September 24, 2019

Jushi Holdings Inc. Announces Closing of Acquisition of Virginia-Based Pharmaceutical Processor for Medical Cannabis Extracts

Acquisition of membership interests in Dalitso LLC secures Jushi's ownership of one of five conditionally approved applicants in Virginia

License approval to operate in the northeast region of Virginia covers approximately 28.2% of the state's total population

BOCA RATON, Fla., Sept. 24, 2019 /CNW/ --Jushi Holdings Inc. **("Jushi" or the "Company") (NEO: JUSH.B) (OTCQX: JUSHF),** a globally-focused, multi-state cannabis and hemp operator, today announced the closing of the Company's previously announced acquisition of the majority of the membership interests in Dalitso LLC ("Dalitso"), a Virginia-based pharmaceutical processor for medical cannabis extracts.

Dalitso is currently one of only five applicants to receive conditional approval for a permit issued by the Virginia Board of Pharmacy to cultivate and process medical cannabis, and to dispense and deliver CBD oil and THC-A oil extracts in Virginia. Dalitso's conditional approval is for the northeast region of Virginia, covering approximately 28.2% of the state's total population. The Company is developing a facility in Prince William County, near the City of Manassas.

Jim Cacioppo, Jushi CEO and Chairman, commented, "I am proud of the Jushi team and want to thank Farzana Kennedy and the Dalitso team for working to close the transaction in short order. The Commonwealth and region in which we have received our conditional approval to operate falls in line with our strategy to enter limited license states and jurisdictions on the east and west coast. Additionally, we look forward to working with Farzana and her team to provide high-quality medical cannabis products to North Virginia patients and allowing for a better and healthier quality of life."

Farzana Kennedy, RPh, FACA, President of Dalitso commented, "I am thrilled to partner with Jushi's management team, who is equipped with the operational expertise to build the premier medical cannabis company in the Commonwealth of Virginia."

With a population of 8.5 million according to the U.S. Census Bureau, Virginia expanded its medical cannabis program in 2018, enabling more residents than ever before to purchase medical cannabis in a variety of formulas. Dalitso has received conditional approval to operate within the Virginia Board of Pharmacy-designated Health Service Area II, which includes two of Virginia's most densely populated counties, Fairfax and Prince William, with 2.4 million people or 28.2% of the state's total population according to World Population

Review.

As previously announced, the aggregate purchase price for the approximately 62% of the membership interests in Dalitso is approximately US$16 million, subject to working capital and other customary adjustments. The purchase price is payable as follows:

- US$7.8 million in cash;
- US$4.2 million in Subordinate Voting Shares of the Company ("Shares") issued at an indicative price of US$2.00 or CAD$2.65 per Share;
- approximately 1 million warrants to purchase Shares at a purchase price of US$3.00 per Share, expiring two years from issuance (together with the Shares, the "Equity Consideration"); and
- US$4.0 million in promissory notes comprised of (i) US$2.7 million in 6% secured notes issued to the sellers maturing after 24 months and convertible at the option of the holders on or prior to the maturity date into Shares at a conversion price of US$6.00 per Share, and (ii) US$1.3 million in 9% unsecured notes issued to certain sellers maturing after 24 months.

The Equity Consideration shall be issued subject to certain escrow provisions. As part of the transactions, the Company will also lend up to US$15 million to Dalitso in a 9% secured note to support the continued buildout, equipment purchases and other working capital needs ("Working Capital Facility"). The Working Capital Facility shall mature 48-months from issuance and shall be paid with Dalitso's operating cash flow.

About Jushi Holdings Inc.
We are a globally-focused cannabis and hemp company led by an industry leading management team. In the United States Jushi is focused on building a multi-state portfolio of branded cannabis and hemp-derived assets through opportunistic acquisitions, distressed work-outs and competitive applications. Jushi strives to maximize shareholder value while delivering high quality products across all levels of the cannabis and hemp ecosystem. For more information please visit www.jushico.com or our social media channels, Instagram, Facebook, Twitter and LinkedIn.

Forward-Looking Information and Statements
This press release contains certain "forward-looking information" within the meaning of applicable Canadian securities legislation and may also contain statements that may constitute "forward-looking statements" within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995. Such forward-looking information and forward-looking statements are not representative of historical facts or information or current condition, but instead represent only the Company's beliefs regarding future events, plans or objectives, many of which, by their nature, are inherently uncertain and outside of the Company's control. Generally, such forward-looking information or forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or may contain statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "will continue", "will occur" or "will be achieved". The forward-looking information and forward-looking statements contained herein may include, but are not limited to, information concerning the expectations regarding Jushi, or the ability of Jushi to successfully achieve business objectives, and expectations for other

economic, business, and/or competitive factors.

By identifying such information and statements in this manner, the Company is alerting the reader that such information and statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such information and statements. In addition, in connection with the forward-looking information and forward-looking statements contained in this press release, the Company has made certain assumptions. Among the key factors that could cause actual results to differ materially from those projected in the forward-looking information and statements are the following: the ability of Jushi to successfully achieve business objectives, including with regulatory bodies, employees, suppliers, customers and competitors; changes in general economic, business and political conditions, including changes in the financial markets; changes in applicable laws; and compliance with extensive government regulation, as well as other risks and uncertainties which are more fully described in the Company's Filing Statement dated May 31, 2019 and other filings with securities and regulatory authorities which are available at www.sedar.com. Should one or more of these risks, uncertainties or other factors materialize, or should assumptions underlying the forward-looking information or statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected.

Although the Company believes that the assumptions and factors used in preparing, and the expectations contained in, the forward-looking information and statements are reasonable, undue reliance should not be placed on such information and statements, and no assurance or guarantee can be given that such forward-looking information and statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information and statements. The forward-looking information and forward-looking statements contained in this press release are made as of the date of this press release, and the Company does not undertake to update any forward-looking information and/or forward-looking statements that are contained or referenced herein, except in accordance with applicable securities laws. All subsequent written and oral forward-looking information and statements attributable to the Company or persons acting on its behalf is expressly qualified in its entirety by this notice.

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This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

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