

November 18, 2016



## **iAnthus Announces Closing of \$20 Million Bought Deal Offering and \$1.5 Million Non-Brokered Private Placement**

TORONTO, ON and NEW YORK, NY--(Marketwired - November 18, 2016) -

THIS NEWS RELEASE IS INTENDED FOR DISTRIBUTION IN CANADA ONLY AND IS NOT INTENDED FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR DISSEMINATION IN THE UNITED STATES

iAnthus Capital Holdings, Inc., (CSE: IAN) ("iAnthus" or the "Company"), is pleased to announce that it closed its previously announced offering of 9,525,000 units of the Company (the "Units") at a price of \$2.10 per Unit (the "Offering Price") for aggregate gross proceeds to the Company of \$20,002,500 (the "Bought Deal Offering"). The Bought Deal Offering was completed by a syndicate of underwriters led by Canaccord Genuity Corp., as lead underwriter and sole bookrunner, and including Beacon Securities Limited (together, the "Underwriters").

Each Unit is comprised of one common share of the Company (a "Common Share") and one-half of one Common Share purchase warrant (each whole Common Share purchase warrant, a "Warrant"). Each Warrant is exercisable to acquire one Common Share (a "Warrant Share") until November 18, 2018 at an exercise price of \$3.00 per Warrant Share, subject to adjustment in certain events. The Warrants are subject to a 30-day forced exercise provision if the Company's daily volume weighted average share price is greater than \$4.00 for 15 consecutive trading days.

The Units in the Bought Deal Offering were offered and sold by way of a short form prospectus filed in each of the provinces of Canada, excluding the province of Québec.

The Company also announces the closing of its previously announced non-brokered private placement of 715,520 Units at the Offering Price per Unit for aggregate gross proceeds to iAnthus of \$1,502,592 (the "Private Placement"). The Underwriters were not involved, directly or indirectly, in the offer and sale of the Units pursuant to the Private Placement.

The Units issued pursuant to the Private Placement are subject to a statutory hold period lasting until March 19, 2017.

One director of the Company participated in the Bought Deal Offering and was issued 70,000 Units. Another director of the Company participated in the Private Placement and was issued 63,000 Units. Such participation constituted a "related party transaction" within Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("MI 61-101"). The issuance to the insiders is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as the fair market value of the

Units issued to, or the consideration paid by such persons, did not exceed 25% of the Company's market capitalization.

The Company intends to use the net proceeds from the Bought Deal Offering and Private Placement for working capital and general corporate purposes.

The securities issued pursuant to the Bought Deal Offering and Private Placement have not been, and will not be, registered under the United States *Securities Act of 1933*, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons absent registration or an applicable exemption from the registration requirements. This news release will not constitute an offer to sell or the solicitation of an offer to buy nor will there be any sale of the securities in any State in which such offer, solicitation or sale would be unlawful.

### **About iAnthus Capital Holdings**

iAnthus Capital Holdings, Inc., through its 100% owned subsidiary, iAnthus Capital Management, LLC, delivers a comprehensive solution for financing and managing licensed cannabis cultivators, processors and dispensaries throughout the United States. Founded by entrepreneurs with decades of experience in investment banking, corporate finance, law and healthcare services, iAnthus provides a unique combination of capital and hands-on operating and management expertise. The Company harnesses these skills to support a diversified portfolio of cannabis industry investments for our shareholders, including direct equity investments in for-profit license holders and lending facilities coupled with management services to not-for-profit license holders. For more information, visit [www.ianthuscapital.com](http://www.ianthuscapital.com).

### **Forward Looking Statements**

Statements in this news release that are forward-looking statements are subject to various risks and uncertainties concerning 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," and similar expressions, are forward-looking statements.

Forward-looking statements may include, without limitation, statements including the anticipated use of proceeds and other statements of fact.

Although iAnthus has attempted to identify important factors that could cause actual results, performance or achievements to differ materially from those contained in the forward-looking statements, there can be other factors that cause results, performance or achievements not to be as anticipated, estimated or intended, including, but not limited to: dependence on obtaining regulatory approvals; investing in target companies or projects which have limited or no operating history and are engaged in activities currently considered illegal under US Federal laws; change in laws; limited operating history; reliance on management; requirements for additional financing; competition; hindering market growth and state adoption due to inconsistent public opinion and perception of the medical-use and adult-use marijuana industry and; regulatory or political change.

There can be no assurance that such information will prove to be accurate or that

management's expectations or estimates of future developments, circumstances or results will materialize. As a result of these risks and uncertainties, the results or events predicted in these forward-looking statements may differ materially from actual results or events.

Accordingly, 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.**

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