

September 1, 2020

iAnthus

Leading Independent Proxy Advisory Firms Support iAnthus' Proposed Arrangement Resolution

- *Equityholders are encouraged to vote well in advance of the voting deadline of September 10, 2020 at 11:00 a.m. (Vancouver time)*
- *Equityholders who have questions or need help voting or changing votes that were previously cast can contact Laurel Hill Advisory Group at 1-877-452-7184 (North America), at +1-416-304-0211 (outside North America), or by email at assistance@laurelhill.com*

NEW YORK and TORONTO, Sept. 1, 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, is pleased to announce that Institutional Shareholder Services Inc. ("**ISS**") and Glass Lewis & Co. ("**Glass Lewis**"), have each recommended that iAnthus shareholders vote **FOR** the special resolution (the "**Arrangement Resolution**"), to approve an arrangement (the "**Arrangement**") pursuant to Section 288 of the British Columbia *Business Corporations Act* to effect the Company's previously announced recapitalization transaction (the "**Recapitalization Transaction**").

ISS and Glass Lewis are two leading independent proxy advisory firms who make voting recommendations to their subscribers, including pension funds and large institutional investors.

In reaching its independent recommendation that shareholders vote **FOR** the Arrangement Resolution, ISS noted, among other things, that:

"Approval of this resolution will allow existing shareholders to retain some value by allowing them to retain their shares even after the company defaulted on some of its obligations. The Recapitalization Transaction will reduce the company's total consolidated debt by approximately US\$54.7 million, and its annual cash interest expense will be eliminated. Given the company's extensive strategic review process, lack of alternatives, and weak financial position, the resolution is supported."

Separately, in reaching its recommendation, Glass Lewis noted, among other things, that:

"...we believe that the benefits of undertaking the Recapitalization Transaction by way of an arrangement — where common shareholders can at least retain a portion of the equity in a better-capitalized firm — represents a superior outcome for common shareholders compared to the likely alternative of having to implement the transaction through CCAA Proceedings, which would result in no recovery of value for shareholders."

VOTE FOR THE ARRANGEMENT RESOLUTION TO APPROVE THE RECAPITALIZATION TRANSACTION

If the Recapitalization Transaction is not approved by Equityholders (as defined below), the Recapitalization Transaction will be effected by way of proceedings under the *Companies' Creditors Arrangement Act (Canada)*. In such case, and based on current circumstances, there will be no recovery to you as a shareholder. This could cause you to lose the only opportunity you have to maintain any equity in iAnthus in connection with the Recapitalization Transaction.

To ensure an informed decision is made, Equityholders are encouraged to read the Management Information Circular of the Company dated August 14, 2020 which can be found on the Company's website at: www.ianthus.com/2020-special-meetings and under the Company's SEDAR profile at www.sedar.com.

iAnthus Meeting

The special meeting of the holders of the common shares of the Company (the **Common Shares**), options to purchase Common Shares, and warrants to purchase Common Shares (collectively, the "**Equityholders**"), will be held on Monday, the 14th day of September, 2020 at 11:00 a.m. (Vancouver time).

YOUR VOTE IS IMPORTANT - PLEASE VOTE TODAY

The proxy voting deadline is 11:00 a.m. (Vancouver time) on Thursday, September 10, 2020.

**The Board of Directors of iAnthus UNANIMOUSLY recommends that Equityholders vote
IN FAVOUR of the Arrangement Resolution.**

Shareholder Information and Questions

iAnthus' securityholders who have questions or require voting assistance may contact iAnthus' Proxy Solicitation Agent:

Laurel Hill Advisory Group

North America Toll Free: 1-877-452-7184
Outside North America: 1-416-304-0211
Email: assistance@laurelhill.com

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 36 dispensaries (AZ-4, MA-1, MD-3, FL-16, NY-3, CO-1, VT-1 and NM-7 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 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", "hope", "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 Recapitalization Transaction.

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.

The securities to be issued pursuant to the Restructuring Transaction 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. This news release does not constitute an offer to sell or a solicitation of an offer to buy any securities. "United States" and "U.S. person" are as defined in Regulation S under the U.S. Securities Act.

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