



AFC Gamma Provides Justice Cannabis Co. With \$22 Million Senior Secured Credit Facility to Fund its New Jersey Expansion

May 6, 2021

Represents AFC Gamma's First Transaction in Expanding New Jersey Medical and Adult Use Marijuana Market

WEST PALM BEACH, Fla., May 06, 2021 (GLOBE NEWSWIRE) -- AFC Gamma, Inc. (NASDAQ:AFCG) ("AFC") today announced it has provided a credit facility of \$22 million to Justice Cannabis Co., a Chicago-based multi-state operator with licenses in eight states. The credit facility is designed to provide Justice Cannabis Co. with the capital necessary to purchase and complete the build out of its 72,000 square foot cultivation and processing facility, along with the buildout of a dispensary, both in Ewing, New Jersey.

"We are pleased to support Justice Cannabis Co. as it continues to expand its operations in New Jersey," said Leonard M. Tannenbaum, AFC's Chief Executive Officer. "With adult use marijuana recently legalized in the state, we believe New Jersey will have favorable supply and demand dynamics for years to come and we are excited to be working with Justice Cannabis Co. in order to fully capitalize on this growing market."

Jon Loevy, Justice Cannabis Co.'s Founder, added, "As we continue building on our presence in this highly attractive cannabis market, we are very excited to have the support and partnership of AFC. AFC has proven investment expertise in the cannabis space and provided us with an institutionally minded financing solution that supports our specific needs. We look forward to continuing to work with AFC to achieve our objectives."

AFC will hold the entire \$22 million of the credit facility, which consists of a first-lien term loan. The loan is secured by first-lien mortgages on Justice Cannabis Co.'s wholly owned real estate properties in New Jersey and other commercial-security interests. AFC Management, LLC served as Lead Arranger and Administrative Agent for the transaction.

New Jersey Cannabis Snapshot

New Jersey legalized the use of medical marijuana in 2010, with sales launching in 2019. Adult use marijuana was legalized in 2021. By 2024, the state expects to achieve sales of between \$850 million and \$950 million, with significant opportunities to exceed this range, depending on licensing details which will be developed over time.¹

¹ [New Jersey voters legalize a potential billion dollar adult use market](#) (Marijuana Business Daily, November 4, 2020)

About AFC Gamma, Inc.

AFC Gamma, Inc. (NASDAQ:AFCG) is an institutional lender to leading cannabis companies with strong operations and cash-flow prospects, real-estate-security and other collateral, and locations in states with favorable supply/demand fundamentals and legislative environments. AFC's platform provides innovative and customized financing solutions through first-lien loans, mortgage loans, construction loans and bridge financings. The senior-management team of the company has a combined approximately 100 years of experience in investment management and disciplined credit investing across a range of economic cycles.

About Justice Cannabis Co.

Justice Cannabis Co. (formerly known as Justice Grown), has been a steady force amongst the U.S cannabis industry for over 7 years and garnered attention for all the right reasons. They are a full-service, vertical cannabis business. They cultivate, manufacturer and distribute high quality cannabis products to a variety of customers, and patients across the United States. Founded on the premise of 'cannabis made good, that does good to make you feel good.' the Justice team have a long-standing and impressive reputation for their social justice commitments, quality products, unique dispensaries and a modern approach to service. Through its retail brand, Bloc, offers products and dispensary experiences thoughtfully developed to aid in the daily journey of feeling better. With an expertly curated collection, and an attainable price point, Justice Cannabis Co. continues to garner attention for its growing community of loyal customers.

Justice Cannabis Co. holds multiple licenses across 8 states, including California, Illinois, Pennsylvania, Massachusetts, New Jersey, Michigan, Missouri, and Utah. With over 100 years of combined cannabis experience on the executive team, the company is composed of experienced cannabis professionals and alumni from some of the cannabis industry's most influential and impactful brands. For more information, visit www.justicecannabisco.com.

Forward-Looking Statements

This news release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that reflect the company's current views and projections with respect to, among other things, future events and financial performance. All statements other than historical facts, including, without limitation, statements regarding Justice Cannabis Co.'s intended buildout of its cultivation and processing facility and the projected sales of medical marijuana in New Jersey are forward-looking statements. Words such as "believes," "expects," "will," "intends," "plans," "guidance," "estimates," "projects," "anticipates," and "future" or similar expressions are intended to identify forward-looking statements. These forward-looking statements are subject to the inherent uncertainties in predicting future results and conditions and are not guarantees of future performance, conditions or results. Certain factors, including the borrower failing to complete the construction described above, an unfavorable change in the regulations of the cannabis industry and other important risks and uncertainties discussed under the caption "Risk Factors" in our final prospectus filed with the U.S. Securities Exchange Commission on March 19, 2021, relating to the company's Registration Statement on Form S-11, as amended (File No. 333-251762), could cause actual results and performance to differ materially from those projected in these forward-looking statements. New risks and uncertainties arise over time, and it is not possible for the company to predict those events or how they may affect AFC

Gamma, Inc. Therefore, you should not place undue reliance on these forward-looking statements. The company does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

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For more information, please visit JusticeCannabisCo.com.

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