

February 27, 2020

# iAnthus

## **iAnthus Announces Filing of Statement of Claim to Prevent Interference with its Business**

NEW YORK and TORONTO, Feb. 27, 2020 /PRNewswire/ -[iAnthus Capital Holdings, Inc.](#) ("iAnthus" or the "Company") (CSE: IAN, OTCQX: ITHUF), which owns, operates, and partners with best-in-class regulated cannabis operations across the United States, announced today that it has filed a Statement of Claim (the "Claim") in the Ontario Superior Court of Justice against Oasis Investments II Master Fund Ltd. ("Oasis"). iAnthus filed the Claim in the interests of defending the Company against interference with the Company's financing and business by an unsecured lender who is seeking to better its position at the expense of the Company's shareholders and other stakeholders.

# iAnthus

Oasis was issued an unsecured convertible debenture (the "Unsecured Debenture") in the principal amount of US\$25 million in connection with the Company's offering of unsecured convertible note units announced March 18, 2019 and May 2, 2019 (the "Offering"). Since closing of the Offering, Oasis has consistently agitated iAnthus with unfounded allegations and self-interested proposals, all with the goal of renegotiating the terms of the Unsecured Debenture. Recently, Oasis has alleged that iAnthus breached certain debt covenants and that an event of default has occurred. iAnthus vehemently disagrees that there is currently, or has ever been, an event of default and is confident that iAnthus has complied with all covenants under the Unsecured Debenture. While iAnthus believes that Oasis' allegations are entirely unfounded, Oasis' behavior has interfered with iAnthus' ongoing financing activities and the Company's business.

Remedies sought by iAnthus include a declaration that iAnthus is not in breach of its obligations under the Unsecured Debenture (and related purchase agreement), damages, and a court ordered injunction restraining Oasis from making further false or misleading statements about iAnthus and otherwise interfering with iAnthus' contractual relationships.

iAnthus emphasizes that the decision to commence legal action against Oasis was not taken lightly and follows significant deliberation regarding Oasis' underlying intentions and continued actions and its negative impact on the Company and other stakeholders. While unfortunate, this course of action is required to protect the rights of the Company, its shareholders and other stakeholders. Oasis' repeated and continued actions, even after iAnthus provided Oasis with details about the Company's compliance with the debt covenants, have left the Company with no option but to defend itself, the interest of its

shareholders and other stakeholders by pursuing all legal remedies available, including through the initiation of legal proceedings.

*"After good faith efforts led by iAnthus' management, it is highly regrettable that we have been forced to take this action against Oasis. Unfortunately, Oasis, which has a long history of taking activist measures to better its position through the courts and other means, has decided it would try the same tactics with iAnthus. We are disappointed with Oasis' attempt to extract value at the expense of our shareholders and other stakeholders, and we will pursue any and all remedies available to us as a result of Oasis' self-interested behavior. We are in active discussions with a variety of financing sources, including significant existing lenders and investors who continue to believe strongly in the prospects of both iAnthus and the broader industry,"* said Julius Kalcevich, CFO of iAnthus.

*Hadley Ford, CEO of iAnthus, further commented: "Despite the volatility of the equity markets and Oasis' unfounded allegations, we continue to execute on our business plan, and look forward to expected near term catalysts, including but not limited to: the opening of our first adult use Massachusetts dispensary, additional dispensary openings in Florida, New Jersey and New York, and positive regulatory developments in New York, New Jersey and Arizona which are expected to expand iAnthus' addressable market. Our asset base has never been better positioned and our operational momentum remains strong despite these distractions."*

## **About iAnthus**

iAnthus 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. iAnthus currently has a presence in 11 states, and operates 30 dispensaries (AZ-4, MA-1, MD-3, FL-12, NY-2, CO-1, VT-1 and NM-6 where iAnthus has minority ownership). For more information, visit [www.iAnthus.com](http://www.iAnthus.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, our vision" and similar expressions, are forward-looking statements.

Forward-looking statements may include, without limitation, statements relating to the expected outcome of the Claim and the Company's future financial performance, business development, regulatory developments and results of operations.

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.*

 View original content to download multimedia <http://www.prnewswire.com/news-releases/ianthus-announces-filing-of-statement-of-claim-to-prevent-interference-with-its-business-301012692.html>

SOURCE iAnthus Capital Holdings, Inc.