

Kiaro Completes Kelowna Cannabis Retail Location Acquisition

Vancouver, British Columbia, March 16, 2021 – Kiaro Holdings Corp. (TSXV: KO) (“Kiaro” or the “Company”), an omnichannel cannabis retailer and distributor, is pleased to announce that, further to the press release dated February 23, 2021, it has closed its previously announced acquisition of Grasshopper Cannabis’ (the “Vendor”) Kelowna retail assets.

Pursuant to the terms of the Asset Purchase Agreement, the Vendor received \$695,000 in cash upon closing.

Transaction Highlights

- The subject location is in a prime area of downtown Kelowna, which expects significant residential and commercial investment in the near term
- The subject location had been previously rezoned to operate a cannabis store
- Completion of the transaction is expected to:
 - Increase revenue in current fiscal year
 - Bring the Kiaro retail location count to 8 across Canada
 - Support the growth and vibrancy of Kelowna
 - Kiaro’s first retail location in a key consumer market in the interior of British Columbia

“Kiaro is thrilled to join Downtown Kelowna and we anticipate bringing a positive contribution to their shared vision of a thriving business community where people want to work, live and play,” stated Daniel Petrov, CEO of Kiaro.

“As for defensibility, I continually speak to the unparalleled moat around BC retail stores, and Kelowna BC is no exception. To prove that point further, the province has struck out on two of its three efforts to open its own cannabis stores in Kelowna.”

“This is a big win for the Kiaro team, shareholders and the community,” shared Mr. Petrov.

Kiaro will submit its application for a cannabis retail store license to the Liquor & Cannabis Regulation Branch of the Province of British Columbia at its earliest opportunity and is targeting an opening date for the Subject Location in Summer 2021.

The new proposed retail location at 1650 Pandosy Street, Kelowna, BC, V1Y 1P7 (the “Subject Location”) is one block off Harvey Ave/Highway 97. As part of the significant investment in the area, the UBC Okanagan Downtown Campus is scheduled to begin construction in 2022 and the City of Kelowna recently approved Water Street by the Park, a 3-tower residential and commercial building immediately adjacent to the Subject Location.

This acquisition is the first stop in Kiaro’s plan for aggressive expansion of retail across Canada this fiscal year. Kiaro continues its mission to provide cannabis and CBD consumers with a seamless retail experience; this proposed location will integrate into the community and bring a wealth of vibrancy to the area.

About 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: proposed retail expansion plans and management’s ability to execute on same, overall growth of the Canadian cannabis market and retail opportunities, impact on the company’s financial results and the award of new operating permits and licenses in various jurisdictions (including the timing of LCRB approval of the newly acquired retail assets). 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. These risks, uncertainties and assumptions include, but are not limited to, those described in Kiaro Filing Statement dated September 29, 2020, a copy of which is available on SEDAR at www.sedar.com, and could cause actual events or results to differ materially from those projected in any forward-looking statements. 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: investors.kiaro.com.

For further information, please contact:

Daniel Petrov
Chief Executive Officer
investors@kiaro.com
1-888-623-2420

Investor Related Inquiries:

Jerry Lai
Investor Relations
investors@kiaro.com
1-888-623-2420