

June 11, 2020

iAnthus

iAnthus Provides Update on Timing of Annual Filings and Required Interest Payments

NEW YORK and TORONTO, June 11, 2020 /PRNewswire/ - iAnthus Capital Holdings, Inc. ("iAnthus" or the "Company") (CSE: IAN) (OTCQX: ITHUF), which owns, operates, and partners with regulated cannabis operations across the United States, announced today that the filing of the Company's audited annual financial statements for the year ended December 31, 2019, the related management's discussion and analysis and certificates of its CEO and CFO (collectively, the "Required Filings") with Canadian securities regulators will likely be delayed until after the extended filing deadline of June 15, 2020.

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As previously disclosed, the Company is relying on the general order of the Ontario Securities Commission (the "OSC") made under Ontario Instrument 51-502 entitled "Temporary Exemption from Certain Corporate Finance Requirements" ("OSC Instrument 51-502"), dated March 23, 2020, to postpone the filing of the Required Filings, as a result of logistical issues and delays caused by the COVID-19 pandemic. The OSC and other securities regulatory authorities in Canada have granted coordinated blanket exemptions allowing issuers an additional 45-day period to complete their regulatory filings that were otherwise due during the period from March 23, 2020 to June 1, 2020.

The Company is working diligently to file the Required Filings as soon as feasible. Failure to file the Required Filings by June 15, 2020 may result in the OSC taking action against the Company, including, but not limited to, the issuance of a cease trade order ("CTO") against the Company. If a CTO is issued, the Company expects the CTO to affect trading in all securities of the Company by securityholders of the Company, to apply in each jurisdiction in Canada in which the Company is a reporting issuer and to remain in effect until such time as the Company has made the Required Filings. If the Required Filings are made within 90 days of the date of the CTO, such filings would constitute the Company's application to have the CTO revoked.

Interest Payment Obligations

As of June 11, 2020, the aggregate principal amount of iAnthus' debt obligations total \$159.1 million, including \$97.5 million of 13.0% senior secured convertible debentures (the "Secured Debentures"), \$60.0 million of 8.0% unsecured convertible debentures (the "Unsecured Debentures") and \$1.6 million of other debt obligations. The Company previously

announced on April 6, 2020 that it did not make applicable interest payments on the Secured Debentures and Unsecured Debentures due on March 31, 2020. The Company does not expect to be in a position to make interest payments on the Secured Debentures or Unsecured Debentures due on June 30, 2020.

The Strategic Alternatives Review Process

iAnthus continues to have Canaccord Genuity Corp. engaged as its financial advisor to assist the Special Committee in connection with the previously announced Strategic Alternatives Review Process. The Strategic Alternatives Review Process is ongoing and there can be no assurance as to what, if any, alternative might be pursued by the Company or whether any such alternative would provide any value to the Company's shareholders. In accordance with applicable disclosure requirements, the Company will disclose any further updates with respect to the Strategic Alternatives Review Process if and when they occur.

All references to currency in this news release are in US dollars.

About iAnthus

iAnthus owns and operates licensed cannabis cultivation, processing and dispensary facilities throughout the United States, providing investors diversified exposure to the U.S. regulated cannabis industry. Founded by entrepreneurs with decades of experience in operations, investment banking, corporate finance, law and healthcare services, iAnthus provides a unique combination of capital and hands-on operating and management expertise. iAnthus currently has a presence in 11 states and operates 35 dispensaries (AZ-4, MA-1, MD-3, FL-16, NY-3, CO-1, VT-1 and NM-6 where iAnthus has minority ownership). For more information, visit www.iAnthus.com.

COVID-19 Risk Factor

The Company may be impacted by business interruptions resulting from pandemics and public health emergencies, including those related to COVID-19. An outbreak of infectious disease, a pandemic, or a similar public health threat, such as the recent outbreak of COVID-19, or a fear of any of the foregoing could adversely impact the Company by causing operating, manufacturing, supply chain, and project development delays and disruptions, labor shortages, travel, and shipping disruption and shutdowns (including as a result of government regulation and prevention measures). It is unknown whether and how the Company may be affected if such a pandemic persists for an extended period of time, including as a result of the waiver of regulatory requirements or the implementation of emergency regulations to which the Company is subject. Although the Company has been deemed essential and/or has been permitted to continue operating its facilities in the states in which it cultivates, processes, manufactures, and sells cannabis during the pendency of the COVID-19 pandemic, there is no assurance that the Company's operations will continue to be deemed essential and/or will continue to be permitted to operate. The Company may incur expenses or delays relating to such events outside of its control, which could have a material adverse impact on its business, operating results, financial condition, and the trading price of the Company's common shares.

Forward Looking Statements


Statements in this news release that are forward-looking statements are subject to various risks and uncertainties, including concerning COVID-19 and the specific factors disclosed here and elsewhere in iAnthus' periodic filings with Canadian securities regulators. When used in this news release, words such as "will, could, plan, estimate, expect, intend, may, potential, believe, should, our vision" and similar expressions, are forward-looking statements.

Forward-looking statements may include, without limitation, statements relating to the Company's financial performance, business development and results of operations, the evaluation of strategic alternatives and the potential outcomes of the Strategic Alternatives Review Process, the expectations of management with respect to the anticipated filing of the Required Filings, and related expectations regarding the issuance of, and revocation of, a CTO.

Readers should not place undue reliance on forward-looking statements. The forward-looking statements in this news release are made as of the date of this release. iAnthus disclaims any intention or obligation to update or revise such information, except as required by applicable law, and iAnthus does not assume any liability for disclosure relating to any other company mentioned herein.

The Canadian Securities Exchange has not reviewed, approved or disapproved the content of this news release.

This news release does not constitute an offer to sell or a solicitation of an offer to sell 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 or to U.S. Persons 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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