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Sugarbud Announces \$4.0 Million Bought-Deal Public Offering of Units

Calgary, Alberta – March 9, 2021 – Sugarbud Craft Growers Corp. (TSXV:SUGR, SUGR.WT, SUGR.WS, SUGR.DB) ("**Sugarbud**" or the "**Company**") is pleased to announce that it has entered into an agreement with Mackie Research Capital Corporation as the sole underwriter and sole bookrunner (the "**Underwriter**"), pursuant to which the Underwriter have agreed to purchase, on a bought-deal basis, 66,670,000 units of the Company (the "**Units**") at a price of \$0.06 per Unit for aggregate gross proceeds to the Company of \$4,000,200 (the "**Offering**").

Each Unit shall be comprised of one common share of the Company (a "**Common Share**") and one Common Share purchase warrant of the Company (a "**Warrant**"). Each Warrant shall entitle the holder thereof to purchase one Common Share at an exercise price of \$0.08 at any time up to 36 months from the closing of the Offering.

The Company has granted to the Underwriter an option (the "**Over-Allotment Option**") to increase the size of the Offering by up to an additional number of Units, and/or the components thereof, that in aggregate would be equal to 15% of the total number of Units to be issued under the Offering, to cover over-allotments, if any, and for market stabilization purposes, exercisable at any time and from time to time up to 30 days following the closing of the Offering.

The net proceeds from the Offering will be used for additional processing and production equipment purchases, facility upgrades, further new product development, working capital and general corporate purposes, including the national launch of Sugarbud's expanded portfolio of Cannabis 2.0 products.

The closing of the Offering is expected to occur on or about March 16, 2021 (the "**Closing**") and is subject to the Company receiving all necessary regulatory approvals, including the approval of the TSX Venture Exchange (the "**Exchange**") to list, on the date of Closing, the Common Shares and the Common Shares issuable upon exercise of the Warrants and compensation warrants thereon. In addition, the Company will use its commercial reasonable efforts to list the Warrants on the Exchange on the date of Closing.

In connection with the Offering, the Company intends to file a prospectus supplement (the "**Supplement**") to the Company's short form base shelf prospectus dated February 26, 2021 (the "**Shelf Prospectus**"), with the securities regulatory authorities in each of the provinces of Canada, except Quebec. Copies of the Shelf Prospectus and, the Supplement to be filed in connection with the Offering, can be found on SEDAR at www.sedar.com. The Shelf Prospectus contains, and the Supplement will contain, important detailed information about the Company and the Offering. Prospective investors should read the Supplement and accompanying Shelf Prospectus and the other documents the Company has filed on SEDAR at www.sedar.com before making an investment decision.

This press release is not an offer to sell or the solicitation of an offer to buy the securities in the United States or in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to qualification or registration under the securities laws of such jurisdiction. The securities being

offered have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and such securities may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons absent registration or an applicable exemption from U.S. registration requirements and applicable U.S. state securities laws.

About Sugarbud

Sugarbud is an Alberta-based, consumer-driven boutique craft cannabis company focused on the cultivation and production of superior, select-batch, craft cannabis products. Our vision and mission are to become a trusted and well-respected consumer brand renowned for providing exceptional high-quality craft cannabis products to legal markets by delighting the most discerning of cannabis consumers.

The Sugarbud Craft Cannabis Collection offers consumers "Hand-Crafted Cannabis for a New Era". The Company is proudly Albertan and is proud to share Western Canada's long tradition of exceptional craft cannabis with the most discerning of enthusiasts. Sugarbud strives to define the intersection of product craftsmanship, quality, and value for consumers in the Canadian craft cannabis space.

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Forward Looking and Cautionary Statements

This news release contains forward-looking statements. More particularly, and without limitation, this news release contains statements concerning: the Company's ability to close the Offering; the terms of the Offering; the use of proceeds from the Offering; and the business plan of the Company, generally. When used in this document, the words "will," "anticipate," "believe," "estimate," "expect," "intent," "may," "project," "should," and similar expressions are intended to be among the statements that identify forward-looking statements. The forward-looking statements are founded on the basis of expectations and assumptions made by Sugarbud. Forward-looking statements are subject to a wide range of risks and uncertainties, and although Sugarbud believes that the expectations represented by such forward-looking statements are reasonable, there can be no assurance that such expectations will be realized. Any number of

important factors could cause actual results to differ materially from those in the forward-looking statements including, but not limited to: currently contemplated expansion and development plans may cease or otherwise change; production of cannabis may be lower than expected, Sugarbud may not obtain the required approvals from Health Canada, including with respect to an amended sales license; demand for Sugarbud's products may be lower than anticipated; results of production and sale activities; results of scientific research; changes in prices and costs of inputs; demand for labour; demand for products; failure of counter-parties to perform contractual obligations; failure to maintain consumer brand recognition and loyalty of customers; reliance on relationships with wholesalers and retailers for distribution of products and failure to maintain strategic business relationships; intense competition, including from illicit sources; uncertainty and continued evolution of markets; product liability litigation; reliance on information technology; infringement on intellectual property; failure to benefit from partnerships; sensitivity of end-customers to increased sales taxes and economic conditions; failure to comply with certain regulations; departure of key management personnel or inability to attract and retain talent; actions and initiatives of federal and provincial governments and changes to government actions, initiatives and policies and the execution and impact thereof; the ability to implement corporate strategies; the state of domestic capital markets; the ability to obtain financing; changes in general market conditions; industry conditions and events; the size of the medical marijuana market and the recreational marijuana market; government regulations, including future legislative and regulatory developments involving medical and recreational marijuana; construction delays; risks inherent in the agricultural business, such as insects, plant diseases and similar agricultural risks which can have a significant impact on the size and quality of the harvest of cannabis crops; competition from other industry participants; and other factors more fully described from time to time in the reports and filings made by Sugarbud with securities regulatory authorities. In addition, the Company cautions that current global uncertainty with respect to the spread of the COVID-19 virus and its effect on the broader global economy may have a significant negative effect on the Company. While the precise impact of the COVID-19 virus on the Company remain unknown, rapid spread of the COVID-19 virus may have a material adverse effect on global economic activity, and can result in volatility and disruption to global supply chains, operations, mobility of people and the financial markets, which could affect interest rates, credit ratings, credit risk, inflation, business, financial conditions, results of operations and other factors relevant to the Company. Please refer to Sugarbud's most recent annual information form and management's discussion and analysis for additional risk factors relating to Sugarbud, which can be accessed under Sugarbud's profile on www.sedar.com. Except as required by applicable laws, Sugarbud does not undertake any obligation to publicly update or revise any forward-looking statements.

Neither the TSXV nor its regulation services provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this release.