



K.B. Recycling Industries Ltd. (Alkemy) Announces Closing of Non-Brokered Private Placement

Toronto, Ontario and Beit Shean, Israel, June 4 2021 – K.B. Recycling Industries Ltd., conducting business as Alkemy ("Alkemy" or, the "Company") (TSXV: AKMY/ AKMY.WT), an innovative plastics recycling company, announces that it has completed a non-brokered private placement offering (the "Offering") of units (the "Units").

Pursuant to the Offering, the Company issued 2,168,964 Units at a price of C\$0.29 per Unit for aggregate gross proceeds of approximately C\$1,247,155. Each Unit is comprised of one ordinary share of the Company (an "Ordinary Share") and one-half of one Ordinary Share purchase warrant (each whole warrant, a "Warrant"). Each Warrant will entitle the holder thereof to acquire one Ordinary Share at a price of C\$0.51 per Ordinary Share until April 21, 2023.

The Offering was completed with investors based in Israel in accordance with OSC Rule 72-503 – *Distributions Outside Canada*. The net proceeds of the Offering will be used for general corporate and working capital purposes.

The Offering has received the conditional approval of the TSX Venture Exchange and remains subject to final approval by the TSX Venture Exchange. No finder or broker fees were paid pursuant to the Offering.

About K.B. Recycling Industries Ltd.

K.B. Recycling Industries Ltd. is an environmental technology company based in Israel, and carries on business under the name "Alkemy". Alkemy has developed a unique plastic recycling process to recycle plastic bags and sheets traditionally not considered economically viable for recycling and as such have become one of the largest plastic pollutants in the world. Alkemy employs a dynamic one-step process that does not require separate recycling and production plants. Alkemy's process includes both recycling and finished product manufacturing in a single process called "waste-to-product", allowing Alkemy to reduce the cost of the recycled plastic as raw materials, and increase the profit margin per metric ton.

Forward-Looking Information

This press release contains "forward-looking information" and "forward-looking statements" (collectively, "forward-looking information") within the meaning of applicable securities laws. Forward-looking information may relate to the Company's future financial outlook and anticipated events or results and may include information regarding the Company's financial position, business strategy, growth strategies, addressable markets, budgets, operations, financial results, taxes, dividend policy, plans and objectives. Particularly, information regarding the Company's expectations of future results, performance, achievements, prospects or opportunities or the markets in which the Company operates is forward-looking information. In some cases, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "targets", "expects", "budgets", "scheduled", "estimates", "outlook", "forecasts", "projects", "prospects", "strategy", "intends", "anticipates", "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might", or "will" occur. In addition, any statements that refer to expectations, intentions, projections or other characterizations of future events or circumstances contain forward-looking information.

Forward-looking information is necessarily based on a number of opinions, estimates and assumptions that, while considered by the Company to be appropriate and reasonable as of the date of this press release,

are subject to known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information, including but not limited to, risks and uncertainties associated with market conditions and the satisfaction of all applicable regulatory requirements, as well as risks and uncertainties associated with the Company's business and finances in general.

If any of these risks or uncertainties materialize, or if the opinions, estimates or assumptions underlying forward-looking information prove incorrect, actual results or future events might vary materially from those anticipated in forward-looking information.

Although the Company has attempted to identify important risk factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other risk factors not presently known to the Company or that the Company presently believes is not material that could also cause actual results or future events to differ materially from those expressed in such forward-looking information. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information, which speaks only as of the date made. Forward-looking information contained in this press release represents the Company's expectations as of the date of this press release (or as of the date they are otherwise stated to be made), and are subject to change after such date. The Company disclaims any intention or obligation or undertaking to update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required under applicable securities laws.

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

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