Common Share purchase warrant (each whole such warrant, a "**Compensation Option Warrant**"). Each Compensation Option Warrant will be exercisable at price of \$0.12 per share into one Common Share for thirty-six (36) months from the Closing, subject to acceleration on the same terms as the Warrants. In addition, the Company will pay the Lead Agent a corporate finance fee in an amount equal to 3.0% of the number of

Units issued pursuant to the Offering (including Units sold pursuant to the exercise of the Agents' Option), payable through the issuance of Units.

The net proceeds of the Offering will be used by the Company to operate and construct retail locations to sell cannabis and cannabis related products and for other general corporate and working capital purposes.

The Closing is currently expected to be on or about July 8, 2021 or such other date as agreed upon between the Company and the Agents. The Offering is subject to a number of conditions, including, without limitation, receipt of all regulatory approvals, including the final approval of the CSE. There can be no assurance as to whether or when the Offering may be completed, or as to the actual size of the Offering.

The Units are to be sold on a "commercially reasonable efforts" basis through the Agents in the provinces of British Columbia, Alberta and Ontario, and such other jurisdictions as the Agents and the Company may agree excluding Quebec.

The securities being offered have not been and will not be registered under the United States Securities Act of 1933 (the "1933 Act"), as amended, and may not be offered or sold in the United States absent registration under the 1933 Act, as amended, or an exemption from the registration requirements thereof. This news release does 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, sale, or solicitation would be unlawful.

About Choom™

Choom™ is a fast-expanding Canadian retail cannabis company, inspired by Hawaii's "Choom Gang"—a group of buddies in Honolulu during the 1970's who loved to smoke weed—or as the locals called it, "Choom". Evoking the spirit of the original Choom Gang, our brand caters to the Canadian market with the ethos of 'cultivating good times'. Choom™ is focused on delivering an elevated customer experience through our curated retail environments, offering a diversity of brands for Canadians across a national retail network.

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Cautionary Statement on Forward-looking information

This news release contains certain "forward-looking information" and "forward-looking statements" within the meaning of applicable securities laws, including statements relating to the Closing of the Offering, the exercise of the Agents' Option, the use of net proceeds, final approval of the CSE and the commencement of trading of the Common Shares on the CSE. Such forward-looking information and forward-looking statements are not representative of historical facts or information or current condition,

but instead represent only the Company's beliefs regarding future events, plans or objectives, while considered reasonable by Choom, are inherently subject to significant business, economic, competitive, political and social uncertainties and contingencies, many of which, by their nature, are outside of the Company's control. Generally, such forward-looking information or forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or may contain statements that certain actions, events or results "may", "could", "would", "might" or "will result", "will continue", "will occur", "will bear", or "will consist". The forward-looking events and circumstances discussed in this release may not occur and could differ materially as a result of known and unknown risk factors and uncertainties affecting the Company, including and not limited to, risks and uncertainties associated with or arising as a result of delays in obtaining or an inability to obtain required regulatory approvals, access to sufficient quantities of cannabis, the results of diligence investigations, the actions of third parties, the results of negotiations with third parties, developments in the cannabis industry, the ability to access sufficient capital from internal and external sources, reliance on key personnel risks regarding the COVID-19 pandemic, regulatory risks and delays and other risks and uncertainties discussed in the management discussion and analysis section of the Company's interim and most recent annual financial statement or other reports and filings, including those made with the CSE and applicable Canadian securities regulators. The forward-looking information contained in this press release is made as of the date hereof, and the Company is 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. By identifying such information and statements in this manner, the Company is alerting the reader that such information and statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such information and statements.

NEITHER THE CANADIAN SECURITIES EXCHANGE NOR ITS REGULATION SERVICES PROVIDER HAS REVIEWED OR ACCEPTED RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.