



Planet 13 Announces Q3 2018 Earnings

- *Planet 13 Superstore opened on November 1st 2018. Already servicing an average of 1,300 customers a day, well on the way to meeting run-rate estimates*
- *Highly rated¹ Medizin dispensary generated \$4.9 million in revenue in Q3 2018 and \$12.9 million in the first nine-months; monthly revenue is growing at a 6.0% compound rate²*
- *Adjusted EBITDA of \$275,568 in Q3 2018 and \$1.5 million in the first nine-months*
- *437 online deliveries in October 2018; monthly online revenue growing at a compound rate of 8.3%² sequentially*

All figures are reported in United States dollars (\$) unless otherwise indicated

Las Vegas, Nevada – November 12, 2018 – Planet 13 Holdings Inc. (CSE: PLTH) (OTCQB:PLNHF) (“Planet 13” or the “Company”), a leading vertically-integrated Nevada cannabis company, today announced financial results for the three and nine-month periods ended September 30, 2018. Planet 13’s financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”).

“We opened Phase 1 of the 40,000 square foot Planet 13 Superstore on November 1st, and over the first ten days are already well on our way to meeting our expectations for run-rate daily traffic and average ticket on minimal marketing,” said Larry Scheffler, Co-CEO of Planet 13. “Our thesis that a unique entertainment destination, proximity to the Las Vegas Strip, and a wide selection of Nevada’s best products would drive strong tourist traffic and spending has proven to be correct. We believe that we are just at the beginning of the growth curve at the Superstore and expect to continue to ramp both traffic and average ticket as we execute on our marketing program in the coming weeks. MJBizCon is this week, and our management team is ready to showcase the Superstore for the thousands of cannabis connoisseurs and investors who are in town.”

Bob Groesbeck, Co-CEO of Planet 13 added, “In Q3, our Medizin dispensary posted another quarter of sequential revenue growth with a solid gain in average daily traffic. We temporarily closed the Medizin location on October 29th to transfer its licenses to the Superstore. We have a very loyal base of customers at this location and are well-positioned to receive an additional license for Medizin that would enable us to reopen this highly rated¹ dispensary and quickly regain this revenue and EBITDA. It is an exciting time to be a Planet 13 shareholder, with several catalysts set to hit before the end of 2018, including additional growth from the Superstore; December’s licensing results; and clarity regarding onsite consumption lounges. The Superstore

is open and already generating substantial revenue, which will enable us to rapidly execute on these opportunities and enter Phase two of our Superstore expansion plan in the next year.”

Financial Highlights – Q3 – 2018

Operating Results

All comparisons below are to the quarter ended September 30, 2017, unless otherwise noted

- Revenues were \$4.9 million as compared to \$3.0 million, an increase of 63%
- Gross margin was \$2.7 million as compared \$1.5 million, an increase of 78%
- Operating expenses, excluding non-cash compensation expense, were \$2.3 million as compared to \$0.9 million, an increase of 143%
- Net loss of \$0.7 million as compared to a net loss of \$0.2 million
- Adjusted EBITDA of \$275,568 as compared to Adjusted EBITDA loss of \$1.4 million

Balance Sheet

All comparisons below are to December 31, 2017, unless otherwise noted

- Cash and cash equivalents of \$8.6 million as compared to \$0.5 million
- Total assets of \$26.9 million as compared to \$8.6 million, an increase of 214%
- Total liabilities of \$4.9 million as compared to \$11.0 million, a decrease of 56%

Q3 Highlights and Recent Developments

For a more comprehensive overview of these highlights and recent developments, please refer to Planet 13’s *Management’s Discussion and Analysis of the Financial Condition and Results of Operations for the Three and Six Months Ended September 30, 2018* (the “**MD&A**”).

- On September 17, 2018, Planet 13 began trading on the OTCQB under the ticker symbol PLNHF
- On October 29, 2018, the Company’s medical and recreational cannabis license was transferred from the Medizin location to the Superstore location.
- On November 1, 2018, the Planet 13 Superstore opened.
- On November 8, 2018, Planet 13 announced a \$25 million bought deal public offering

Results of Operations (Summary)

The following tables set forth consolidated statements of financial information for the three and nine-month periods ending September 30, 2018 and September 30, 2017. For further information regarding the Company’s financial results for these periods, please refer to the Company’s interim financial statements for the period ended September 30, 2018 together with

the MD&A, available on Planet 13's issuer profile on SEDAR at www.sedar.com and the Company's website <https://www.planet13holdings.com>.

	Three Months Ended Sep-30-2018	Three Months Ended Sep-30-2017	Percentage Change	Nine Months Ended Sep-30-2018	Nine Months Ended Sep-30-2017	Percentage Change
Revenue						
Revenues, net of discounts	4,914,466	3,025,047	62.5%	12,941,145	5,621,262	130.2%
Cost of Goods Sold	(2,545,481)	(3,683,879)	(30.9%)	(6,502,025)	(2,422,716)	168.4%
Gross Profit, Before Biological Asset Adjustment	2,368,985	(658,832)	(459.6%)	6,439,120	3,198,546	101.3%
Realized fair value amounts included in COGS	(1,494,310)	(1,231,098)	21.4%	(4,752,463)	(3,942,347)	20.5%
Unrealized fair value gain on growth of biological assets	1,796,195	3,388,649	(47.0%)	4,985,422	5,764,306	(13.5%)
Gross profit	2,670,870	1,498,719	78.2%	6,672,079	5,020,505	32.9%
Expenses						
General and Administrative	2,039,797	862,396	136.5%	4,795,299	1,884,184	154.5%
Sales and Marketing	216,922	64,717	235.2%	551,831	110,525	399.3%
Depreciation and Amortization	5,751	8,416	(31.7%)	67,191	65,655	2.3%
Non-cash Compensation Expense	637,602	-	na	2,233,736	-	na
Total Expenses	2,900,072	935,529	210.0%	7,648,057	2,060,364	271.2%
Income (Loss) From Operations	(229,202)	563,190	(140.7%)	(975,978)	2,960,141	(133.0%)
Other (Income) Expense:						
Interest Expense, net	(3,671)	233,119	(101.6%)	236,186	721,456	(67.3%)
Realized Foreign Exchange (gain) loss	52,976	-	na	42,255	-	na
RTO acquisition costs	-	-	na	532,367	-	na
Loss on conversion of debt	-	-	na	848,925	-	na
Total Other (Income) Expense	49,305	233,119	(78.8%)	1,659,733	721,456	130.1%
Net income (loss) for the period before tax	(278,507)	330,071	(184.4%)	(2,635,711)	2,238,685	(217.7%)
Provision for tax - current	546,409	515,703	6.0%	1,401,137	1,713,109	(18.2%)
Net Income (Loss) for the period	(824,916)	(185,632)	344.4%	(4,036,848)	525,576	(868.1%)
Other Comprehensive income (loss)						
Foreign exchange translation adjustment	141,291	-	na	(135,951)	-	na
Net Comprehensive Income (Loss) for the period	(683,625)	(185,632)	344.4%	(4,172,799)	525,576	(868.1%)
Loss per share for the period						
Basic and fully diluted loss per share	(\$0.01)	na	na	(\$0.04)	na	na
Weighted Average Number of Shares Outstanding Basic and fully diluted	117,349,580	nil		92,211,527	nil	

Adjusted EBITDA

	Three Months Ended Sep-30-2018	Three Months Ended Sep-30-2017	Percentage Change	Nine Months Ended Sep-30-2018	Nine Months Ended Sep-30-2017	Percentage Change
EBITDA						
Net profit (loss) before taxes	(278,507)	330,071	(184.4%)	(2,635,711)	2,238,685	(217.7%)
Add back:						
Net change in Bio Asset valuation	(301,885)	(2,157,551)	na	(232,959)	(1,821,959)	na
Non-cash Compensation Expense	637,602	-	na	2,233,736	-	na
Depreciation and amortization	5,751	8,416	(31.7%)	67,191	65,655	2.3%
Depreciation included in COGS	163,302	153,226	6.6%	422,089	389,877	8.3%
Other (Income) Expense - one time RTO related costs	49,305	233,119	(78.8%)	1,659,733	721,456	130.1%
EBITDA	275,568	(1,432,719)	(119.2%)	1,514,079	1,593,714	(5.0%)

Summary of Quarterly Results

Three months ended	Sep-30-2018	Jun-30-2018	Mar-31-2018	Dec-31-2017	Sep-30-2017	Jun-30-2017	Mar-31-2017	Dec-31-2016	Sep-30-2016
US\$									
Total revenue	4,914,466	4,426,197	3,600,482	3,382,717	3,025,048	1,461,782	1,134,434	840,009	499,860
Net income (loss)	(824,916)	(3,126,064)	(85,868)	295,965	(185,632)	22,209	688,999	(660,597)	(424,386)
Comprehensive Net Income (loss)	(683,625)	(3,403,306)	(85,868)	295,965	(185,632)	22,209	688,999	(660,597)	(424,386)
Net Income (loss) per share	(0.01)	(0.04)	(0.00)	n/a	n/a	n/a	n/a	n/a	n/a
Total assets	26,854,931	26,942,786	9,081,603	8,558,870	7,546,186	7,463,866	6,836,301	5,062,394	5,177,915
Total liabilities	4,857,506	5,957,754	8,314,441	11,040,144	11,680,362	11,760,007	10,986,251	8,365,209	8,538,183
Working capital (deficiency)	11,757,401	17,236,373	1,344,989	1,197,763	2,178,498	2,218,708	1,670,162	(536,659)	254,038
Dividends declared	-	-	-	-	-	-	-	-	-

Daily Traffic and Average Customer Spend

	Nine Months Ended			Three Months Ended			Three Months Ended			Three Months Ended		
	30-Sep-18	30-Sep-17	% Change	30-Sep-18	30-Sep-17	% Change	30-Jun-18	30-Jun-17	% Change	31-Mar-18	31-Mar-17	% Change
Average Daily Traffic	682	281	142.7%	776	447	73.6%	693	226	206.6%	581	168	245.8%
Average spend per customer	\$69.33	\$73.29	(5.4%)	\$68.69	\$73.56	(6.6%)	\$70.22	\$70.96	(1.0%)	\$69.61	\$75.74	(8.1%)

Outstanding Shares

As at the date of this report, the Company had 64,245,460 common shares and 55,232,940 class A convertible, restricted voting shares issued and outstanding for a total of 119,478,400 shares outstanding. There were 845,000 options issued and outstanding of which 267,083 have fully vested. There were 14,977,735 warrants outstanding and 5,663,358 RSU's outstanding of which 1,887,786 RSUs had fully vested as at September 30, 2018 and at the date of this report.

Conference Call

Planet 13 will host a conference call on Monday, November 12, 2018 at 8:00 a.m. EST to discuss its second quarter financial results and provide investors with key business highlights. The call will be chaired by Bob Groesbeck, Co-CEO, Larry Scheffler, Co-CEO, and Dennis Logan, CFO.

CONFERENCE CALL DETAILS

Date: November 12, 2018 | Time: 8:00 a.m. EST
Participant Dial-in: 416-764-8688 or 1-888-390-0546
Replay Dial-in: 416-764-8677 or 1-888-390-0541
(Available for 2 weeks)
Reference Number: 918394
Listen to webcast: <https://bit.ly/2zydvyE>

For more information, please visit <https://www.planet13holdings.com/> and follow on Facebook [Planet 13 Las Vegas](#) and Twitter [@Planet13lv](#).

- (1) Based on customer feedback scores of 4.7-4.9 on a 5-pt scale from Leafly, Weedmaps, and Google*
- (2) Monthly growth rates are sequential compound annual growth rates from January 1, 2018 to September 30, 2018*

Financial Measures

There are measures included in this news release that do not have a standardized meaning under generally accepted accounting principles (GAAP) and therefore may not be comparable to similarly titled measures and metrics presented by other publicly traded companies. The Company includes these measures because it believes certain investors use these measures and metrics as a means of assessing financial performance. EBITDA (earnings before interest, taxes, depreciation and amortization) is calculated as net earnings before finance costs (net of finance income), income tax expense, and depreciation and amortization of intangibles and is a non-GAAP financial measure that does not have any standardized meaning prescribed by IFRS and may not be comparable to similar measures presented by other companies.

For further inquiries, please contact:

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About Planet 13

Planet 13 (www.planet13holdings.com) is a vertically integrated cannabis company based in Nevada, with award-winning cultivation, production and dispensary operations in Las Vegas - the entertainment capital of the world. Planet 13's mission is to build a recognizable global brand known for world class dispensary operations, and a creator of innovative cannabis products. Planet 13's shares trade on the Canadian Stock Exchange (CSE) under the symbol PLTH and on the OTCQB under the symbol PLNHF.

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 relate to, among other things, future expansion plans including the opening of Phase II of the Superstore, including the anticipated approval of the Company's on-site lounge concept at the Superstore, the expected number of daily visitors to the Superstore, future licenses expected to be granted by the State of Nevada, estimated foot traffic at the Company's retail locations, and the anticipated revenue and cash flow growth from the Superstore.

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: final regulatory and other approvals or consents; fluctuations in general macroeconomic conditions; changes in project development and construction time frames, risk related the possibility of project cost overruns or unanticipated costs and expenses, higher prices for fuel, steel, power, labour and other consumables contributing to higher costs associated with the completion of future phases of the Company's Superstore; fluctuations in securities markets; expectations regarding the size of the legal Nevada and U.S. cannabis markets and changing consumer habits; the ability of the Company to successfully achieve its business objectives; plans for expansion; political and social uncertainties; inability to obtain adequate insurance to cover risks and hazards; 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 State of Nevada; and employee relations. 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.

Future-orientated financial information and financial outlook information (collectively, "FOFI") contained in this news release, as such terms are defined by applicable securities laws, is provided for the purpose of providing information about management's current expectations and plans relating to the future. FOFI contained in this news release was made as of the date of this news release and was provided for the purpose of disclosing material undisclosed information pertaining to the Company. The Company disclaims any intention or obligations to update or revise any FOFI contained in this news release unless required by applicable law. Readers are cautioned that reliance on such information may not be appropriate for other purposes.

The Company is indirectly involved in the manufacture, possession, use, sale and distribution of cannabis in the recreational and medicinal cannabis marketplace in the United States through its subsidiary MMDC. Local state laws where MMDC 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 Company's annual information form dated October 18, 2018 filed on its issuer profile on SEDAR at www.sedar.com.

No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	As at September 30, 2018	As at December 31, 2017
	Unaudited	Audited
Assets		
Current Assets		
Cash	\$ 8,566,712	\$ 451,869
HST receivable	72,831	-
Inventories (Note 7)	2,222,385	966,622
Biological assets (Note 8)	2,939,294	2,706,335
Prepaid expenses and other current assets	1,279,025	92,129
Total Current Assets	15,080,247	4,216,955
Property and equipment (Note 9)	11,233,859	4,341,915
Long-term deposits and other assets	540,825	-
Total Assets	\$ 26,854,931	\$ 8,558,870
Liabilities		
Current Liabilities		
Accounts payable	\$ 1,060,013	\$ 678,319
Accrued expenses	896,229	1,055,829
Income taxes payable	1,352,215	1,270,862
Notes payable - current portion (Note 10)	14,389	14,182
Total Current Liabilities	3,322,846	3,019,192
Notes payable - long-term portion (Note 10)	917,408	925,890
Notes payable - related party (Note 10)	-	6,526,732
Deferred tax liability	617,252	568,330
Total Liabilities	4,857,506	11,040,144
Shareholders' Equity		
Share capital (Note 12)	22,698,011	-
Restricted share units (Note 12)	1,991,741	-
Warrants (Note 12)	3,719,751	-
Option reserve (Note 12)	241,995	-
Accumulated other comprehensive income (loss)	(135,951)	-
Deficit	(6,518,122)	(2,481,274)
Total Shareholders' Equity	21,997,425	(2,481,274)
Total Liabilities and Shareholders' Equity	\$ 26,854,931	\$ 8,558,870

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)

	Three months Ended September 30, 2018	Three months Ended September 30, 2017	Nine months Ended September 30, 2018	Nine months Ended September 30, 2017
Revenue				
Revenues, net of discounts	\$ 4,914,466	\$ 3,025,047	\$ 12,941,145	\$ 5,621,262
Cost of Goods Sold	(2,545,481)	(3,683,879)	(6,502,025)	(2,422,716)
Gross Profit Before Biological Asset Adjustment	2,368,985	(658,832)	6,439,120	3,198,546
Realized fair value amounts included in COGS	(1,494,310)	(1,231,098)	(4,752,463)	(3,942,347)
Unrealized fair value gain on growth of biological assets	1,796,195	3,388,649	4,985,422	5,764,306
Gross profit	2,670,870	1,498,719	6,672,079	5,020,505
Expenses				
General and Administrative (Note 11)	2,039,797	862,396	4,795,299	1,884,184
Sales and Marketing	216,922	64,717	551,831	110,525
Depreciation and Amortization	5,751	8,416	67,191	65,655
Non-cash Compensation Expense	637,602	-	2,233,736	-
Total Expenses	2,900,072	935,529	7,648,057	2,060,364
Income (Loss) From Operations	(229,202)	563,190	(975,978)	2,960,141
Other (Income) Expense:				
Interest (Income) Expense, net	(3,671)	233,119	236,186	721,456
Realized foreign exchange (gain) loss	52,976	-	42,255	-
RTO acquisition costs	-	-	532,367	-
Loss on conversion of debt (Note 10)	-	-	848,925	-
Total Other (Income) Expense	49,305	233,119	1,659,733	721,456
Net Income (Loss) for the period before tax	(278,507)	330,071	(2,635,711)	2,238,685
Provision for tax - current (Note 16)	546,409	515,703	1,401,137	1,713,109
Net Income (Loss) for the period	\$ (824,916)	\$ (185,632)	\$ (4,036,848)	\$ 525,576
Other Comprehensive Income (Loss)				
Foreign exchange translation adjustment	141,291	-	(135,951)	-
Net Comprehensive Income (Loss) for the period	\$ (683,625)	\$ (185,632)	\$ (4,172,799)	\$ 525,576
Loss per share for the period				
Basic and fully diluted loss per share (Note 13)	(\$0.01)	<i>na</i>	(\$0.04)	<i>na</i>
Weighted Average Number of Common Shares Outstanding Basic and Fully Diluted	117,349,580	<i>nil</i>	92,211,527	<i>nil</i>

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

	Nine months Ended September 30, 2018	Nine months Ended September 30, 2017
Operating activities		
Net loss for the period	\$ (4,036,848)	\$ 525,576
Add (deduct) non-cash items:		
Non-cash compensation expense	2,233,736	-
Depreciation and amortization	489,280	455,532
Loss on conversion of debt	848,925	-
Unrealized foreign exchange (gain) loss	42,255	-
Non-cash interest expense	217,048	723,993
Net change in non-cash working capital		
HST receivable	(72,831)	-
Inventories	(1,255,763)	(638,711)
Biological assets	(232,959)	(1,821,959)
Prepaid expenses	(1,186,896)	-
Other assets	(540,825)	-
Income tax payable	81,353	1,093,643
Net change in deferred tax liabilities	48,922	789,329
Accounts payable	381,694	(378,979)
Accrued expenses	(159,600)	-
Cash flow provided by (used in) operating activities	(3,142,509)	748,424
Investing activities		
Purchase of property, plant and equipment	(7,381,223)	(237,602)
Advance of secured promissory note receivable	(1,254,862)	-
Repayment of secured promissory note receivable	1,254,862	-
Cash flow used in investing activities	(7,381,223)	(237,602)
Financing activities		
Issuance of common shares and warrants	19,508,445	-
Issuance of shares on warrant exercise	1,058,418	-
Share and warrant issuance costs	(1,741,806)	-
Issuance of long-term debt	-	-
Principal repayment on equipment finance lease	(8,275)	(10,408)
Repayment of long-term debt - related party	-	(180,000)
Cash flow provided by (used in) financing activities	18,816,782	(190,408)
Effect of foreign exchange on cash	(212,885)	-
Net increase (decrease) in cash and cash equivalents during the period	8,080,165	320,414
Cash and cash equivalents at beginning of period	451,869	20,868
Net cash acquired on the RTO acquisition	34,678	-
Cash and cash equivalents at end of period	\$ 8,566,712	\$ 341,282