



1933 INDUSTRIES ANNOUNCES SECOND QUARTER 2019 FINANCIALS

VANCOUVER, B.C., CANADA (April 1, 2019) – 1933 Industries Inc. (the “Company” or “1933 Industries”) (CSE: TGIF) (OTCQX: TGIF), a licensed cultivator and producer of cannabis flower and concentrates and manufacturer of hemp-derived CBD wellness products, is pleased to announce its quarterly financial report for the three months ended January 31, 2019 (“Q2”).

Q2 2019 Selected Financial Highlights

All amounts expressed are in Canadian dollars.

- Consolidated revenues of \$3,720,993
- Gross margin of \$2,088,740
- Cash balance of \$8,811,807 at the end of the period
- Net loss of \$2,926,981
- Negative adjusted EBITDA of \$1,267,916
- Total assets \$54,237,227

Segmented Information

- Alternative Medicine Association (“AMA”) reports sales revenue of \$1,289,579, with a gross margin of \$174,785 (14%)
- Infused MFG. (“Infused”) reports \$2,392,981 in sales revenue with gross margin of \$1,875,522 (78%)

Results of Operations	January 31, 2019	January 31, 2018
Total revenue	8,337,805	5,427,186
Gross profit	3,848,170	2,713,106
Net loss	(6,146,549)	(1,349,839)
Comprehensive loss	(5,989,485)	(1,764,376)
Basic and diluted loss per share	(0.03)	(0.01)



Balance Sheet Summary	January 31, 2019	July 31, 2018
Current assets	18,631,587	13,398,978
Total assets	54,237,227	41,339,616
Current liabilities	4,273,795	2,391,088
Total liabilities	15,107,066	4,356,119
Total equity	39,130,161	36,983,497

Management Commentary

Mr. Chris Rebentisch, USA COO and Founder of Infused, said, “Year to date, the Company has experienced steady 54% growth in sales revenues over the same period last year. Sales in Q2 were lower than in the previous quarter due to the performance of our AMA subsidiary, which experienced slower than expected sales due to challenges with yield and access to supply. We are seeing dramatic increases in yield and quality since appointing an experienced master grower.” Mr. Rebentisch added, “AMA will benefit from moving into our new sophisticated cultivation facility. With the additional cultivation capacity in the new building, AMA will not have to rely on third party input material, which is expected to result in increased yields, increased quality, and higher margins. Infused continued to deliver exceptional results as it expanded sales of its wellness line of Canna Hemp™ branded products across the United States”.

Developments in Q2 2019

- On November 8, the Company reported that construction on its new 67,750 sq. ft. cannabis cultivation facility in Las Vegas was nearing 70% completion and expected to be completed in January 2019, with occupancy in February 2019. The Company also announced that the size of its proposed processing facility and the amount of extraction materials that will be stored onsite required new zoning and permitting for hazardous materials and provided zoning and permitting dates. The Company also advised that it had submitted a license application for a retail cannabis store in Clark County, Nevada.
- On December 3, the Company announced the appointment of Mr. Josh Taylor to the Company’s Business Development Division, tasked with identifying and evaluating licensing and acquisition opportunities, establishing distribution networks for the Company’s branded suite of products, and opening new markets for expansion in



North America.

- On December 4, the Company announced the appointment of Mr. Ryan Maarschalk (CPA) as Chief Financial Officer, with a background in business valuation, mergers & acquisitions and public company experience.
- On December 6, the Company announced that it had met the eligibility requirements and had been accepted for trading on the OTCQX®, the OTC Markets' premier tier for established, high-growth and investor-focused companies wishing to gain added exposure in the United States. The ticker symbol remained the same.
- On December 20, the Company announced that was making preparations to substantially increase its capacity to produce cannabidiol or "CBD" extracts from its initial target of 200 kgs. to an estimated 2,000 kgs. per month. The Company also announced that it has received the necessary approvals for new zoning and permitting for hazardous materials from the County Town Board, the Planning Commission and the Board of County Commissioners from Clark County in Nevada, to move ahead with proposed plans to renovate the Company's 12,160 sq. ft. building, which will house a cannabis production facility as well as the proposed CBD Lab.
- On December 20, the Company provided comments with regards to the passing of the Agriculture Improvement Act of 2018 ("Farm Bill"), which legalized hemp as an agricultural commodity federally in the United States and allows hemp farming to operate on a commercial scale. The passing of the Farm Bill is anticipated to positively impact the Company's plans to produce CBD extracts on a large scale and open new markets across the USA.
- On December 31, the Company provided a review of its first year of operations, which included: strong financial results of \$12.6 million in sales revenue for the fiscal year 2018; the continuation of its infrastructure build-out and expansion of wholesale capacity to meet increasing demand; growing and strengthening its product pipeline; increasing sales revenue quarter to quarter; and building a world-class team.
- On January 2, the Company announced that it had issued a total of 238,600 common shares to holders of its debentures issued on August 16, 2017. The Company made cash payments totaling \$425,378 to holders of its debentures issued on September



14, 2018.

- On January 7, the Company announced the appointment of Mr. Tim Spencer as Master Grower with AMA, in charge of overseeing the Company's cannabis cultivation facility in Las Vegas and responsible for managing all aspects of AMA's operation, from production planning to cultivation and harvesting, in order to maximize sales, output and profitability.

Subsequent Events

- On February 6, the Company announced that its indoor cannabis cultivation facility was nearing completion and waiting on the state's power provider for its meter installation. The Company advised that once power is installed in the facility, that final construction will conclude and state and city fire and health inspections will take place for the issuance of an occupancy permit. The occupancy permit is the final step in the process, allowing cultivation to begin in the new facility.
- On February 13, the Company announced that Infused continues to expand its reach across the United States and had attained product distribution into 46 states and had established its own distribution to over 600 stores. Infused's recognized brands, including Canna Hemp™, Canna Hemp X™, and Canna Hemp Paws™ are available in over 250 retail stores in California, Nevada, Arizona, and Colorado, with the remainder distributed across the U.S.
- On February 19, the Company reported that it had engaged CB1 Capital Advisors LLC, a New York-based advisory firm focusing on health and wellness through cannabinoids, as strategic business advisors for a one-year term. CB1 Capital Advisors is an advisory firm that focuses on companies in the supply chain of cannabinoid-based wellness solutions, products and therapies that have therapeutic or commercial use-cases. As an adviser, CB1 Capital Advisors will provide strategic and business development advice to the Company, including analyzing investment and partnership opportunities.
- On February 21, the Company advised that it would be participating at the WOW Creations Celebrity Gift Lounge ahead of the 91st Academy Awards, in order to promote their innovative brands and products to a celebrity audience during the week of the Academy Awards.



- On February 25, the Company announced that it had engaged professional athlete and mixed martial arts fighter Ms. Sarah Moras, as a Canna Hemp™ sponsored athlete for a six-month engagement, promoting the Company's Action Sports Division and representing the Canna HempX™ brand and its CBD sports recovery cream.
- On February 28, the Company announced that its Canna HempX™ products were introduced at Xtreme Couture MMA, a world class mixed martial arts gym and pro shop in Las Vegas, the biggest MMA city in the world.
- On February 28, the Company announced the launch of its new short film, The Dawn of a New Era, a chronicle of the journey of cannabis from the dawn of civilization, through the origins of prohibition, to its new beginnings in modern society.
- On March 5, the Company advised its Warrant holders that it was accelerating the expiry of Warrants bearing expiry dates of April 24, 2019, May 17, 2019, June 14, 2019, August 16, 2019, and October 4, 2019, and that notice would be sent to its debenture holders with a maturity date of August 16, 2019, advising of its intent to force conversion of the balance of the debenture into common shares.
- On March 12, the Company reported the results of the 2019 Annual General Meeting of its shareholders held in Vancouver.
- On March 13, the Company announced a non-brokered private placement of 10,000,000 units (each a "Unit") at \$0.45 per Unit for total proceeds of \$4.5 million and subsequently announced its close on March 15th as the Offering was fully subscribed by one placee.
- On March 28, the Company announced that it had signed a Membership Interest Purchase Definitive Agreement to acquire the remainder 9% of the issued and outstanding membership interests of Infused, with a closing date of March 29
- On April 1st, the Company announced that it had closed on the previously announced Membership Interest Purchase Definitive Agreement to acquire the remainder nine percent of the issued and outstanding membership interests of Infused MFG LLC, a subsidiary of the Company.



Detailed information on the financials and the management's discussion and analysis can be found at <https://sedar.com/>

About 1933 Industries Inc.

1933 Industries Inc. is a vertically integrated cannabis company with operations in the United States and Canada. Operating through three subsidiary companies, 1933 Industries owns licensed medical and adult-use cannabis cultivation and production assets, proprietary hemp-based, CBD infused products, CBD extraction services and a specialized cannabis advisory firm supporting clients in security, intelligence and due diligence. The Company owns 91% of Alternative Medicine Association and 100% of both Infused MFG. and Spire Global Strategy.

Please visit our website at <http://www.1933industries.com>

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due to a number of factors and risks including various risk factors discussed in the Company's disclosure documents, which can be found under the Company's profile on www.sedar.com. 1933 Industries undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by law.