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## **1933 Industries Announces Closing of Oversubscribed C\$5 Million Bought Deal Private Placement of Units**

**The Company also provides an update regarding the balance of its convertible debentures**

VANCOUVER, B.C., CANADA (March 4, 2021) – 1933 Industries Inc. (the “**Company**” or “**1933 Industries**”) (CSE: TGIF) (OTCQB: TGIFF), a vertically-integrated cannabis consumer packaged goods company, is pleased to announce that it has closed its previously announced bought deal private placement of units (the “**Units**”) for aggregate gross proceeds of C\$4,955,052 (the “**Offering**”), which included the partial exercise of the Underwriter’s Option (defined below). The Offering was led by Canaccord Genuity Corp. (“**Canaccord**” or the “**Underwriter**”) as sole underwriter and sole bookrunner.

Pursuant to the Offering, the Company sold a total of 31,820,000 Units at a price of C\$0.11 per Unit (the “**Issue Price**”). Each Unit was comprised 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 until March 4, 2023, 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 of the Offering, the daily volume weighted average trading price of the Common Shares on the Canadian Securities Exchange (the “**CSE**”) is greater than C\$0.30 for the preceding 10 consecutive trading days and shall be exercised by notice in writing to the holders of Warrants and the Underwriter. Pursuant to Canadian securities laws, all securities in respect of the Offering will be subject to a four month and one day hold period expiring on July 5, 2021.

The Underwriter partially exercised its option (the “**Underwriter’s Option**”) to purchase an additional Units, whereby it purchased 13,225,929 Units at the Issue Price and raised additional gross proceeds of C\$1,454,852.

Mr. Paul Rosen, Chairman and CEO of Company said, “We are very pleased to close this financing, and believe it reflects strong investor confidence in 1933’s future. 1933 Industries is strategically positioned in Nevada with industry-leading products that have strong appeal in the both the cannabis and CBD wellness segments. The proceeds of the financing will support the continued execution of our sales strategy and provides flexibility



to capitalize on market opportunities as we work towards building additional value for our customers and our shareholders”.

In connection with the Offering, Canaccord received a cash commission equal to 7.0% of the gross proceeds of the Offering (excluding proceeds derived from the sale of Units to any Direct Settlers (as defined below) as well as an advisory fee in respect of proceeds raised directly by the Company from certain subscribers (the “**Direct Settlers**”) as agreed to between the Company and Canaccord. Additionally Canaccord was issued that number of brokers warrants (“**Broker Warrants**”) as is equal to 7.0% of the number of Units sold under the Offering (excluding Units sold to Direct Settlers) as well as advisory warrants (“**Advisory Warrants**” together with the Broker Warrants, the “**Compensation Warrants**”) relating to the Units issued to Direct Settlers. Each Compensation Warrant entitles the holder to purchase one additional Unit of the Company (each a “**Compensation Unit**”) at a price of \$0.11 per Compensation Unit until March 4, 2023. The Compensation Units have the same terms as the Units sold pursuant to the Offering.

The Units were sold pursuant to private placement exemptions available in Canada and certain foreign jurisdictions. The Offering is subject to certain conditions including, but not limited to, the receipt of all necessary regulatory and stock exchange approvals, including the approval of the CSE. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (“**U.S. Securities Act**”) or any state securities law and may not be offered or sold in the United States unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

### **Update on Conversion of Convertible Debenture**

The Company is also pleased to announce that it has now converted \$8.2 million of its 10% senior unsecured convertible debentures due September 14, 2021 (the “**Debentures**”), as well as \$700,000 in accrued interest into Common Shares of the Company, pursuant to the terms of the indenture governing the Debentures. As of the date hereof, there is an aggregate of \$4.1 million principal balance of Debentures outstanding. Mr. Rosen added, “Improving the balance sheet has been a top priority for 1933 Industries, and this financing along with the debt conversions provide the Company with additional optionality as it pursues its growth strategy. I welcome and encourage all remaining current debenture holders to convert as well.”

### **About 1933 Industries Inc.**

1933 Industries is a vertically-integrated, growth-orientated company, focusing on the cultivation and manufacturing of cannabis consumer branded goods in a wide range of



product formats. Operating through two subsidiaries, the Company controls all aspects of the value chain with cultivation, extraction, processing, and manufacturing assets supporting its diversified portfolio of cannabis brands and licensing partners. The Company owns 91% of Alternative Medicine Association, LC (AMA), and 100% of Infused MFG LLC. [www.1933industries.com](http://www.1933industries.com)

### **About Alternative Medicine Association**

AMA is a licensed medical and adult-use cannabis cultivation and extraction subsidiary that produces its own branded line of unique cannabis products and manufactures third-party brands. AMA's extensive menu of cannabis products include: craft cannabis flower, pre-rolls, full spectrum oils, high quality distillates, proprietary blends of terpenes, vaporizer products and boutique concentrates such as shatter, crumble, batter, sugar wax, diamonds, and live resin. With state-of-the-art cultivation and extraction facilities based in Las Vegas, Nevada, AMA seeks to offer medical patients and recreational users alike a cannabis experience that's exceptional, potent, and consistent in quality. [www.amanev.com](http://www.amanev.com)

### **About Canna Hemp™**

With an extensive product line that includes topicals, creams, vapes, elixirs, capsules, lip balms and pre and post workout recovery sports products, 1933 Industries' proprietary Canna Hemp™ brand utilizes the power of CBD to bring natural wellness. The Company's flagship products, the Canna Hemp™ Relief Cream and Canna Hemp X™ Recovery Cream are recognized as best topicals in the market. Canna Hemp X™ is a CBD sports recovery cream for athletes, bridging the gap between recovery and top performance. All products are triple and third-party tested for safety with test results embedded via QR codes for traceability. [www.cannahemp.com](http://www.cannahemp.com)

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