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CLUNY CAPITAL ANNOUNCES PROPOSED QUALIFYING TRANSACTION

Toronto (Ontario), September 4, 2019 - Cluny Capital Corp. (the “**Company**”) (TSXV:CLN.H), a capital pool company pursuant to Policy 2.4 of the TSX Venture Exchange (the “**TSXV**”), is pleased to announce that it has entered into a binding letter of intent (the “**LOI**”) dated August 19, 2019 with Xebra Brands Ltd. (“**Xebra**”) for the proposed combination of the two companies (the “**Proposed Transaction**”). The Proposed Transaction is intended to constitute the Company’s Qualifying Transaction (as such term is defined by the TSXV) and would result in a reverse take-over of the Company by Xebra.

The Proposed Transaction

It is currently anticipated that the Company will acquire Xebra by way of a share exchange, merger, amalgamation, arrangement or other similar form of transaction as agreed by the parties, which will result in shareholders of Xebra holding the majority of outstanding shares of the Company upon closing of the Proposed Transaction (the “**Resulting Issuer**”).

The Proposed Transaction is subject to a number of conditions precedent, including, without limitation, (i) execution of a definitive agreement, (ii) completion of mutual satisfactory due diligence investigations of Xebra and the Company, (iii) receipt of all applicable regulatory, shareholder and third party approvals, including approval of the TSXV, and (iv) the listing of the Resulting Issuer’s common shares on the TSXV.

Shareholder Approval

Since the Proposed Transaction is not a Non-Arm’s Length Qualifying Transaction (as such term is defined by the TSXV), the Company will not be required to obtain shareholder approval of the Proposed Transaction. In addition, the Proposed Transaction is not a “related party transaction” as such term is defined by Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* and is not subject to Policy 5.9 of the TSXV. As a result, no meeting of the shareholders of the Company is required pursuant to Policy 2.4 of the TSXV or securities laws; however one is expected to be required pursuant to corporate law as the shareholders of the Company are expected to have to approve certain ancillary matters, including, potentially, a consolidation, continuation and a name change.

Xebra

Xebra’s principal focus is the development of cannabis infused beverages for the global market. Formulations for a number of beverages are at an advanced stage and trademarks are being filed in many countries that have, or are in the process of, legalizing or decriminalizing cannabis. Xebra has also entered into a letter of intent to licence exclusive IP which makes cannabinoids water soluble for the commercial production of beverages. In addition, Xebra owns 100% of two Mexican CBD product companies that have late stage applications filed for government approval of a total of 13 cannabis infused CBD products, including balms, creams, oils, gummies and water. Xebra has also entered into a definitive agreement to acquire a Colombian cannabis company with cultivation and processing licences. The cannabis harvested from Colombian operations is primarily intended to be processed and exported in a suitable form to ultimately be utilized in the creation of beverages.

Xebra was incorporated under the *Business Corporations Act* (British Columbia) on February 21, 2019.

Sponsorship for Qualifying Transaction

Sponsorship of a qualifying transaction of a capital pool company is required by the TSXV unless exempt in accordance with the policies of the TSXV. Subject to applying and receiving a waiver, the Company will engage a sponsor to satisfy the sponsorship requirements pursuant to the policies of the TSXV.

Prospectus

In connection with the Proposed Transaction and pursuant to the requirements of the TSXV, the Company anticipates filing a prospectus on its issuer profile on SEDAR (www.sedar.com), which will contain details regarding the Proposed Transaction, the Company, Xebra and the Resulting Issuer.

For further information:

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The information provided in this news release regarding Xebra and the Resulting Issuer, has been provided by Xebra and has not been independently verified by the Company.

Completion of the transaction is subject to a number of conditions, including but not limited to, TSXV acceptance and if applicable pursuant to TSXV Requirements, majority of the minority shareholder approval. Where applicable, the transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular or prospectus to be prepared in connection with the transaction, any information release or received with respect to the transaction may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative.

The TSX Venture Exchange Inc. has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this news release.

NEITHER THE TSX VENTURE EXCHANGE NOR ITS REGULATION SERVICES PROVIDER (AS THAT TERM IS DEFINED IN THE POLICIES OF THE TSX VENTURE EXCHANGE) ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.

This news release does not constitute an offer to sell or the solicitation of an offer to buy any securities in any jurisdiction.

Cautionary Statement Regarding Forward-Looking Information

This news release contains “forward-looking information” within the meaning of Canadian securities legislation. Forward-looking information generally refers to information about an issuer’s business, capital, or operations that is prospective in nature, and includes future-oriented financial information about the issuer’s prospective financial performance or financial position.

The forward-looking information in this news release includes disclosure about the terms of the Proposed Transaction, the proposed structure of the Proposed Transaction and Xebra’s business operations, prospects and expansion plans.

The Company and Xebra made certain material assumptions, including but not limited to: prevailing market conditions; general business, economic, competitive, political and social uncertainties; delay or failure to receive board, shareholder or regulatory approvals; and the ability of the Resulting Issuer to execute and achieve its business objectives, to develop the forward-looking information in this news release. There can be no assurance that such 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 forward-looking statements. Actual results may vary from the forward-looking information in this news release due to certain material risk factors. These risk factors include, but are not limited to: adverse market conditions; the inability of the Company or Xebra to complete the Proposed Transaction on the terms disclosed in this news release, or at all; refusal of the proposed directors or officers to act for any reason, including conflicts of interest; reliance on key and qualified personnel; regulatory and other risks associated with the cannabis industry in general, as well as those risk factors discussed or referred to in disclosure documents filed by the Company with the securities regulatory authorities in certain provinces of Canada and available at www.sedar.com. The foregoing list of material risk factors and assumptions is not exhaustive. Should any factor affect the Company in an unexpected manner, or should assumptions underlying the forward looking information prove incorrect, the actual results or events may differ materially from the results or events predicted. Any such forward-looking information is expressly qualified in its entirety by this cautionary statement. Moreover, the Company does not assume responsibility for the accuracy or completeness of such forward-looking information. The forward-looking information included in this news release is made as of the date of this news release and the Company undertakes no obligation to publicly update or revise any forward-looking information, other than as required by applicable law.

The securities referred to in this news release have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons absent U.S. registration or an applicable exemption from the U.S. registration requirements. This news release does not constitute an offer for sale of securities, nor a solicitation for offers to buy any securities. Any public offering of securities in the United States must be made by means of a prospectus containing detailed information about the company and management, as well as financial statements.