



# iAnthus

Driven to Lead

March 2019  
CNSX: IAN OTCQX: ITHUF

# Disclaimer

## Cautionary Note Regarding Forward-Looking Information

This investor presentation dated February 25, 2019 contains certain “forward-looking information” or “forward-looking statements” as defined under applicable securities laws (collectively, “forward-looking information”) that involve a number of risks and uncertainties. Forward-looking information includes all statements that are predictive in nature or depend on future events or conditions. Forward-looking information can often be identified by forward-looking words such as “will”, “could”, “should”, “may”, “anticipates”, “believes”, “expects”, “plans”, “intends”, “estimates”, “potential”, and similar expressions. Statements regarding the operations, business, financial condition, priorities, ongoing objectives and outlook of iAnthus Capital Holdings, Inc. (“**iAnthus**”), other than statements of historical fact, constitute forward-looking information.

Forward-looking information is not a guarantee of future performance and should not be unduly relied upon. Forward-looking information reflects the analysis of the management of the parties only as of the date hereof, and which by its nature involves numerous assumptions, inherent risks and uncertainties, both general and specific that contribute to the possibility that the predictions and various future events will not occur. The parties do not undertake any obligation to release publicly the results of any revision to the forward-looking information unless otherwise required by applicable law.

This presentation includes forward-looking information relating to:

- the ability of iAnthus to access and service a market of up to 121 million people;
- the projected growth of the U.S. cannabis market to \$1 trillion dollars in 10 years;
- flagship openings and first sales in Staten Island, Miami, Las Vegas, and the distribution of MPX branded products in California;
- the opening of dispensaries in Florida, Massachusetts, Nevada, and New Jersey;
- the occurrence of contemplated regulatory developments including adult use in New Jersey, Massachusetts, Vermont, and New York;
- the growth in the medical and adult-use cannabis industry generally; and
- the growth in the combined company’s market share,

and such is based on current expectations and beliefs concerning future developments and their potential effects on iAnthus.

Although it is believed that the expectations and assumptions made in this presentation are reasonable, there can be no assurance that the forward-looking information included herein will prove to be accurate. Forward-looking information is subject to a number of known and unknown risks and uncertainties (some of which are beyond the control of the parties) and other factors that could cause actual results or performance to be materially different from those expressed or implied by such forward-looking information. Factors that could cause actual results to differ materially from any forward-looking information include, but are not limited to:

- slower than projected growth in the U.S. cannabis market;
- unanticipated delays with respect to opening of dispensaries in targeted states;
- the business of iAnthus not being integrated successfully or such integration proving more difficult, time consuming or more costly than expected;
- capital requirements;
- delays in obtaining or inability to obtain additional financing, if required, on commercially suitable terms; and
- changes in national, state and local government legislation in the United States or any other country in which iAnthus, may in the future, carry on business.

# Disclaimer (cont'd)

## **Cautionary Note Regarding Forward-Looking Information (cont'd)**

These factors are not intended to represent a complete list of the general or specific factors that could affect iAnthus. Further details on key risks can be found in iAnthus' disclosure documents filed with securities regulators and available at [www.sedar.com](http://www.sedar.com), including its short form prospectus dated October 3, 2018 and its Annual Information Form for the year ended December 31, 2017.

## **Market and Industry Data**

This presentation includes market and industry data that has been obtained from third party sources, including industry publications. The parties believe that the industry data is accurate and that the estimates and assumptions are reasonable, but there is no assurance as to the accuracy or completeness of the data. Third party sources generally state that the information contained therein has been obtained from sources believed to be reliable, but there is no assurance as to the accuracy or completeness of included information. Although the data is believed to be reliable, the parties have not independently verified any of the data from third party sources referred to in this presentation or ascertained the underlying economic assumptions relied upon by such sources.

## **Securities Laws**

This presentation is for informational purposes and does not constitute an offer or a solicitation of an offer to purchase the securities referred to herein. The shares of iAnthus have not been and will not be registered under the United States Securities Act of 1933, as amended.



# The iAnthus Opportunity

**Eleven States**

**121 Million Potential  
Customers**

**63 Dispensaries**

**593,000 sq. ft. of  
Cultivation Space**

**US\$1.3 Billion Fully Diluted  
Market Cap**

# Driven to Lead



## Top Tier Size and Scale

- Operational scale in high growth markets
- 11 states, allowing for up to 63 dispensaries
- Addressable market of 121 million people



## Huge Growth Opportunity

- National footprint taking shape with two super-regional platforms
- Accelerating momentum and transformation for the combined entity
- Funded for growth with ~C\$26 million in cash



## Leading Capital Markets and M&A Position

- Continued M&A leadership with 18 transactions in the last 28 months
- Proven access to capital markets to finance continuous expansion
- Focus on cost of capital



## Proven Management

- Proven world-class management team with deep experience in operations, capital markets, and regulated business



# Three Keys to Success in U.S. Cannabis

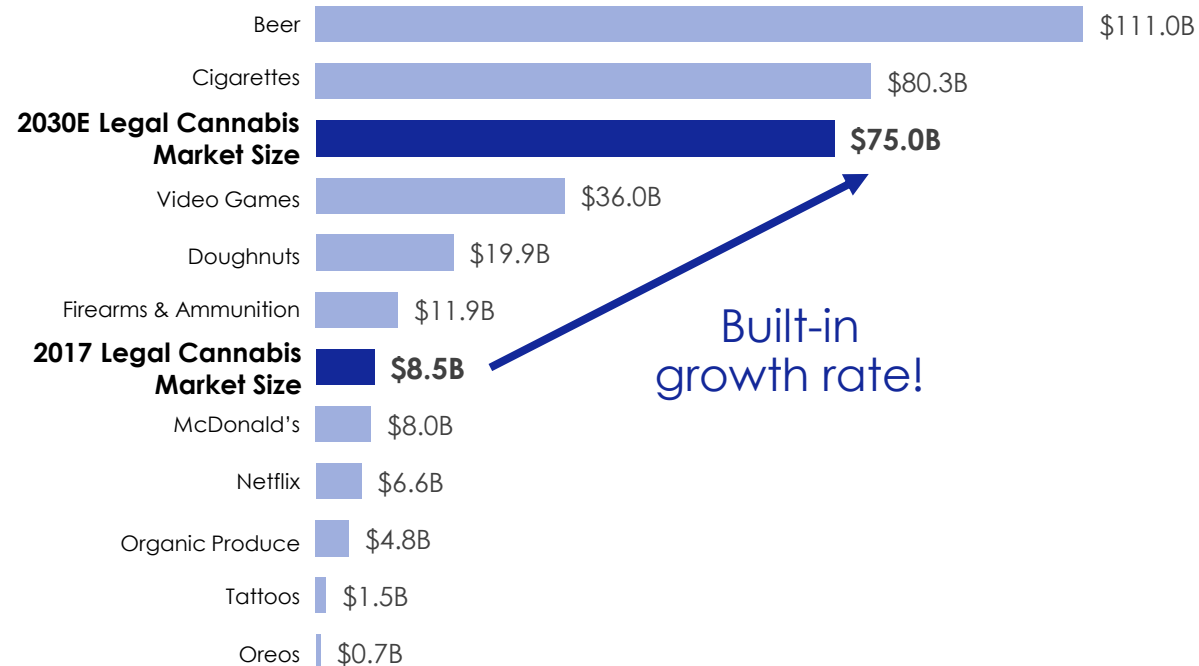
**Ability to  
acquire footprint**

**Ability to fund  
your growth**

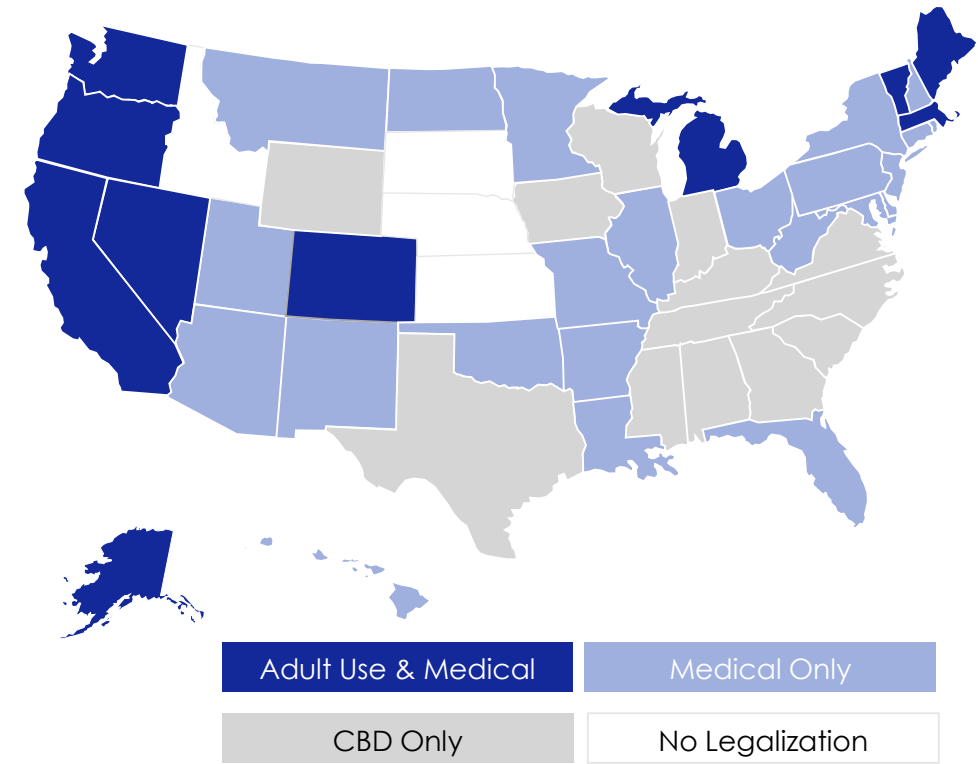
**A team that  
can replicate**

# U.S. Market: Large, Proven and Growing

Cannabis is poised to surpass many prominent U.S. industries<sup>1</sup>



92% of all states have some form of legalized cannabis<sup>2</sup>



**NOTES**

- 1) 2018 Marijuana Business Daily; Cowen Research; Arcview Market Research / BDS Analytics
- 2) Ackrell Capital 2018 Cannabis Investment Report

# A Trillion Dollars of Value?

U.S. cannabis usage will look a lot like U.S. alcohol usage over time

## Cannabis Today

11% usage

\$55 billion market size

Branded product  
companies trade at  
5x revenues

## Cannabis in 10 Years

55% usage

\$200+ billion market size

**\$1 trillion of  
market value!**

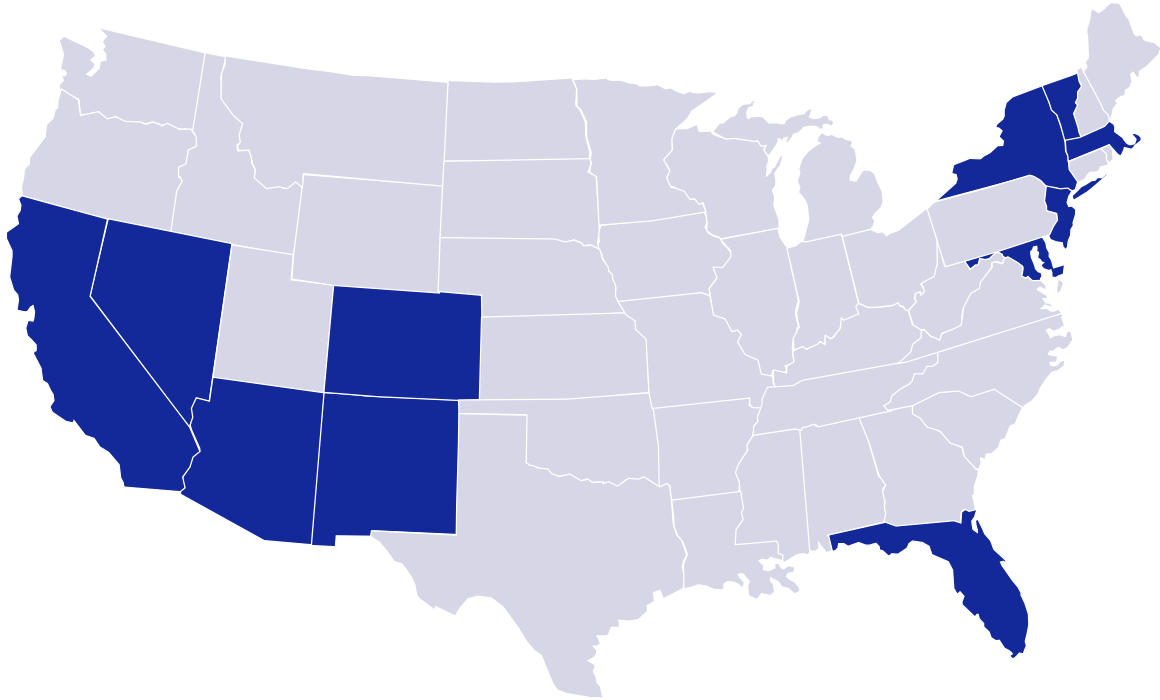


# National Scale Matters

In most industries the national players control 80% of the market, or in a \$1 trillion market, \$800 billion of value

## West Coast Footprint / 2019E Market Size (\$mm)<sup>1</sup>

|                           |         |
|---------------------------|---------|
| — Arizona                 | \$786   |
| — California <sup>2</sup> | \$5,000 |
| — Colorado <sup>3</sup>   | \$1,900 |
| — Nevada                  | \$457   |
| — New Mexico <sup>4</sup> | \$231   |



## East Coast Footprint / 2019E Market Size (\$mm)<sup>1</sup>

|              |       |
|--------------|-------|
| — Florida    | \$768 |
| — Maryland   | \$108 |
| — Mass.      | \$604 |
| — New Jersey | \$157 |
| — New York   | \$309 |
| — Vermont    | \$29  |

**11 U.S. states<sup>5</sup>, 121 million people and over \$10 billion 2019 market size**

**NOTES**

1) 2019 market sizes from ArcView market research  
 2) In July 2018, prior to the acquisition, MPX entered into an agreement to produce MPX branded concentrates for distribution in California  
 3) iAnthus is 100% owner of key Organix assets in Colorado  
 4) iAnthus has a 25% ownership in Reynold Greenleaf & Associates in New Mexico  
 5) Excludes states with pending applications

# M&A Leadership

In order to build a national footprint, a company must have M&A expertise

**Strong heritage of M&A**

**Largest public to public merger in the U.S.**

**18 transactions in total**

**11 transactions since January 2018**

# Capital Markets Leadership

To be a strong competitor a company must be able to raise money to fund the growth of a national footprint

C\$331 million raised to date

30,000+ shareholders globally

Leading private investor sponsorship  
with Gotham Green

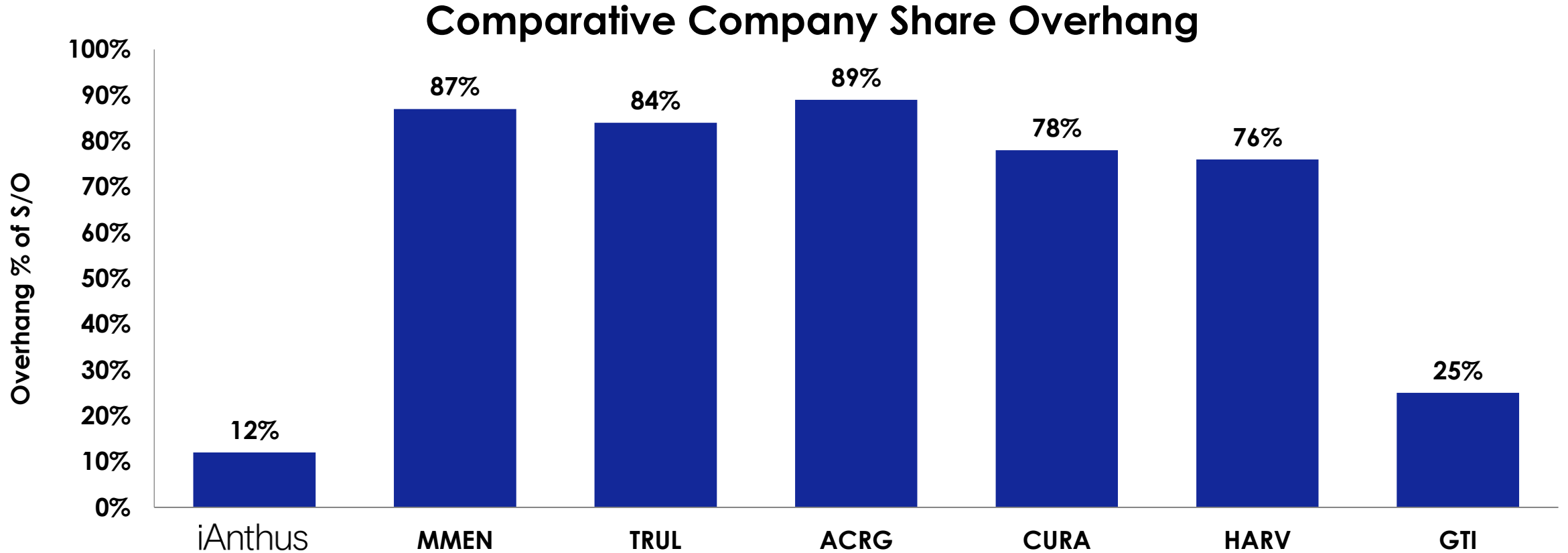
Covered by nine research analysts

Leading liquidity in shares traded  
and as a % of market capitalization



# Built to be Public

iAnthus was born a public company and has a large, seasoned public float



NOTES

Source: Alpert, B. "U.S. Marijuana Stocks: You've Got to Be High to Buy Them." *Barron's*. February 15, 2019.

# Experienced and Proven Management

## Finance and Capital Markets



**HADLEY FORD**  
Chief Executive Officer



**JULIUS KALCEVICH**  
Chief Financial Officer

## Regulatory and Strategy



**RANDY MASLOW**  
President



**BETH STAVOLA**  
Chief Strategy Officer



**DR. RICHARD BOXER**  
Chief Medical Officer

## Operations and Project Development



**PAT TIERNAN**  
Executive Vice President of Operations

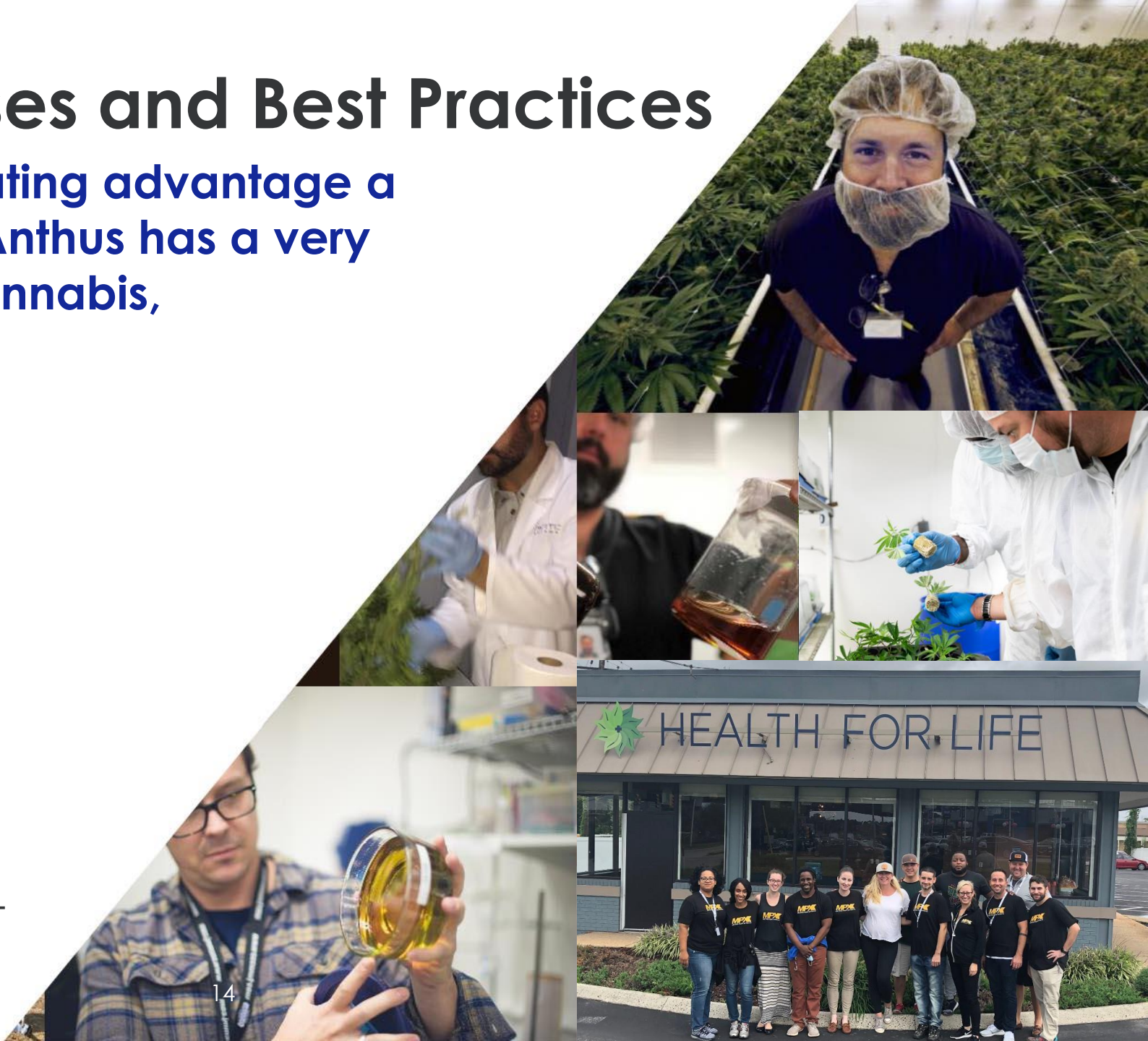


**JOHN HENDERSON**  
Pres., Eastern Region

# Replicating Processes and Best Practices

The only long-term differentiating advantage a company has is its people. iAnthus has a very experienced team across cannabis, retail and operations

- Best practices
- Six Sigma
- MBO
- ERP
- Accounting
- Repeat, Repeat, Repeat



# Proven Ability to Scale Quickly

## iAnthus 2017<sup>1</sup>

## iAnthus Today<sup>1</sup>

— 4 states

2.8x

— 11 states

— 12 dispensaries

5.1x

— 63 dispensaries

— 6 cultivation / processing

2.5x

— 15 cultivation / processing

— 40 employees

11.3x

— 450 employees

— <C\$1 million run rate<sup>2</sup>

85.0x

— C\$85 million run rate<sup>3</sup>

— Assets: C\$41 million<sup>2</sup>

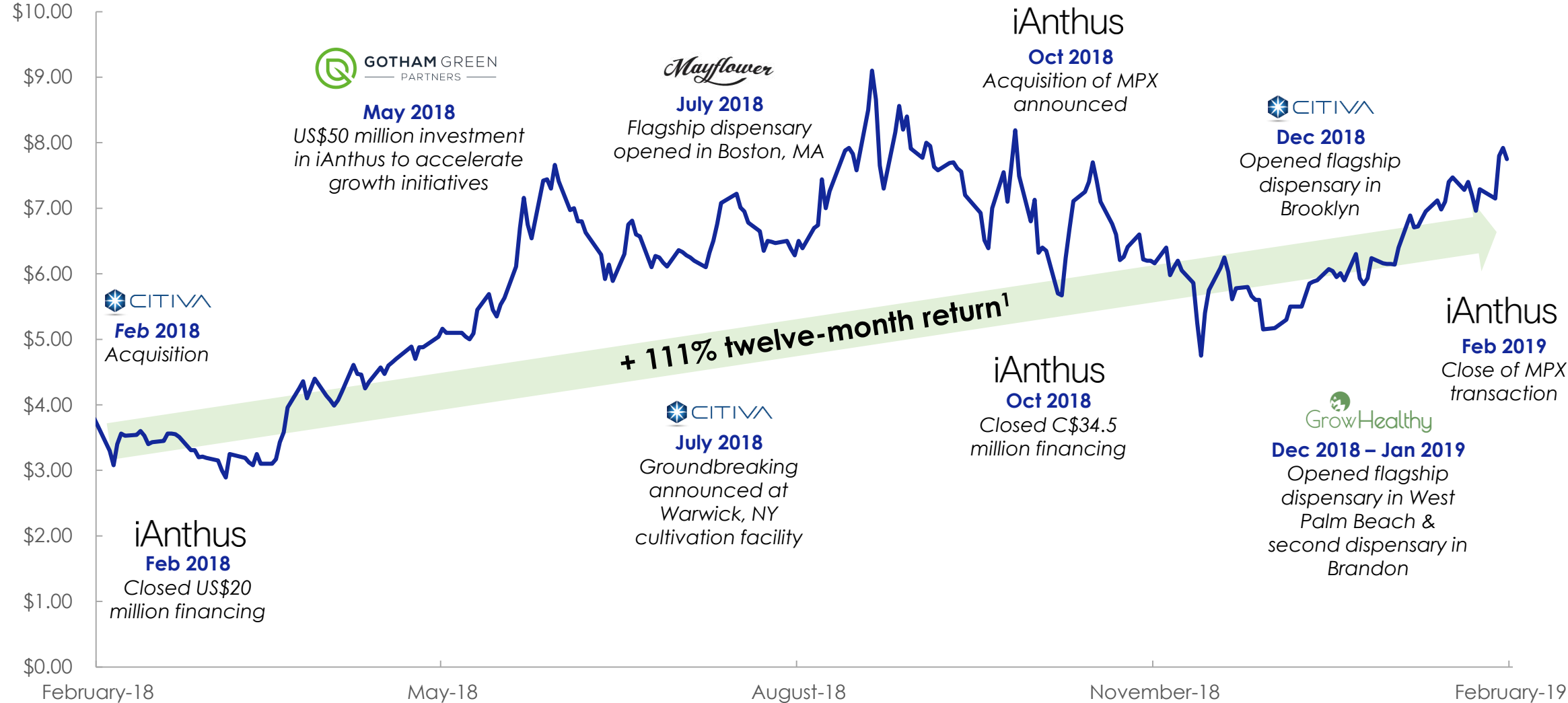
10.0x

— Assets: C\$412 million<sup>2</sup>

**NOTES**

1) Dispensary and cultivation / processing numbers reflect allowable build-out based on state licenses  
 2) 2017 figures reflect iAnthus September 30, 2017 financial filings; current figure reflects combination of iAnthus and MPX September 30, 2018 financial filings  
 3) Run rate for January 2019

# Leadership and Execution Have Been Rewarded



**NOTES**

1) Stock prices from February 23, 2018 through February 22, 2019



An aerial photograph of a city, likely New York City, showing a dense grid of streets and buildings. A large body of water, the Hudson River, is visible on the right side, with a bridge crossing it. The image is cut off on the right side, creating a triangular shape.

# Strategic “Blocking and Tackling” in 2019

**Geographic  
Expansion**

**Continued Capital  
Markets and M&A  
Leadership**

**Replicate Processes  
and Best Practices**

**100 Year Brands**

# Watch Your Ticker...

## Multiple Catalysts Through 2019



### Flagship Openings / First Sales

- Staten Island
- Miami
- Las Vegas
- MPX branded products in California



### Dispensaries

- Florida: 18 leases signed, over 45,000 sq. ft. of floor space
- Massachusetts: five dispensary openings
- New York: three dispensary openings
- Nevada: two dispensary openings
- New Jersey: two dispensary openings



### Regulatory and Application Outlook

- Adult use in New Jersey, Massachusetts, Vermont and New York
- Adult use ballot initiative in Arizona and New Mexico
- Recent wins in New Jersey and Nevada

# ...And Potential Political Drivers in 2019

## Departure of Both Sessions

— Two of Washington's harshest marijuana critics, Jeff and Pete Sessions, were ousted during midterm elections

## Democrats take House Majority

— Democrats will have the ability to advance cannabis friendly legislation such as the STATES Act

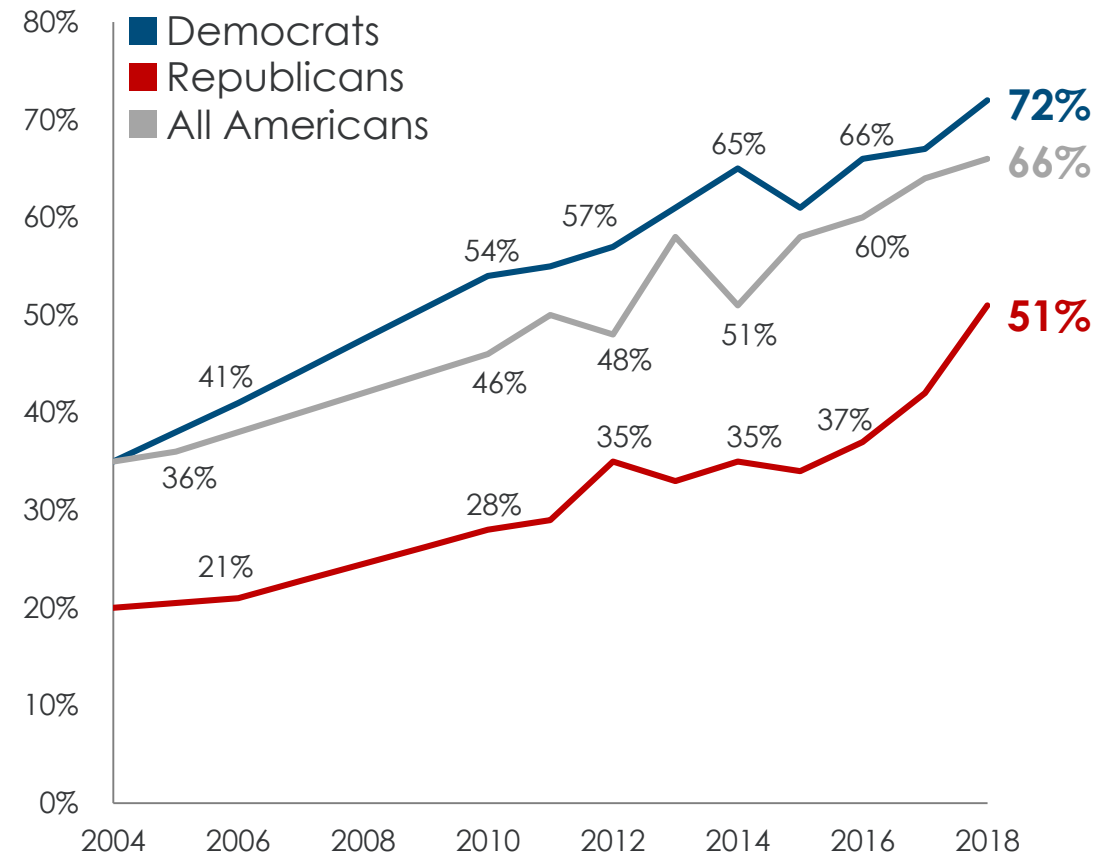
## Farm Bill

— Signed into law December 2018 - legalized hemp and took CBD off the controlled substances list

## East Coast Momentum

— Full legalization continues to be a hot topic in both New Jersey and New York

## Marijuana Support at All-Time Highs<sup>1</sup>

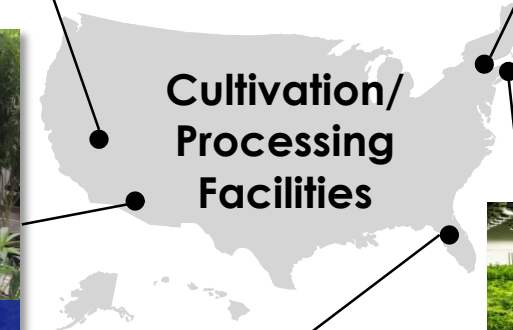


### NOTES

1) Data from Gallup, Inc. polling

# A Leader in Cultivation and Processing

| State                   | Current <sup>1</sup><br>sq. ft. | Expansion<br>sq. ft. | Total<br>sq. ft. |
|-------------------------|---------------------------------|----------------------|------------------|
| Arizona                 | 32,800                          | --                   | <b>32,800</b>    |
| Colorado <sup>2</sup>   | 5,900                           | --                   | <b>5,900</b>     |
| Florida <sup>3</sup>    | 25,000                          | 218,600              | <b>243,600</b>   |
| Maryland                | 3,200                           | --                   | <b>3,200</b>     |
| Massachusetts           | 36,000                          | 20,500               | <b>56,500</b>    |
| Nevada                  | 21,000                          | 11,800               | <b>32,800</b>    |
| New Jersey              | --                              | 40,000               | <b>40,000</b>    |
| New Mexico <sup>4</sup> | 32,000                          | 15,000               | <b>47,000</b>    |
| New York                | 49,700                          | 75,300               | <b>125,000</b>   |
| Vermont                 | 6,500                           | --                   | <b>6,500</b>     |
| <b>Total</b>            | <b>212,100</b>                  | <b>381,200</b>       | <b>593,300</b>   |



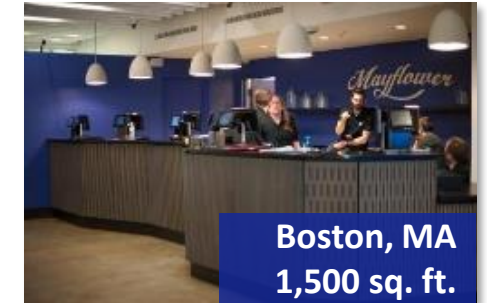
## NOTES

- 1) Currently operational or under construction
- 2) iAnthus is 100% owner of key Organix assets in Colorado
- 3) Expansion plans include a one-acre greenhouse

- 4) iAnthus has a 25% ownership in Reynold Greenleaf & Associates in New Mexico
- 5) Artistic rendering

# Prime Retail Locations Should Drive Revenues

| State         | Currently Open | By CY 2019 YE |
|---------------|----------------|---------------|
| Arizona       | 4              | 4             |
| Colorado      | 1              | 1             |
| Florida       | 3              | 20            |
| Maryland      | 3              | 3             |
| Massachusetts | 1              | 6             |
| Nevada        | -              | 2             |
| New Jersey    | -              | 2             |
| New Mexico    | 6              | 6             |
| New York      | 2              | 4             |
| Vermont       | 1              | 2             |
| <b>Total</b>  | <b>21</b>      | <b>50</b>     |



# One Company, One Brand Strategy



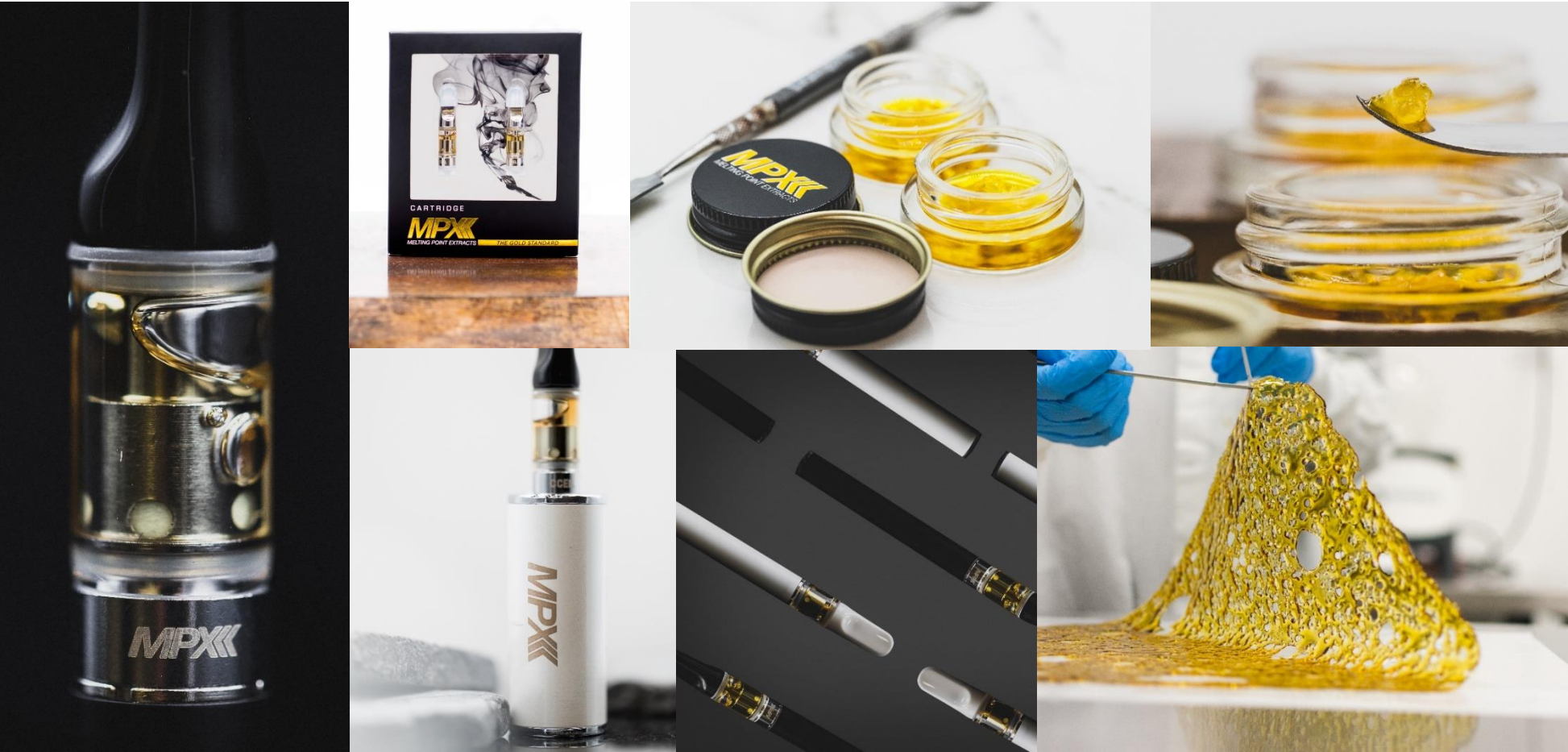
From many retail brands, one: Create a focused brand approach

Single National **Retail** Brand

Leading National **Product** Brands

Build brands that will define the category and last 100 years

# MPX: Award Winning Brand with Proven Distribution



**HIGH TIMES**

High Times Best THC Cartridges of 2018

**Leafly**

Leafly's Faves 2018: Brands

90+ Wholesale Partners Across Three States

# Best Odds at the Starting Line?

|                                | iAnthus                      | GTI MedMen Harvest<br>Curaleaf Acreage<br><small>(Group Average, where available)</small> |
|--------------------------------|------------------------------|---|
| States                         | 11 States                    | 12 States   |
| Dispensaries                   | 63 Dispensaries              | 73 Dispensaries   |
| Cultivation / Processing       | 15 Facilities                | 14 Facilities   |
| Jan – Sept 2018 Revenue        | ~C\$39 million               | ~C\$56 million  |
| Pro Forma / Average Market Cap | ~C\$1.8 billion <sup>1</sup> | ~C\$3.6 billion <sup>1</sup>  |

**Significant valuation mismatch**



**51% Discount**

**NOTES**

1) Share prices as of February 22, 2019



# Driven to Lead



## Top Tier Size and Scale

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## Huge Growth Opportunity

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## Leading Capital Markets and M&A Position

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## Proven Management

- Proven world-class management team with deep experience in operations, capital markets, and regulated business

A collection of cannabis leaves and buds is scattered across the top half of the image. The leaves are in various shades of green and purple, with some showing serrated edges. The buds are small, green, and covered in trichomes. The background is a plain, light grey color.

# Contact Information

A dark, hazy city skyline is visible in the background, featuring several tall buildings. The One World Trade Center is prominent on the left side. The sky is overcast and grey.

## iAnthus

iAnthus Investor Relations | 416.428.3533 | [investors@ianthuscapital.com](mailto:investors@ianthuscapital.com)

# Appendix



# Cap Table

## iAnthus

### Capital Structure

#### **Basic Shares Outstanding:**

|                                       |             |              |
|---------------------------------------|-------------|--------------|
| Common Shares (Voting)                | (mm)        | 134.6        |
| Common Shares (Non-Voting)            | (mm)        | 15.4         |
| <b>Total Basic Shares Outstanding</b> | <b>(mm)</b> | <b>150.1</b> |

#### **Dilutive Securities:**

|                                  |             |             |
|----------------------------------|-------------|-------------|
| Options                          | (mm)        | 13.1        |
| Warrants                         | (mm)        | 36.7        |
| Convertible Securities           | (mm)        | 26.2        |
| <b>Total Dilutive Securities</b> | <b>(mm)</b> | <b>75.9</b> |

**Total Fully Diluted Shares O/S** (mm) **225.9**