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iAnthus

iAnthus Highlights Cultivation Expansion and Dispensary Plans in Operational Update for GrowHealthy

NEW YORK and TORONTO, Aug. 15, 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 provide the following summary of updates to inform shareholders and stakeholders of developments and achievements at GrowHealthy, the Company's Florida medical marijuana operation that was acquired earlier this year.



"As we prepare to open the first of our Florida dispensaries, we have made significant investments to upgrade our Lake Wales cultivation facility to quickly scale production and meet the expected demand," said Carlos Perea, Chief Operating Officer at iAnthus. "This expansion puts GrowHealthy in an excellent position to capitalize on the explosive growth in the Florida medical marijuana market and become one of the state's preeminent providers of medicinal cannabis products."

Market Highlights:

- Since the implementation of a medical cannabis program in June 2017, the Florida market continues to show strong growth. As of July 20, 2018, the program has registered 138,558 patients and 1,572 qualified physicians, representing ~727% and ~92% growth, respectively. The program is adding approximately 10,000 patients and 60 physicians per month;
- Florida is now the fourth largest medical market in the U.S. in terms of patients, surpassed only by California, Michigan and Arizona. The respective medical programs in California, Michigan and Arizona were implemented in 1996, 2008 and 2010, whereas Florida's program began in 2017.

Dispensary Momentum:

- 7 leases have been signed to-date, with 12 leases currently in the pipeline. The Company is targeting 15 signed leases by the end of 2018;
- Signed leases include:

City	County	Size	City Population	County Population
Miami	Miami-Dade	1,356 SF	453,579	2,693,000

Deerfield Beach	Broward	5,562 SF	79,764	1,896,000
West Palm Beach	Palm Beach	4,500 SF	108,161	1,423,000
Brandon	Hillsborough	3,800 SF	105,000	1,349,000
Tampa	Hillsborough	2,123 SF	377,165	1,349,000
Orlando	Orange	1,900 SF	277,173	1,288,000
Sarasota	Sarasota	2,350 SF	56,610	405,549

- A prototype dispensary store has been finalized in terms of architectural design and engineering, and is ready for rapid roll-out across the state;
- 3 dispensaries are scheduled to open in Q4 2018, with continued openings projected at approximately two dispensaries per quarter in 2019.

Lake Wales Expansion:

- Construction of phase 1 facility expansion continues to progress and is slated to be completed by end of Q1 2019;
- Following phase 1 construction, cumulative value of inventory produced per year is expected to reach US\$48 million. The phase 1 buildout is expected to cost US\$8.1 million;
- Facility expansion:
 - Increasing bench space for flower plants to 11,689 sq. ft;
 - Making electrical and dehumidification upgrades;
 - Adding state-of-the-art chiller system specifically engineered for this facility;
 - 15,000 SF extraction lab with commercial kitchen for edibles;
 - Office space, call center, and dispensary training area;
 - Updated facility will include a customer service call center, and a 500 sq. ft. mock dispensary;
 - Mock dispensary will be utilized to train retail staff on point-of-sale systems, product offerings, and effective patient communication;
- Purchased new fractional distillation system and rotary vaporizer.

Delivery Program:

- Expanded delivery capabilities by purchasing 3 additional vans, bringing the current fleet to 5 total vehicles;
- New vehicles have been outfitted in compliance with state regulations and will begin delivering throughout the state in September;
- Generated US\$122,267 sales to-date during pilot delivery program which has provided valuable market and patient insights.

Human Capital:

- GrowHealthy has hired 3 additional growers and 2 harvesters for its cultivation facility;
- Hired 3 patient care representatives to better educate patients on products and consumption methods; GrowHealthy's goal is to have 6 patient care representatives by September;
- GrowHealthy has recently onboarded key team members with significant cannabis, medical and patient experience. Key hires include: Frank Quattrone (VP of Operations), Ethan Borg (VP of Extraction and Product Development), Don Moxley

(Director of Applied Science and Brand Development), Emily Dickens (Director of Marketing and Partnerships).

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 healthcare 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.

About GrowHealthy

GrowHealthy and its affiliates were formed in 2014 to apply for a license as a Dispensing Organization under the original Florida low-THC medical cannabis program through its affiliated partner, McCrory's Sunny Hill Nursery, LLC ("McCrory's"). McCrory's was licensed as a Dispensing Organization by the Florida Department of Health on December 21, 2016, and then subsequently licensed on July 5, 2017 to cultivate, process, transport, and dispense full-strength medical cannabis as a Medical Marijuana Treatment Center under the new Medical Use of Marijuana Act passed in June 2017.

GrowHealthy owns a cultivation and processing facility comprising almost 200,000 square-feet on 33 acres in Lake Wales, Florida, which at the time of licensure was the largest cultivation facility in the state and is currently negotiating lease agreements for its initial proposed dispensaries throughout Florida.

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, our vision" and similar expressions, are forward-looking statements.

Forward-looking statements may include, without limitation, build out of existing assets, additional strategic opportunities, proposed allocation of capital, 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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