

July 16, 2018



iAnthus Announces Conversion of C\$20 Million Debentures

NEW YORK and TORONTO, July 16, 2018 /PRNewswire/ - 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 the Company has elected to exercise its right under the indenture dated February 28, 2017, as supplemented by the first supplemental indenture dated August 16, 2017 (together, the "Indenture"), governing the Company's 8.0% unsecured convertible debentures due February 28, 2019 (the "Debentures") to convert (the "Conversion") all of the principal amount outstanding of the Debentures and unpaid accrued interest thereon up to July 13, 2018 into common shares of the Company (the "Common Shares"). Pursuant to the terms of the Indenture, the Company may force the conversion of the Debentures at the conversion price of C\$3.10 per Common Share when the volume weighted average ("VWAP") trading price of the Common shares on the Canadian Securities Exchange (the "Exchange") for 10 consecutive trading days equals or exceeds C\$4.50.



The Common Shares have closed at a price higher than C\$4.50 for every trading day since May 7, 2018. As of the close of market on July 13, 2018, the VWAP of the Common Shares on the Exchange for the previous 10 consecutive trading days equals C\$6.39. The Conversion is scheduled to be effective August 16, 2018.

Pursuant to the terms of the Indenture, the directors of the Company have determined that on the Conversion, holders of Debentures will receive, for each C\$1,000 amount of Debentures and outstanding interest thereon, approximately 322 Common Shares. Therefore, on August 16, 2018, the estimated remaining total of C\$2,671,487 of Debentures and interest thereon outstanding will be converted into approximately 861,770 Common Shares. The Company has provided the holders of the Debentures 30 days advance written notice of its intent to exercise the Conversion.

About iAnthus Capital Holdings, Inc.

iAnthus Capital Holdings, Inc. owns and operates best-in-class 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 health care services, iAnthus provides a unique combination of capital and hands-on operating and management expertise. The Company uses these skills to support operations across six

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 the actual date of the Conversion.

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.

This news release does not constitute an offer to sell or a solicitation of an offer to sell 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 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.

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