



For Immediate Release

News Release

May 14, 2021

Luff Enterprises Announces the Sale of Nevada Facility and Licenses for CAD \$6.05 Million

Vancouver, B.C. – Luff Enterprises Ltd, (CSE: LUFF) (“LUFF” or the “Company”) is pleased to announce that it has entered into definitive agreements (“Agreements”) to sell its Las Vegas facility and associated licenses (“Assets”) to The Pharmari Nevada, LLC, a privately held company for total cash consideration of CAD \$6.05 million.

The Agreements are subject to customary closing conditions in addition to approval by the Nevada Cannabis Compliance Board.

The Company has indicated in prior filings that the Las Vegas facility was being marketed for sale and it is pleased to conclude the definitive agreements.

LUFF CEO, Philip Campbell commented, “The sale of our Las Vegas facility and licenses allows LUFF to reallocate capital to focus on its core business of manufacturing and selling premium quality and innovative CBD products. We are now actively selling our suite of products through e-commerce channels and this transaction frees up the capital required to scale our manufacturing capacity and improve margins. Early online sales are very encouraging and we plan to prudently increase investment in automated equipment in order to scale production and secure manufacturing efficiencies.”

About Luff Enterprises Ltd.

LUFF Brands is a CBD lifestyle company, focused on providing premium quality, innovative products across the United States. Committed to plant-based science, LUFF produces a suite of thoughtfully designed products.

The company focuses on unique formulations leveraging cannabinoids such as CBG and CBN; and boosts them with superfood ingredients to empower people to realize the full potential of everyday life. LUFF’s scientifically formulated products are non-GMO, THC-free, 3rd party tested, and only crafted with hemp grown in the United States.

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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, but are not limited to, the anticipated completion of the sale of the Las Vegas facility. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to general business, economic, competitive, political, and social uncertainties. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on the forward-looking statements and information contained in this news release. Except as required by law, Luff assumes no obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change, except as required by law.

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