



Harborside Inc. Announces Completion of Salinas Cultivation Facility Upgrades

Upgrades Expected to Generate Over 50% Increase in Annual Cultivation Capacity and Enable Year-Round Production

Initial Planting Expecting to Commence Week of July 5th

OAKLAND, Calif., June 30, 2021 /CNW/ - [Harborside Inc.](https://www.investharborside.com) ("Harborside" or the "Company") (CSE: HBOR), (OTCQX: HBORF) a California-focused, vertically integrated cannabis enterprise, today announced that it has completed the previously announced substantial upgrade of one of its approximately 45,000 square foot greenhouses at its 47-acre integrated production campus in Salinas, California (the "Salinas Facility"). The upgrades included, among other things, the installation of blackout curtains, supplemental LED grow lights, and the incorporation of a state-of-the-art environmental control system.

The enhancements completed at the Salinas Facility have permitted the Company to implement high-yield indoor cultivation techniques and technology into the existing greenhouse environment. As a result, the annual cultivation capacity of the greenhouse is expected to increase over 50% and by leveraging automated light deprivation technology, the greenhouse is now capable of year-round, high-quality production.

"We are thrilled to have completed the upgrades at our Salinas facility, delivering on our plan to drive harvest yield improvements and commence year-round cultivation," said Peter Bilodeau, Interim CEO of Harborside. "These upgrades will permit Harborside to increase availability of our portfolio of branded products including Key and, through our recently announced acquisition, Sublime's Fuzzies, to both the retail and wholesale markets in California."

Travis Higginbotham, VP of Production added, "With the recent amendment by the County of Monterey permitting expansion of existing greenhouses, our Salinas Facility is well positioned to grow with demand for our products. We have built a strong reputation for supplying high-quality cannabis products and as we move into the second half of 2021, we are excited to continue to fuel our growth."

On June 22, 2021, the Monterey County Board of Supervisors adopted a non-coastal zoning ordinance, amending the County Code to provide additional flexibility for existing greenhouses to expand cultivation capacity. The new amendment allows for the permitting of commercial cannabis cultivation within new or expanded greenhouses on property zoned farmland that contains at least one greenhouse that was legally established prior to January 1, 2016. The Salinas Facility has been legally cultivating cannabis since 2016 and the Company intends to apply for a discretionary administrative permit from the County to further expand capacity at the Salinas Facility.

For the latest news, activities, and media coverage, please visit the Harborside corporate website at www.investharborside.com or connect with us on [LinkedIn](https://www.linkedin.com/company/harborside),

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 since 2006, when it was awarded one of the first six medical cannabis licenses granted in the United States. Today, the Company holds cannabis licenses for retail, distribution, cultivation, nursery, and manufacturing. Harborside is a publicly listed company on the Canadian Securities Exchange ("CSE") trading under the ticker symbol "HBOR" and on the OTCQX Best Market under the ticker symbol "HBORF". 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.

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; 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; and the risk factors set out in the Company's management's discussion and

analysis for the quarter ended March 31, 2021 and the Company's listing statement dated May 30, 2019, which are available under the Company's profile on www.sedar.com. 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, investors should note that there are significant legal restrictions and regulations that govern the cannabis industry in the United States. Cannabis remains a Schedule I drug under the US Controlled Substances Act, making it illegal under federal law in the United States to, among other things, cultivate, distribute or possess cannabis in the United States. Financial transactions involving proceeds generated by, or intended to promote, cannabis-related business activities in the United States may form the basis for prosecution under applicable US federal money laundering legislation.

While the approach to enforcement of such laws by the federal government in the United States has trended toward non-enforcement against individuals and businesses that comply with recreational and medicinal cannabis programs in states where such programs are legal, strict compliance with state laws with respect to cannabis will neither absolve the Company of liability under US federal law, nor will it provide a defense to any federal proceeding which may be brought against the Company. The enforcement of federal laws in the United States is a significant risk to the business of the Company and any proceedings brought against the Company thereunder may adversely affect the Company's operations and financial performance.

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.

View original content to download multimedia:

<https://www.prnewswire.com/news-releases/harborside-inc-announces-completion-of-salinas-cultivation-facility-upgrades-301323074.html>

SOURCE Harborside Inc.

View original content to download multimedia: <http://www.newswire.ca/en/releases/archive/June2021/30/c8433.html>

%SEDAR: 00013218E

For further information: Company Contact: Harborside Inc., Roman Stahl, VP Investor Relations, Mergers & Acquisitions, ir@hborgroup.com; Investor Contact: MATTIO Communications, hbor@mattio.com; Media Contact: MATTIO Communications, harborside@mattio.com

CO: Harborside Inc.

CNW 08:00e 30-JUN-21