

Co-CEOs Robert Groesbeck and Larry Scheffler Convert All of Their Class A Restricted Voting Shares of Planet 13 Holdings Inc. Into Common Shares

LAS VEGAS, NV / ACCESSWIRE / May 10, 2021 / Planet 13 Holdings Inc. ("**Planet 13**") (CSE:PLTH)(OTCQX:PLNHF), a leading vertically-integrated Nevada cannabis company, announces that on May 7, 2021, Robert Groesbeck and Larry Scheffler, Co-CEOs of Planet 13, through their respective joint actors PRMN Investments Ltd. ("**PRMN**") and Thirteen, LLC, have converted a total of 52,250,940 Planet 13 Class A restricted voting shares ("**Class A Shares**"), into 52,250,940 Planet 13 common shares ("**Common Shares**"), in accordance with the Class A Share terms and for no additional consideration.

Planet 13 Expected to Transition to U.S. Domestic Issuer Status:

Class A Shares were originally issued to all former shareholders of MM Development Company, Inc. who were resident in the United States in connection with Planet 13's going public business combination in June 2018 (the "**Business Combination**"). Had the Business Combination been completed without issuing the Class A Shares, these shareholders who were domiciled in the United States would have held an aggregate of approximately 67% of the issued and outstanding Common Shares immediately following the completion of the Business Combination which would have caused Planet 13 to become a U.S. domestic issuer at that time. Upon review of the Planet 13 shareholder demographics immediately prior to authorizing the conversion of the Class A Shares disclosed herein, Planet 13 believes that substantially greater than 50% of its outstanding Common Shares will be held by United States residents as of the foreign private issuer annual determination date of June 30, 2021, regardless of whether the Class A Shares were converted as discussed herein. As a result, Planet 13 expects that it will no longer meet the definition of a "foreign private issuer" under the United States securities laws and will become subject to the reporting requirements of a U.S. domestic issuer beginning on January 1, 2022. These U.S. reporting requirements will require, among other things, that Planet 13's financial statements and financial data be presented under U.S. GAAP beginning with Planet 13's annual report on Form 10-K for the year ending December 31, 2021.

Although Planet 13 expects to become subject to U.S. reporting requirements beginning January 1, 2022, it will continue to be a British Columbia corporation. The Common Shares will continue to be listed on the Canadian Securities Exchange under the symbol "PLTH" and trade on the OTCQX exchange under the symbol "PLNHF."

Early Warning:

The 52,250,940 Class A Shares converted by Messrs. Groesbeck and Scheffler's joint actors represented approximately 94.6% of the outstanding Class A Shares of Planet 13 prior to conversion. In addition, also on May 7, 2021, the other 2,982,000 issued and outstanding Class A Shares not held by Messrs. Groesbeck and Scheffler's joint actors, were also converted into Common Shares. As a result, no Class A Shares remain outstanding.

Prior to this transaction, Robert Groesbeck and his joint actor PRMN held 26,125,470 Class A Shares representing 47.3% of the issued and outstanding Class A Shares, 12,424,695 Common Shares representing 8.80% of the issued and outstanding Common Shares and 1,049,272

restricted share units ("**RSUs**"). Out of the aforementioned securities, all such Class A Shares and 11,891,000 Common Shares were held by PRMN.

Assuming the conversion of such Class A Shares to acquire additional Common Shares and settlement of all of the RSUs in additional Common Shares, the total Common Shares held by Robert Groesbeck and his joint actor would be 39,599,437 Common Shares, representing approximately 20.05% of the outstanding Common Shares, including the Common Shares deemed to be acquired on conversion of the Class A Shares and received upon the settlement of such RSUs.

Robert Groesbeck and his joint actor PRMN now hold nil Class A Shares, 38,550,165 Common Shares representing 19.63% of the issued and outstanding Common Shares and 1,049,272 RSUs. Out of the aforementioned securities, 38,016,470 Common Shares are held by PRMN.

Assuming the settlement of all of the RSUs in additional Common Shares of Planet 13, the total Common Shares held by Robert Groesbeck and his joint actor would be 39,599,437 Common Shares, representing approximately 20.05% of the outstanding Common Shares, including the Common Shares deemed to be received upon the settlement of such RSUs.

Prior to this transaction, Larry Scheffler and his joint actors Thirteen, LLC and Scheffler Family Limited held 26,125,470 Class A Shares representing 47.3% of the issued and outstanding Class A Shares, 13,075,967 Common Shares representing 9.26% of the issued and outstanding Common Shares and 1,049,272 RSUs. Out of the aforementioned securities, all such Class A Shares and 11,891,000 Common Shares were held by Thirteen, LLC and 562,500 Common Shares were held by Scheffler Family Limited.

Assuming the conversion of such Class A Shares to acquire additional Common Shares and settlement of all of the RSUs in additional Common Shares, the total Common Shares held by Larry Scheffler and his joint actors would be 40,250,709 Common Shares, representing approximately 20.39% of the outstanding Common Shares, including the Common Shares deemed to be acquired on conversion of the Class A Shares and received upon the settlement of such RSUs.

Larry Scheffler and his joint actors now hold nil Class A Shares, 39,201,437 Common Shares representing 19.96% of the issued and outstanding Common Shares and 1,049,272 RSUs. Out of the aforementioned securities, 38,016,470 Common Shares are held by Thirteen, LLC and 562,500 Common Shares are held by Scheffler Family Limited.

Assuming the settlement of all of the RSUs in additional Common Shares of Planet 13, the total Common Shares held by Larry Scheffler and his joint actors would be 40,250,709 Common Shares, representing approximately 20.39% of the outstanding Common Shares, including the Common Shares deemed to be received upon the settlement of such RSUs.

Messrs. Groesbeck and Scheffler continue to hold their Common Shares for investment purposes. Depending on market conditions and other factors, Messrs. Groesbeck and Scheffler may, respectively, from time to time, and subject to any contractual lock-up agreements and

8,317,912 Common Shares still subject to the remaining 42 days of the Business Combination Canadian Securities Exchange escrow pursuant to the requirements of National Policy 46-201 - *Escrow for Initial Public Offerings*, increase or decrease their holdings of Planet 13 Common Shares or other securities of Planet 13.

Planet 13's head office is located at 2548 West Desert Inn Road, Las Vegas, Nevada, 89109. Messrs. Groesbeck and Scheffler and their respective joint actors' addresses are 205 N. Stephanie St., Suite D-126 Henderson, Nevada 89074, United States and 205 N. Stephanie St., Suite D-126, Henderson, Nevada, 89074, United States, respectively.

This portion of this news release is issued pursuant to National Instrument 62-103 - *The Early Warning System and Related Take-Over Bid and Insider Reporting Issues* of the Canadian Securities Administrators, which also requires early warning reports to be filed with the applicable securities regulators containing additional information with respect to the foregoing matters. A copy of the early warning reports of Messrs. Groesbeck and Scheffler will be available on Planet 13's issuer profile on SEDAR at www.sedar.com. Messrs. Groesbeck and Scheffler can be contacted c/o Planet 13 at 2548 West Desert Inn Road, Las Vegas, Nevada 89109.

The early warning reports may also be obtained by contacting Robert Groesbeck and/or Larry Scheffler at (702) 815-1313.

For more information on Planet 13, visit the [investor website](#).

About Planet 13

[Planet 13](#) 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 OTCQX 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 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 Planet 13's loss of foreign private issuer status.

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. 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 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 licensed subsidiary entities in states that have legalized marijuana operations, 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, including COVID-19, are contained under the heading "Risk Factors" and elsewhere in the Company's annual information form dated April 5, 2021 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.

For further inquiries, please contact:

LodeRock Advisors Inc., Planet 13 Investor Relations
mark.kuindersma@loderockadvisors.com
(416) 519-2156 ext. 2230

Robert Groesbeck or Larry Scheffler
Co-Chief Executive Officers
ir@planet13lasvegas.com

SOURCE: Planet 13 Holdings