

## **IKÄNIK FARMS TRIGGERS \$30 MILLION SELF-DIRECTED, NON-BROKERED PRIVATE PLACEMENT WITH EUROPEAN PRIVATE EQUITY GROUP**

CORONA, Calif., April 27, 2021- Ikänik Farms, Inc. (CSE: IKNK.U) (the "**Company**" or "**Ikänik Farms**") is pleased to announce that it has set has set USD\$1.021 as the exercise price (the "**Issue Price**") for the issuance of 29,394,474 subordinate voting shares of the Company (the "**Shares**") for gross proceeds of USD\$30,000,000 pursuant to the terms of the subscription agreement dated March 8, 2021 (the "**Subscription Agreement**"), entered into between Global Garden Private Equity I, S.A.R.L. ("**Global Garden**") and a predecessor of the Company prior to completion of its reverse take-over transaction completed on March 30, 2021. The Issue Price was determined pursuant to the Subscription Agreement, being 90% of the volume weighted average price per Share of the Company's Shares trading on the Canadian Securities Exchange during the most recent (10) consecutive trading days. The Company anticipates the issuance of the Shares will be completed on or about May 10, 2021.

"We are very excited to welcome Global Garden to the Ikänik family and look forward to a strong working relationship as a strategic capital partner" said Brian Baca, CEO of Ikänik Farms.

The use of proceeds from the issuance of Shares will be used to carry out the business plan of the issuer to complete its international projects across California and Colombia, while also expanding its footprint across Latin America.

The California projects will help facilitate the Company's U.S. vertical integration initiative, with a Palm Springs dispensary and lounge targeted to open in June 2021 and will also help expand the Company's operating San Bernardino distribution by adding a dispensary and delivery service, with a targeted open date of August 2021.

Additionally, the Company anticipates it will complete its cultivations across California, with a vertical cultivation in Sacramento, expected to commence operations in May 2021 with an annual estimated production capacity of 2,400 pounds. The Company will also look to complete its Adelanto "Base Camp" location, which is a stand-alone vertical operation, including 28,000 square feet of vertically stacked, indoor cultivation, 33,000 square feet of mixed light greenhouse, distribution, volatile and non-volatile manufacturing. The Base Camp will produce an estimated 12,000 pounds of cannabis annually. To round out the geographic expansion in California, the Company is working to add a distribution and packaging facility in Benicia, to better service its retail network and service the increasing demand in 3<sup>rd</sup> party co-packing services from its Northern California clients.

In Colombia, the Company will continue to complete its 80,000 square foot, vertically integrated facility ("**Casa Flores**"), providing a vertically stacked cultivation delivering an estimated production capacity of approximately 15,000 pounds of cannabis flower annually. Casa Flores has an onsite laboratory for manufacturing cannabis derivatives, sold as finished ingredient and used

in “formula magistral” throughout Latin America, or optionally sold into the European medical marketplace.

The Company remains focused on its pursuit of quality, validated through best-in-class standards and certifications, including GACP, GMP-Pharma, GTPCP, ISO-9001. The Company is finalizing its EUGMP certifications across its cultivation and laboratory facilities, with a target completion date of June 2021.

“We’re proud to announce our financing and are looking forward to building a strong future and relationship with Global Garden and their world class executive team.” said Borja Sanz de Madrid, President of Ikänik Farms International, Inc., a whole-owned subsidiary of the Company.

“We are very excited for the opportunity and happy to welcome Ikänik Farms, Inc. to our portfolio. We admire the company and its award-winning team who have become exemplary leaders in the industry’s development and legalization process, providing the opportunity to be number one in Latin America.”, said Javier Arellano, CEO of Global Garden.

### **About Global Garden**

Global Garden Private Equity is a Luxembourg asset-holding entity managed by Adam’s Partners, focused on direct investments in growth opportunities in innovative sectors including cannabis of pharmaceutical grade, CBD, healthcare, and its derivatives. Global Garden Private Equity acquires shares and companies with first-class management through majority or significant minority stakes with strong strategic partners, co-investors and/or limited partners.

### **About Ikänik Farms**

Ikänik Farms is a California based, Multi-National Operator (MNO) who is building a dynamic portfolio of brands, inspired by its passion for health and wellness, action sports, and supported by its vertically integrated retail, distribution and cultivation in CA and its medical grade cultivation and laboratory in Colombia. The company's leadership brings decades of expertise in R&D, cultivation, retail, branding, and corporate finance. Ikänik Farms' operation in Colombia, through its pharma division Pideka, holds both GMP-PHARMA and (GACP) Good Agricultural and Collection Practice certifications for its Casa Flores operating facility.

### **Forward Looking Statements**

This news release includes "forward-looking information" and "forward-looking statements" within the meaning of Canadian securities laws and United States securities laws (together, "forward-looking information"). All information, other than statements of historical facts, included in this news release that address activities, events or developments that the Company expects or anticipates will or may occur in the future is forward-looking information. When used in this news release, words such as "will", "could", "plan", "estimate", "expect", "intend", "may", "potential", "believe", "should", and similar expressions, are forward-looking information and includes, but is not limited to: the issuance of Shares and receipt of gross proceeds from Global Garden, the anticipated size of the Company’s facilities and production rates, the ability to complete the phases of the construction of the Company’s facilities, the anticipated completion

dates of the Company's facilities and dispensary locations, the ability to establish strategic development and distribution partnerships in Latin America and the EU and the Company achieving all requisite licenses and certifications.

Although the Company has attempted to identify important factors that could cause actual results, performance or achievements to differ materially from those contained in the forward-looking information, there can be other factors that cause results, performance or achievements not to be as anticipated, estimated or intended, including, but not limited to: changes in laws, a change in management, the inability to obtain additional financing, increased competition, hindering market growth and state adoption due to inconsistent public opinion and perception of the medical-use and adult-use marijuana industry and, regulatory or political change.

There can be no assurance that such information will prove to be accurate or that management's expectations or estimates of future developments, circumstances or results will materialize. As a result of these risks and uncertainties, the results or events predicted in the forward-looking information may differ materially from actual results or events.

Accordingly, readers should not place undue reliance on forward-looking information. The forward-looking information in this news release is made as of the date of this release. The Company disclaims any intention or obligation to update or revise such information, except as required by applicable law, and the Company does not assume any liability for disclosure relating to any other company mentioned herein.

On behalf of the Board of Directors of Ikänik Farms Inc.

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