



NABIS HOLDINGS ANNOUNCES RECEIPT OF INTERIM ORDER FOR PLAN OF ARRANGEMENT OF NOTEHOLDERS AND MAILING OF MEETING MATERIALS

VANCOUVER, British Columbia, September 15, 2021 - Nabis Holdings Inc. (CSE: NAB) (OTC: NABIF) (FRA: A2PL) (“**Nabis**” or the “**Company**”) announces that the Company received an interim order issued by the Supreme Court of British Columbia (“**BCSC**”) pursuant to the *British Columbia Business Corporations Act* (the “**BCBCA**”) providing for the calling and holding of the meeting of the registered holders of the \$23,000,000 principal amount of 5.3% promissory notes due January 25, 2023 (the “**Notes**”) being held virtually on Monday, September 27, 2021 at 8:00 a.m. (the “**Noteholders’ Meeting**”) and other procedural matters. Caravel CAD Fund Ltd. (“**Caravel**”) opposed the grant of the Interim Order, and in particular, the date proposed to be set for the Noteholders’ Meeting. However, on the application for the Interim Order, the Court rejected the objection of Caravel to the date set for the Noteholders’ Meeting and held that Caravel was not prejudiced as a result of the Noteholders’ Meeting being held on this date. The Company further announces that it has filed and mailed its management information circular (the “**Information Circular**”) and related meeting and proxy materials (collectively, the “**Meeting Materials**”) for the Noteholder Meeting today.

At the Noteholder Meeting, noteholders will be asked to: (i) approve the proposed plan of arrangement (the “**Arrangement**”) between the Company and the persons entered in the register for the Notes as registered holders of Notes, to approve the repurchase of all of the Notes by the Company under Division 5 of Part 9 of the BCBCA; and (ii) to approve the delisting of the Notes from the Canadian Securities Exchange. The Company has also commenced the mailing of the notices and management information circular (the “**Circular**”) with respect to the Noteholders’ Meeting.

As previously announced on July 27, 2021, holders of the Notes (the “**Noteholders**”) representing more than 75% of the Notes entered into binding, irrevocable commitments to support the Arrangement (the “**Support Agreements**”). The Arrangement if completed, will substantially de-risk the Company by discharging its remaining indebtedness and eliminating the Company’s exposure to the market price of the Class A Subordinate Voting Shares of Verano Holdings Corp. (“**Verano**”) on favourable terms.

To implement the Arrangement, and subject to and in accordance with a share purchase agreement dated August 23, 2021 (the “**Share Purchase Agreement**”) between the Company and Caravel, the Company intends to sell 892,638 Verano Class A subordinate voting shares (the “**Verano Shares**”) to Caravel in consideration of CAD\$17,495,705 (the “**Asset Sale**”). In accordance with the Arrangement and following the completion of the sale of the Verano Shares pursuant to the terms of the Share Purchase Agreement, the Company will acquire all of the outstanding Notes for an amount equal to \$73.75 for each \$100 principal amount of Notes outstanding, which shall, and shall be deemed to, be received in full and final settlement of all Notes.

The Asset Sale and the Share Purchase Agreement, provides that Caravel will purchase the Verano Shares from the Company. As of the date hereof, Caravel beneficially owns and controls, directly or indirectly, 967,067 common shares in the capital of the Company (each, a “**Common Share**”), representing approximately 18.96% of the issued and outstanding Common Shares on a non-diluted and a partially diluted basis. As a result, Caravel is considered a “related person” of the Company and the Asset Sale contemplated by the Share Purchase Agreement constitutes a “related party transaction”, as such term is defined in Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions (“**MI 61-101**”) and the closing of the Share Purchase Agreement is subject to the Company’s satisfaction of the requirements set out in MI 61-101.



On August 25, 2021, Stephen Avenue Securities Inc. (“**Stephen Avenue**”) delivered a fairness opinion (the “**Fairness Opinion**”) to the Company. In the Fairness Opinion, Stephen Avenue stated that it considered, *inter alia*, the following in reaching its conclusion that the Arrangement is fair, from a financial point of view, to the Noteholders:

- (a) liquidation of the Company’s sole material asset by way of incremental sale of the Verano Shares (as defined below) on the CSE would likely result in materially less proceeds for the satisfaction of the Notes;
- (b) if the Arrangement is not approved, the Company may be required to consider bankruptcy or CCAA proceedings;
- (c) the Arrangement would permit continued participation by shareholders of the Company in the Company’s growth and/or strategic initiatives while improving the Company’s solvency and liquidity; and
- (d) Stephen Avenue and the Company are not aware of any other feasible alternatives that are superior to the Arrangement.

Pursuant to the Arrangement, all of the Notes, including those currently held by Caravel, are to be acquired by the Company from the Noteholders for an amount equal to \$73.75 cash for each \$100 principal amount of Notes outstanding in full and final settlement of the Notes, and any and all accrued and unpaid interest owing to the Noteholders shall be forgiven, settled and extinguished for no consideration. As of the date hereof, Caravel beneficially owns \$10,602,689 of the Notes, representing 46.1% of the outstanding Notes. As a result, Caravel is considered a “related person” of the Company and the Arrangement constitutes a “related party transaction”, as such term is defined in MI 61-101 and the completion of the Arrangement is subject to the Company’s satisfaction of the requirements set out in MI 61-101.

Accordingly, pursuant to MI 61-101, the Asset Sale and the Arrangement are subject to the minority shareholder approval and the formal valuation requirements of MI 61-101. The Company has not received any valuations with respect to the Asset Sale or the Arrangement and is relying on the exemption from the valuation requirement set out in Section 5.5(b) of MI 61-101, due to the fact that that the Company is not listed on one of the specified markets set out in Section 5.5(b) of MI 61-101. At the Company’s upcoming annual and special shareholder meeting to be held on September 28, 2021 (the “Shareholder Meeting”), the Company will be seeking the approval of the disinterested shareholders to authorize the Asset Sale and the Arrangement. Pursuant to the minority shareholder approval requirements of MI 61-101, the votes attached to Common Shares held by Caravel will be excluded from voting on the Asset Sale and the Arrangement. Pursuant to MI 61-101, the resolution approving the Arrangement must be approved by a simple majority of affirmative votes cast by the shareholders, other than votes attaching to Common Shares held by Caravel. In order to be effective, the Asset Sale must be approved by: (i) at least two-thirds of the votes cast on the resolution approving the Asset Sale by the shareholders present in person or represented by proxy at the Shareholder Meeting, and (ii) a simple majority of the votes cast by the minority shareholders present in person or represented by Proxy and entitled to vote at the Shareholder Meeting, in accordance with the “minority approval” requirements of 61-101 (excluding, for these purposes, Common Shares held by Caravel).



Caravel executed a Support Agreement effective July 2, 2021 pursuant to which it agreed to support the Arrangement including, among other things, to vote in favour of the Arrangement and act in good faith and take all commercially reasonable actions that are reasonably necessary or appropriate to promptly consummate the Arrangement. Caravel now takes the position that in obtaining the Interim Order the Company is in breach of the Support Agreement and further alleges that it has been relieved of its obligations under the Support Agreement and is also not required to complete the Asset Sale as described below. The Company disputes that there is any legitimate legal basis for Caravel to seek to avoid its obligations under either the Support Agreement or the Share Purchase Agreement. The Company will be taking such steps as may be necessary and advisable to compel Caravel to fulfil its contractual obligations under all agreements relevant to the Arrangement. However, as of the date of the Information Circular, Caravel has indicated that it will vote its shares against the Arrangement.

Your vote is important regardless of the numbers of securities you own.

Nabis encourages securityholders to read the materials for the Noteholder Meeting, which have been filed on the Company's SEDAR profile at www.sedar.com and will be uploaded to the Company's website at www.nabisholdings.com.

The Board of Directors unanimously recommends that all Noteholders vote in favour of the Plan of Arrangement.

Voting Deadlines

The deadline for the Noteholders to submit their respective proxies or voting instructions in order to vote on the Plan of Arrangement is 8:00 a.m. (Vancouver time), on September 23, 2021. Banks, brokers or other intermediaries that hold the Notes on a securityholder's behalf may have internal deadlines that require securityholders to submit their votes by an earlier date. Securityholders are encouraged to contact their intermediaries directly to confirm any such internal deadline.

Attendance at the Meetings

To proactively deal with the public health impact of the novel coronavirus, also known as COVID-19, and to mitigate risks to health and safety, the Company will be holding the Meetings in a virtual-only format, which will be conducted via live audio webcast available online using the LUMI meeting platform. During the live audio webcasts, Noteholders will be able to hear the Noteholders' Meeting and such registered securityholders and duly appointed and registered proxyholders will be able to submit questions and vote at the Noteholder Meeting. The Circular provides important and detailed instructions about how to participate at the Meeting.

Further details on the Shareholder Meeting, the Noteholder Meeting, and the Arrangement can be found in the Company's SEDAR profile at www.sedar.com.

About Nabis Holdings Inc.

Nabis Holdings is a Canadian investment issuer that invests in assets across multiple industries, including real property and the U.S. and international cannabis sector. For more information, please visit <https://www.nabisholdings.com/>.



Cautionary Statements

Certain statements included herein are forward-looking statements. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. These forward-looking statements are subject to certain risks and uncertainties. Forward-looking statements can be identified by words such as: "anticipate", "intend", "plan", "goal", "seek", "believe", "expect", "future", "likely", "may", "should", "will" and similar references to future periods. Examples of forward-looking statements include, among others, statements regarding the approvals sought at the Noteholder Meeting and Shareholder Meeting and the closing of the Asset Sale. Important factors that could cause actual results to differ, materially from the Company's expectations are disclosed in the Company's documents filed from time to time with the CSE, the British Columbia Securities Commission, the Ontario Securities Commission and the Alberta Securities Commission. The Company has no obligation to update such forward-looking statements except as required by applicable law.

The Canadian Securities Exchange has neither reviewed nor approved the contents of this news release and accepts no responsibility for the adequacy or accuracy of this release.

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