

Harborside Inc. Completes \$5 Million Strategic Investment in Loudpack

Fosters Partnership with Premier California Cultivator, Brand Operator, and Distributor

OAKLAND, Calif., March 8, 2021 /CNW/ - [Harborside Inc.](#) ("Harborside" or the "Company") (CSE: HBOR), a California-focused, vertically integrated cannabis enterprise, today announced it has completed a \$5 million strategic investment in LPF JV, LLC ("Loudpack"), through a 15%, secured convertible note due December, 2022 (the "Funding"). Loudpack is the premier California cannabis company with a broad cultivation, manufacturing, processing, and distribution footprint and a strong portfolio of brands.

In connection with the Funding, Harborside has engaged Loudpack to provide services aimed at identifying production efficiencies as well as improving harvest yields at the Company's cultivation facility located in Salinas, California. In addition, Loudpack will be providing contract manufacturing services for a suite of Harborside branded products and Harborside will be increasing the availability of shelf space for Loudpack branded products including Kingpen, Loudpack, Dimebag, and Smokiez at the Company's retail stores.

"We are focused on improving our profitability through implementing best-in-class, highly efficient production techniques, increasing the quality of our supply chain and expanding our inhouse brands into manufactured products," said Matthew Hawkins, Chairman of Harborside. "Through this capital investment, we have strengthened our partnership with Loudpack and will look to leverage their expertise as we explore opportunities to expand our cultivation, production, and distribution capabilities to improve the availability of our high-quality cannabis products for consumers across California."

Marc Ravner, Chief Executive Officer at Loudpack, added, "As a pioneer and innovator with a strong reputation in the California cannabis market, Harborside's capital investment is a great validation of the confidence they have in Loudpack's team, technical production insight, and overall capabilities. We look forward to using the funds from this investment to scale our operations to better serve all of our customers across California."

For the latest news, activities, and media coverage, please visit the Harborside corporate website at www.investharborside.com or connect with us on [LinkedIn](#), [Facebook](#), and [Twitter](#)

About Loudpack:

Loudpack is a leading privately-held, vertically-integrated cannabis brands company headquartered in Los Angeles. Loudpack cultivates, manufactures, processes and distributes its branded cannabis products to retailers statewide in California. Loudpack licenses its wholly owned brands to operators in other markets and provides contract manufacturing services to third parties. Loudpack's brands distributed in California include Kingpen, Loudpack, Dimebag, and Smokiez. For more information, visit <https://www.loudpack.com>.

About Harborside:

Harborside Inc. is one of the oldest and most respected cannabis retailers in California, operating three of the major dispensaries in the San Francisco Bay Area, a dispensary in the Palm Springs area outfitted with Southern California's only cannabis drive-thru window, a dispensary in Oregon and a cultivation/production facility in Salinas, California. Harborside has played an instrumental role in making cannabis safe and accessible to a broad and diverse community of California consumers. In 2006, Harborside was awarded one of the first six medical cannabis licenses granted in the United States and today holds cannabis licenses for retail, distribution, cultivation, nursery and

manufacturing. Harborside is currently a publicly listed company on the Canadian Securities Exchange ("CSE") trading under the ticker symbol "HBOR". Additional information regarding Harborside is available under Harborside's SEDAR profile at www.sedar.com.

Cautionary Note Regarding Forward-Looking Information

This news release contains "forward-looking information" and "forward-looking statements" (collectively, "forward-looking statements") within the meaning of the applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates, and projections as at the date of this news release. Any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as "expects", or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "budget", "scheduled", "forecasts", "estimates", "believes" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may" or "could", "would", "might" or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements. In this news release, forward-looking statements include, among other things, statements with respect to improving profitability through implementing best-in-class, highly efficient production techniques, increasing the quality of the supply chain and expanding in-house brands into manufactured products, improving the availability of high-quality cannabis products for consumers across California, identifying production efficiencies as well as improving harvest yields, and increasing the availability of shelf space for Loudpack branded products.

These forward-looking statements are based on reasonable assumptions and estimates of management of the Company at the time such statements were made. Actual future results may differ materially as forward-looking statements involve known and unknown risks, uncertainties, and other factors which may cause the actual results, performance, or achievements of the Company to materially differ from any future results, performance, or achievements expressed or implied by such forward-looking statements. Such factors, among other things, include: implications of the COVID-19 pandemic on the Company's operations; fluctuations in general macroeconomic conditions; fluctuations in securities markets; expectations regarding the size of the cannabis markets where the Company operates; changing consumer habits; the ability of the Company to successfully achieve its business objectives; plans for expansion; political, social and environmental uncertainties; inability to obtain adequate insurance to cover risks and hazards; employee relations and the presence of laws and regulations that may impose restrictions on cultivation, production, distribution, and sale of cannabis and cannabis-related products in the markets where the Company operates. Although the forward-looking statements contained in this news release are based upon what management of the Company believes, or believed at the time, to be reasonable assumptions, the Company cannot assure shareholders that actual results will be consistent with such forward-looking statements, as there may be other factors that cause results not to be as anticipated, estimated or intended. Readers should not place undue reliance on the forward-looking statements and information contained in this news release. The Company assumes no obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change, except as required by law.

The Company, through several of its subsidiaries, is indirectly involved in the manufacture, possession, use, sale, and distribution of cannabis in the recreational and medicinal cannabis marketplace in the United States. Local state laws where the Company operates permit such activities however, these activities are currently illegal under United States federal law. Additional information regarding this and other risks and uncertainties relating to the Company's business are contained under the heading "Risk Factors" in the Listing Statement dated May 30, 2019, and in the Company's management's discussion and analysis for the period ended September 30, 2020, filed under the Company's profile on SEDAR at www.sedar.com.

The CSE has neither approved nor disapproved the contents of this news release. Neither the CSE nor its Market Regulator (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release.

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