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Ayr Strategies Announces Voting Agreement and Appointment of New Interim Chief Financial Officer

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TORONTO, June 28, 2019 (GLOBE NEWSWIRE) -- Ayr Strategies Inc. (“**Ayr**” or the “**Company**”), a vertically-integrated cannabis multi-state operator (“**MSO**”) with a portfolio of companies in the western and eastern U.S., announced today that its sponsor, Mercer Park CB, L.P. (“**Mercer Park**”), has agreed to contractually limit the voting rights attached to its multiple voting shares of Ayr (the “**Multiple Voting Shares**”) in respect of the election of directors. Subject to the foregoing, Mercer Park retains the right to vote its Multiple Voting Shares on all other matters.

Pursuant to a voting agreement dated June 26, 2019 (the “**Voting Agreement**”), Mercer Park has agreed, subject to certain terms and conditions, not to exercise any voting rights attached to its Multiple Voting Shares in respect of the election of directors during a specified term. The term will expire on the second anniversary, but is subject to early termination in various circumstances, as further described in the Voting Agreement, a copy of which has been filed on www.sedar.com under Ayr’s profile.

The Company further announced that Carmelo Marrelli has stepped down as Chief Financial Officer of the Company, and the Company has appointed Jennifer Drake, the Company’s current Chief Operating Officer, to assume the role of Chief Financial Officer, on an interim basis.

In making the announcement, CEO Jonathan Sandelman stated: “We thank Carmelo for his contributions and for lending his deep expertise in shepherding investment companies and special purpose acquisition corporations (SPACs), with their specialized reporting and accounting requirements, through the transition to operating companies. With the close of our qualifying transaction behind us, the full Ayr team joins me in thanking Carmelo for his many contributions as SPAC CFO. We look forward to continuing to work with Jennifer in her expanded capacity, as she brings her significant financial experience to the Company.”

Carmelo commented: “With the close of our qualifying transaction last month, Ayr has positioned itself as a leading MSO with anchors in the western and eastern U.S. The Company is in strong hands with Jennifer taking over as CFO on an interim basis, and I look

forward to focusing on my next chapter as I continue to assist the finance team at Mercer Park Brand Acquisition Corp. (NEO:BRND.A.U).”

Further, pursuant to share adjustment provisions in the equity purchase agreement with, *inter alia*, The Canopy NV, LLC, dated October 17, 2018, as amended, and as disclosed in Ayr’s final prospectus dated February 15, 2019, Ayr will issue to the sellers an additional 15,360 exchangeable shares of CSAC Acquisition Inc. (the “**Exchangeable Shares**”), a subsidiary of Ayr, which Exchangeable Shares are exchangeable into subordinate voting shares of Ayr on a one-for-one basis, in accordance with their terms.

About Ayr Strategies Inc.

Ayr is a vertically integrated multi-state operator in the U.S. cannabis sector, with an initial anchor portfolio in Massachusetts and Nevada. Through its five operating companies, Ayr is a leading cultivator, manufacturer and retailer of cannabis products and branded cannabis packaged goods. Ayr seeks to create regional clusters in core geographies for future expansion, while pursuing strong organic growth within its existing portfolio.

About Mercer Park CB, L.P.

Mercer Park CB, L.P. is a limited partnership formed under the laws of Delaware that is indirectly controlled by Mercer Park, L.P., which is a privately-held family office based in New York, New York that is controlled by Jonathan Sandelman.

About Mercer Park, L.P.

Mercer Park, L.P., a privately held family-office, is one of the leading investment firms focused on the cannabis sector with extensive experience in identifying and executing acquisitions in the space. Through its extensive relationships—both inside and outside the cannabis industry—Mercer Park, L.P. finds and partners with best-in-class operators to maximize value for its investors. To date Mercer Park, L.P., through its investment vehicles, has raised over \$500 million of capital for investments in cultivation, manufacturing and production, as well as retail, and brands and IP.

Forward-Looking Statements

Certain information contained in this news release may be forward-looking statements within the meaning of applicable securities laws. Forward-looking statements are often, but not always identified by the use of words such as “target”, “expect”, “anticipate”, “believe”, “foresee”, “could”, “estimate”, “goal”, “intend”, “plan”, “seek”, “will”, “may” and “should” and similar expressions or words suggesting future outcomes. This news release includes forward-looking information and statements pertaining to, among other things, Ayr’s future growth plans and its intent to give a notice of early termination of its Warrants, if permitted. Numerous risks and uncertainties could cause the actual events and results to differ materially from the estimates, beliefs and assumptions expressed or implied in the forward-looking statements, including, but not limited to: anticipated strategic, operational and competitive benefits may not be realized; events or series of events may cause business interruptions; required regulatory approvals may not be obtained; acquisitions may not be able to be completed on satisfactory terms or at all; and Ayr may not be able to raise additional capital. Among other things, Ayr has assumed that its businesses will operate as

anticipated, that it will be able to complete acquisitions on reasonable terms, that all required regulatory approvals will be obtained on satisfactory terms, and that it will be able to raise additional capital as required on reasonable terms.

*This press 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 of the United States (“**State**”) securities laws and may not be offered or sold within the United States or to U.S. Persons (as such term is defined in Regulation S under the U.S. Securities Act) 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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