

## FORM 7

### **MONTHLY PROGRESS REPORT – February 2021**

Name of CSE Issuer: **1933 Industries Inc.**

Trading Symbol: **TGIF**

Number of Outstanding Listed Securities: **400,259,852**

Monthly Reporting Period – **February 2021**

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by the CSE Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the CSE.ca website.

This report is intended to keep investors and the market informed of the Issuer's ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are "material information" as defined in the CSE Policies. The discussion in this report must be factual, balanced and non-promotional.

#### **General Instructions**

- (a) Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered, nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
- (b) The term "Issuer" includes the Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

#### **Report on Business**

- 1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.**

1933 Industries is a Canadian-based, US operated cannabis consumer branded goods company with cultivation, extraction and manufacturing assets based in Las Vegas, Nevada. The Company operates under two subsidiaries: 91%-owned

Alternative Medicine Association (AMA), a licensed cannabis cultivator and producer in the state of Nevada; and 100%-owned Infused MFG (Infused), a manufacturer of wellness products. With a focus on the Nevada market, the Company wholesales its AMA branded premium flower and AMA line of concentrated cannabis products to legal dispensaries in the state. The Company also formulates and manufactures its own CBD infused line of Canna Hemp™ branded goods now sold across the United States.

**Provide a general overview and discussion of the activities of management.**

- On February 3, 2021, the Company announced that Company-wide total sales and open orders reached CAD\$1.4 million in January 2021. The Company reports that its cultivation subsidiary, Alternative Medicine Association (AMA), recorded its strongest monthly sales to date since launching its AMA branded cannabis flower and pre-rolls in late August 2020, representing a 113% increase year over year.
- On February 10, 2021, the Company announced a C\$3.5 million bought deal private placement of units through the sale of 31,820,000 units at a price of \$0.11. Each Unit will consist of one common share of the Company (a “Common Share”) and one Common Share purchase warrant (a “Warrant”). Each Warrant will be exercisable to acquire one Common Share at an exercise price of C\$0.16 per Common Share (the “Exercise Price”) for a period of 24 months from the closing of the Offering, subject to a Warrant acceleration right exercisable by the Company if, at any time following the date that is four months and one day from the Closing Date, the daily volume weighted average trading price of the Company’s common shares on the Canadian Securities Exchange (the “CSE”) is greater than C\$0.30 for the preceding 10 consecutive trading days. The net proceeds of the Offering will be used for facility expansion and improvement and for general corporate purposes. The Offering is anticipated to close on or about March 4, 2021. Upon closing of the Offering, the Company has agreed to (i) pay the Lead Underwriter a cash commission equal to 7% of the aggregate gross proceeds of the Offering payable in cash or in Units, at the option of the Lead Underwriter in its sole discretion and (ii) issue to the Lead Underwriter warrants (the “Broker Warrants”) exercisable at any time prior to the date that is 24 months from the closing of the Offering to acquire a number of Units which is equal to 7.0% of the aggregate number of Units issued pursuant to the Offering, at an exercise price equal to the Issue Price. The Underwriters will have the option, exercisable at any time prior to the Closing Date, to purchase an additional 13,640,000 Units at the Issue Price to raise additional gross proceeds of up to C\$1,500,400.

**3. Describe and provide details of any new products or services developed or offered.**

- No new products were developed over the month

**4. Describe and provide details of any products or services that were discontinued.**

- No products were discontinued during the month

**5. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.**

N/A

**6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.**

- AMA provided notice to Orchid Brands LLC of its voluntary termination to end the license agreement between AMA and Orchid.

**7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.**

- No acquisitions or dispositions entered during this period.

**8. Describe the acquisition of new customers or loss of customers.**

- Four new dispensary accounts were opened for AMA in Nevada. New distributors for Canna Hemp™ products ongoing.

**9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.**

- No new developments or intangibles during this period.

**10. Report on any employee hiring's, terminations or lay-offs with details of anticipated length of lay-offs.**

- Company-wide, there were 3 lay-offs or terminations and 2 new hires.

**11. Report on any labour disputes and resolutions of those disputes if applicable.**

- N/A

**12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the**

principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

- N/A

**13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.**

- The Company converted \$3,566,000 of debt and \$403,314.17 of interest through the issuance of shares.

**14. Provide details of any securities issued and options or warrants granted.**

Security	Number Issued	Details of Issuance	Use of Proceeds <sup>(1)</sup>
Common Shares	35,660,000	Conversion of Debentures	N/A
Common Shares	4,033,138	Conversion of Interest	N/A

*(1) State aggregate proceeds and intended allocation of proceeds.*

N/A

**15. Provide details of any loans to or by Related Persons.**

- No loans were made to by related parties or persons during this period.

**16. Provide details of any changes in directors, officers or committee members**

- N/A

**17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.**

- N/A

## Certificate of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there was no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to CSE that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all CSE Requirements (as defined in CSE Policy 1).
4. All the information in this Form 7 Monthly Progress Report is true.

**Dated: March 2, 2021**

### Name of Director or Senior Officer

Marion McGrath

### Signature

/s/ "Marion McGrath"

### Official Capacity

Corporate Secretary

<b>Issuer Details</b> <b>Name of Issuer</b>	<b>For Month End</b>	<b>Date of Report</b>
1933 Industries Inc.	February 2021	March 2, 2021
<b>Issuer Address</b> 300 – 1055 West Hastings Street		
<b>City/Province/Postal Code</b>	<b>Issuer phone</b>	<b>Issuer Fax No.</b>
Vancouver, BC, V6E 2E9	604 674 4756	n/a
<b>Contact Name</b>	<b>Contact Position</b>	<b>Contact Telephone No.</b>
Marion McGrath	Corporate Secretary	604 684-6264
<b>Contact Email Address</b>	<b>Web Site Address</b>	
mcgrath@iocorporate.com	<a href="http://1933industries.com/">http://1933industries.com/</a>	