

## **GABY INC. ANNOUNCES EXECUTION OF DEFINITIVE AGREEMENT IN RESPECT OF ITS MERGER WITH MANKIND DISPENSARY**

SANTA ROSA, CA / ACCESSWIRE / February 16, 2021 / GABY Inc. ("**GABY**" or the "**Company**") (CSE: GABY) (OTCQB: GABLF), a California based cannabis consumer products company and soon to be cannabis retailer, is pleased to announce it has executed a definitive transaction agreement (the "**Definitive Agreement**") effective February 15<sup>th</sup>, 2021, in respect of its merger (the "**Merger**") with Miramar Professional Services ("**Miramar**"), which operates the Mankind Dispensary ("**Mankind**").

The Merger will constitute a "fundamental change" of the Company under the rules and polices of the Canadian Stock Exchange ("**CSE**") and, accordingly, trading in the Company's common shares ("**GABY Shares**") has been halted and will remain halted until the completion of the Merger.

Additional details regarding the Merger are available in the Company's press release dated December 3, 2020.

"Over the last several months the teams at GABY and Mankind have been working diligently to integrate our respective operations so that we can hit the ground running once the final approvals are obtained," said Margot Micallef, Founder, President and Chief Executive Officer of GABY. "Through this process I have been impressed with the intellect and dedication of the Mankind team. Our culture and values are aligned. We are poised to execute on our strategy to become a dominant player in California cannabis retail," she concluded.

"Joining forces with GABY and its family of brands creates a strong foundation for growth on both the product and retail side of the cannabis business," said James Schmachtenberger, Co-Founder and Chief Executive Officer of Miramar. "This multi-vertical strategy allows us to harvest margin from manufacturing, distribution and retail giving us an advantage over other operators and the ability to control product development from concept to consumer."

The final steps to completing the Merger with Miramar include obtaining the approval of the CSE of the Merger and the approval of shareholders of GABY. Shareholders holding not less than 50% plus one of the issued and outstanding GABY Shares will approve the Merger by way of written resolution. GABY has received confirmation of support for the Merger from shareholders holding more than 50% of the issued and outstanding GABY Shares. GABY intends to submit all requisite filings with the CSE in the coming days, including a listing statement in respect of the Merger.

### **About GABY**

Based in Sonoma County California, GABY is a cannabis consumer goods company with proprietary cannabis brands sold in over 200 dispensaries throughout California. GABY owns a significant majority of its supply channel including, manufacturing, distribution, and soon - retail. GABY's strong asset base combined with a management team comprised of highly skilled and successful retail entrepreneurs along with pioneers in California cannabis establishes a strong foundation from which GABY will continue to aggressively grow its brand portfolio and dispensary footprint across California

GABY's shares trade on the CSE under the symbol "GABY" and on the OTCQB under the symbol "GABLF". For more information on GABY, visit [www.GABYInc.com](http://www.GABYInc.com)

For general inquiries, please contact Margot Micallef, Founder, President & CEO at [margot@GABYInc.com](mailto:margot@GABYInc.com) or 403-313-4645.

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## **Cautionary Statement**

*Completion of the Merger is subject to a number of conditions, including, but not limited to, the acceptance of the CSE and shareholder approval. The Merger cannot close until the required shareholder approval is obtained. There can be no assurance that the Merger will be completed as proposed or at all.*

*Investors are cautioned that, except as disclosed in the listing statement to be filed in connection with the Merger, any information released or received with respect to the Merger may not be accurate or complete and should not be relied upon. Trading in the securities of GABY should be considered highly speculative.*

*This news release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "objective", "ongoing", "may", "will", "project", "should", "believe", "plans", "intends" and similar expressions are intended to identify forward-looking information or statements. More particularly, and without limitation, this news release contains forward looking statements and information concerning the Merger and the application to the CSE in respect of the Merger.*

*The forward-looking statements and information are based on certain key expectations and assumptions made by GABY, including expectations and assumptions concerning: GABY, Miramar and the combined company; the Merger, including CSE and shareholder approvals and the satisfaction of the closing conditions in accordance with the terms of the Definitive Agreement; the future operations of, and transactions completed by, GABY; the availability of sufficient capital; the availability of and access to qualified personnel; the expected growth in the cannabis market, the medical benefits, viability, safety, efficacy, dosing and social acceptance of cannabis; the securities markets and the general economy; and applicable laws not changing in a manner that is unfavorable to GABY.*

*Although GABY believes that the expectations and assumptions on which such forward-looking statements and information are based are reasonable, undue reliance should not be placed on the forward looking statements and information because GABY can give no assurance that they will prove to be correct. By its nature, such forward-looking information is subject to various risks and uncertainties, which could cause the actual results and expectations to differ materially from the anticipated results or expectations expressed. Without limitation, these risks and uncertainties include: the parties being unable to obtain the required CSE and shareholder approvals; the severity of the COVID-19 pandemic; the failure to complete the Merger on satisfactory terms, risks associated with the cannabis industry in general, failure to benefit from partnerships or successfully integrate acquisitions, actions and initiatives of federal, state and provincial governments and changes to government policies and the execution and impact of these actions, initiatives and policies, the size of the medical-use and adult-use cannabis market,*

*competition from other industry participants, adverse U.S., Canadian and global economic conditions, failure to comply with certain regulations and departure of key management personnel or inability to attract and retain talent. GABY undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by law.*

*Sonoma Pacific Distribution, Inc., is a subsidiary of GABY and holds a cannabis license in the State of California. Readers are cautioned that unlike in Canada which has Federal 032320-F legislation uniformly governing the cultivation, distribution, sale and possession of medical cannabis under the Cannabis Act (Federal), in the United States ("U.S."), cannabis is largely regulated at the State level. Cannabis is legal in the State of California; however, cannabis remains illegal under U.S. federal laws. Notwithstanding the permissive regulatory environment of 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. To the knowledge of the Company, the businesses operated by each of GABY's subsidiaries are conducted in a manner consistent with the State law of California, as applicable, and are in compliance with regulatory and licensing requirements applicable in the State of California, respectively. However, readers should be aware that strict compliance with State laws with respect to cannabis will neither absolve GABY, or its subsidiary of liability under U.S. federal law, nor will it provide a defense to any federal proceeding in the U.S. which could be brought against any of GABY, or its subsidiary. Any such proceedings brought against GABY, or its subsidiary may materially adversely affect the Company's operations and financial performance generally in the U.S. market specifically.*

*Neither the CSE nor its Regulation Services Provider accepts responsibility for the adequacy or accuracy of this release.*