



Kiaro Completes C\$3 Million Bought Deal Private Placement Led by Canaccord Genuity

VANCOUVER, BC, March 11, 2021 /CNW/ - Kiaro Holdings Corp. (TSXV: KO) ("**Kiaro**" or the "**Company**"), a Canadian cannabis retailer and distributor, announces that further to its news release of February 11, 2021, it has now completed the previously announced private placement (the "**Offering**") of units of the Company ("**Units**") at a price of \$0.16 per Unit for gross proceeds of \$3,000,000. The Offering was carried out on a bought deal basis by Canaccord Genuity Corp. (the "**Underwriter**"). Each Unit consists of one common share of the Company ("**Unit Share**") and one half of one common share purchase warrant of the Company (each whole common share purchase warrant, a "**Warrant**"). Each Warrant entitles the holder thereof to acquire one common share in the capital of the Company (a "**Warrant Share**") at an exercise price of \$0.23 per Warrant Share at any time before 5:00 p.m. (Vancouver Time) on March 11, 2024, provided that, the Warrants will be subject to the right of the Company to accelerate the expiry date of the Warrants if, at any time following July 12, 2021, the daily volume weighted average trading price of the common shares of the Company (the "**Common Shares**") on the TSX Venture Exchange is greater than \$0.35 per Common Share for the preceding 10 consecutive trading days (the "**Acceleration Right**"). The Acceleration Right will be exercisable by the Company by delivery of the notice of acceleration (the "**Acceleration Notice**") to the holders of the Warrants upon the Company's exercise of the Acceleration Right by any means as determined by the Company, acting reasonably, and the concurrent issuance by the Company of a press release regarding the same, whereupon the Warrants shall expire on the date that is not less than 30 days immediately following the giving of the Acceleration Notice.

The proceeds of the Offering will be used for evaluating and funding possible retail expansion opportunities and working capital.

In connection with the Offering, the Underwriters received a cash commission in the aggregate amount of \$210,000, which is equal to 7.0% of the gross proceeds raised under the Offering and 1,312,500 non-transferable broker warrants (the "**Broker Warrants**"), which is equal to 7.0% of the number of Units sold. Each Broker Warrant is exercisable into one unit of the Company consisting of one Common Share and one half of one Warrant ("**BW Warrant**") until March 11, 2024, subject to the Acceleration Right, at a price of \$0.16 per Broker Warrant. Each BW Warrant will be exercisable on the same terms as the Warrants.

All securities issued pursuant to the Offering are subject to four month hold period expiring July 12, 2021.

Kiaro Holdings Corp.

Based in Vancouver, British Columbia, Kiaro is an independent, omni-channel cannabis retailer and distributor. Through existing storefronts across British Columbia and Saskatchewan, a wholesale distribution division servicing Saskatchewan, and plans for national expansion, Kiaro is driven to introduce new and experienced consumers to a lifelong exploration of cannabis. With more than 40 years of collective retail-focused experience, Kiaro's leadership team has a proven track record of growing retail brands across North America and plans to open multiple retail locations nationwide over the coming years.

Forward-Looking Information

This news release contains statements that may constitute "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking information may include, among others, statements regarding the future plans, costs, objectives or performance of Kiaro, or the assumptions underlying any of the foregoing. In this news release, words such as "may", "would", "could", "will", "likely", "believe", "expect", "anticipate", "intend", "plan", "estimate" and similar words and the negative form thereof are used to identify forward-looking statements. In this news release, forward-looking statements relate, among other things, to: the use of proceeds of the Offering, proposed retail expansion plans and management's ability to execute on same, overall growth of the Canadian cannabis market and retail opportunities, the award of new operating permits and licenses in various jurisdictions, the future trading price of the Common Shares, and the timing and amount of any dispositions of the Common Shares. Forward-looking statements should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether, or the times at or by which, such future performance will be achieved. No assurance can be given that any events anticipated by the forward-looking information will transpire or occur. Forward-looking information is based on information available at the time and/or management's good-faith belief with respect to future events and are subject to known or unknown risks, uncertainties, assumptions and other unpredictable factors, many of which are beyond Kiaro's control. Furthermore, any forward looking information with respect to future expansion plans is subject to the qualification that management of Kiaro may decide, and the assumptions that any construction or conversion would not be cost prohibitive, required permits will be obtained and the labour, materials and equipment necessary to complete such construction or conversion will be available. Accordingly, readers should not place undue reliance on the forward-looking statements and information contained in this news release. Kiaro does not intend, nor undertake any obligation, to update or revise any forward-looking information contained in this news release to reflect subsequent information, events or circumstances or otherwise, except if required by applicable laws.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

For more information, visit: www.kiario.com

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CNW 10:08e 11-MAR-21