

October 30, 2017



iAnthus Sets Size of Financing

Subsequently limits total offering, excluding overallotment, to \$15.0 million

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NEW YORK, NY and TORONTO, ON--(Marketwired - October 30, 2017) -iAnthus Capital Holdings, Inc. ("iAnthus" or "the Company"), (CSE: IAN) (OTCQB: ITHUF), which owns, operates, and partners with licensed cannabis operations throughout the United States, is pleased to announce that it has set the size of its proposed private placement (the "Private Placement") of common shares of the Company. Pursuant to the terms of the Private Placement, the Company is proposing to issue up to \$4.6 million of common shares at an issue price of \$1.70 per share. This amount is due to overwhelming investor demand as the Company originally anticipated that the Private Placement would be for gross proceeds of up to \$3.5 million.

As indicated in the Company's news release issued on October 26, 2017 (the "October NR"), the Company is proposing to complete the Private Placement concurrently with a proposed best efforts, public offering of common shares of the Company (the "Public Offering"). The Public Offering is being completed through a syndicate of agents led by Canaccord Genuity Corp. and including Beacon Securities Limited, Cormark Securities Inc., Echelon Wealth Partners Inc., and Haywood Securities Inc. (collectively, the "Agents"). Pursuant to the Public Offering, iAnthus is proposing to issue up to \$10.5 million of common shares of the Company at an issue price of \$1.70 per share.

In addition, the Company has granted the Agents an option, exercisable for a period of 30 days following the closing of the Offering, to arrange for the sale of up to an additional 15% of the common shares sold under the Public Offering for market stabilization purposes (the "Overallotment Option"). If the Agents exercise the Overallotment Option in full and both the Private Placement and the Public Offering are fully subscribed, the aggregate gross proceeds of the Public Offering and the Private Placement will be approximately \$16.6 million.

The common shares issued pursuant to the Private Placement will be subject to a Canadian hold period of four months and one day from the date of issuance. The Agents are not involved, directly or indirectly, in the issuance, offer and sale of the common shares being distributed under the Private Placement.

Proceeds from the Private Placement are expected to be used in part to close the Company's transaction with Citiva Medical LLC and Citiva, LLC (the "Citiva Transaction"), and to assist with the funding of the proposed Brooklyn and Staten Island dispensaries and the associated cultivation and processing facility being built by Citiva. The Citiva Transaction remains subject to the execution and delivery of definitive documentation.

The Private Placement and the Public Offering remain subject to customary closing conditions, including regulatory approvals.

A copy of the amended and restated preliminary prospectus for the Public Offering is available under the Company's SEDAR profile at www.sedar.com. There will not be any sale or any acceptance of an offer to buy the securities issued thereunder until a receipt for the final prospectus in respect of the Public Offering has been issued.

The securities being offered have not been, nor will they 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, Inc.

iAnthus Capital Holdings, Inc. provides investors diversified exposure to best-in-class licensed cannabis cultivators, processors and dispensaries throughout the United States. 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. The Company harnesses these skills to support operations across five states. For more information, visit 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 statements related to the Private Placement, the Public Offering and the Citiva Transaction.

Forward-looking statements may include, without limitation, statements relating to the completion of the proposed Private Placement, Public Offering and the Citiva Transaction, the proposed use of proceeds for the Private Placement and the Public Offering, 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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