FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: iAnthus Capital Holdings, Inc. (the "Issuer").

Trading Symbol: IAN

Number of Outstanding Listed Securities: 171,643,192

Date: November 30, 2019

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by Exchange Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the Exchange website.

This report is intended to keep investors and the market informed of the Issuer's ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are "material information" as defined in the Policies. The discussion in this report must be factual, balanced and non-promotional.

General Instructions

(a) Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.

(b) The term "Issuer" or "Company" includes the Issuer and any of its subsidiaries.

(c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

Report on Business

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

iAnthus Capital Holdings, Inc., ("the Company") through its 100% owned subsidiary, iAnthus Capital Management, LLC, owns and operates licensed cannabis cultivators, processors and dispensaries throughout the United States. Founded by entrepreneurs with decades of experience in operations, capital markets, corporate finance, law and healthcare services, iAnthus provides a unique combination of capital and hands-on operating and management expertise to create unparalleled value for its shareholders. iAnthus allocates resources to each step of the operational process to achieve maximum growth.

The Company has been focusing on growing its pipeline of cannabis industry investments in order to maximize value for its shareholders.

The Company held a conference call for financial analysts and investors at 8:30am ET on Thursday, November 21, 2019 to discuss the Company's third quarter results. The call was archived and available for replay on iAnthus' website.

The Company also announced that Institutional Shareholder Services Inc. ("ISS") and Glass Lewis & Co. ("Glass Lewis"), have both recommended that shareholders vote FOR all proposed resolutions to be considered at the upcoming Annual General & Special Meeting of Shareholders of iAnthus being held at Suite 4400 – 181 Bay Street, Toronto, Ontario, on Thursday, December 5, 2019 at 10:00 a.m. (Eastern Time). ISS and Glass Lewis are two leading independent, third party proxy advisory firms who, among other services, provide voting recommendations to pension funds, investment managers, mutual funds and other institutional shareholders.

iAnthus encouraged shareholders to read the meeting materials in detail and cast their voted prior to the proxy voting deadline on December 3, 2019 at 10am EST. Copies of the meeting materials have been made available under iAnthus's profile on SEDAR at www.sedar.com and under the "Investors" section on iAnthus's website at www.iAnthus.com.

iAnthus reported Fiscal Third Quarter 2019 Financial Results. Hadley Ford, CEO of iAnthus, provided the following statement on the Company's third quarter results and outlook:

"The iAnthus team made significant progress in the third quarter. In three of our greenfield states we are now generating well over a million dollars of revenue per month, our MPX brand is commanding a #1 market share position in several states and we are executing on our operating efficiency and lean initiative plans. We expect that we have arranged the necessary financing to continue our growth

with a proposed $100 million financing plan and our business now generates adequate cash for operating expenses and maintenance capex in our more established markets. Access to the expected capital from Gotham Green will be used for additional high return investments such as our continued expansion in Florida, New Jersey and New York. I am very proud of the leadership of our operating teams who have worked tirelessly to develop lean initiative programs and internal controls for operating our business, which is reflected in our 48% adjusted EBITDA improvement quarter over quarter. I am confident that we are well on our way to positive EBITDA in 2020 and in our ability to generate operating cash flow and grow enterprise value."

See below for financial highlights from the aforementioned third quarter 2019 financial results:

Revenue & Gross Profit

- **Total pro-forma revenues of $30.9 million[1], up 23% from the prior quarter**
- **Eastern Region revenues increased to $13.2 million, up 30% from the prior quarter as a result of the Company's expanded retail presence in Florida, increased demand for MPX branded products in Maryland and continued expansion into the CBD market; partially offset by lower wholesale revenues in Massachusetts due to the ongoing vaping products ban**
- **Western Region revenues increased to $9.1 million, up 1% from the prior quarter due to strong sales in Arizona, countered by lower wholesale in Nevada as the Company shifted away from bulk wholesale in anticipation of selling more MPX branded products going forward**
- **Retail revenues totaled $14.4 million, up 28% from the prior quarter**
- **Wholesale revenues totaled $6.2 million, down 17% from the prior quarter due primarily to a reduction in bulk wholesale orders related to the vaping products ban in Massachusetts**
- **Gross margin for the quarter was 48.1%, up from 47.9% in the prior quarter. The improvement was due primarily to gross margin improvements resulting from lean initiatives in Massachusetts, Arizona and Maryland**
- **Gross profit of $10.7 million, up 16.8% from $9.2 million in the prior quarter**

EBITDA and Net Income

- **The Company maintained expense discipline in the quarter, and began to see the results of planned procurement and expense control initiatives;**

adjusted EBITDA[5] loss net of biological assets[4] was \$3.6 million, compared to a loss of \$6.9 million in the prior quarter;

- **Before biological assets accounting, adjusted EBITDA[5] was positive \$2.2 million in the quarter, compared to a loss of \$4.7 million in the prior quarter**

- **The Company recorded a third quarter net loss of \$15.3 million, compared to a loss of \$9.3 million in the prior quarter**

Balance Sheet and Cash Flow

- **At September 30, 2019, total assets were \$831.6 million, including cash of \$27.9 million, an increase of \$663.2 million (or 394%) in total assets from year end 2018**

- **Current fully dilutive share count of 266.2 million shares which includes 171.6 million common shares and 94.6 million dilutive securities**

- **Capital expenditures totaled \$19.7 million in the third quarter, the majority (over 80%) of which was spent on the cultivation and store expansion in Florida**

- **On September 30, 2019, the Company announced an agreement for up to \$100 million of senior secured convertible notes from Gotham Green Partners; the first \$20 million closed on September 30, 2019**

Expansion and Capacity Highlights

- **Opened dispensaries in Miami, Gainesville, Lakeland and Bonita Springs during the quarter, bringing total to nine in the state; pending Florida Office of Medical Marijuana Use ("OMMU") and local permitting, the Company expects to open Deerfield Beach this month and have at least two additional dispensaries open before year-end, in Stuart and Ocala**

- **Brought an additional 27,000 square feet of cultivation space on-line at the Lake Wales, FL campus, doubling indoor canopy capacity; production footprint is now over 150,000 square feet**

- **To meet robust customer demand for MPX products, the Company invested in new equipment in Maryland to increase processing capacity to over 8,800 pounds by year-end**

- **Increased total production 11% sequentially to 5,900 pounds (dried, cured, fresh frozen) from 5,300 pound in the second quarter**

- **New Phoenix retail location opened, doubling points of sale and expanding retail square footage 30% vs. prior location**

Customer and Market Share Highlights

- **Wholesale penetration of iAnthus cultivated / formulated products has continued to be strong with dispensaries carrying our products as follows: Massachusetts 31% (23 dispensaries), Maryland 77% (66 dispensaries), Arizona 54% (66 dispensaries), Nevada 47% (31 dispensaries)**

- **Overall, the Company's THC products were wholesaled in 186 dispensaries in the quarter, up 12% from 166 in the second quarter. According to the weekly updates from the Florida OMMU, the Company is currently averaging about 3.5% market share in THC milligrams sales volume over the last three months, with a weekly high of 6%**

- **Arizona dollar market share of 5%+ consistently over-indexes store share of 3% due to the strength of the MPX wholesale business throughout the state**

- **Launched new products in Arizona and Nevada including MPX edibles, Black Label concentrates, and MPX cultivar pre-rolls**

- **In Arizona, MPX is ranked #1 in non-vape concentrates with 12% market share; in vapes, MPX is ranked #5 with a 5% share**

- **MPX wax is the top selling non-vape concentrate in Nevada year-to-date; MPX has four of the top twenty non-vape concentrate products in the state according to BDS Analytics**

- **Roll out of the Company's new toll-processing agreement with one of Nevada's vape cart market leaders began in September and should drive incremental growth in the fourth quarter**

- **Construction continues at the Company's flagship Brooklyn Be. store, with a targeted opening in January 2020; post the Brooklyn launch new stores will be launched as Be. and the Company's other stores will be converted throughout 2020**

Key Initiative Highlights

- **Announced the conversion to a single class of shares, putting all shareholders on equal footing**

- **Announced plans to move to a Board of Directors with a majority of independent directors. This is subject to shareholder approval scheduled to occur during our next Annual General & Special Meeting to be held on December 5, 2019**

- **Completed CBD For Life e-commerce transition to BigCommerce SaaS platform and 3PL transition enabling several planned improvements in servicing its channels including a doubling of its conversion rate in the B2C channel post deployment**

- **Finalized the planned enterprise resource planning (ERP) selection in preparation for program deployment in the fourth quarter; the Company will deploy a multi-phase, multi-year program to improve operational transparency, cost reduction and business performance**

- **Newly deployed customer retention / loyalty and acquisition initiatives drove an increase in average daily transactions of over 28%**

- **Lean initiatives in Massachusetts, Maryland and Arizona led to yield gains of 10% and a gross margin improvement**

Sierra Well Acquisition

- **Announced the expected acquisition of Sierra Well, a premier Nevada operator with two dispensaries and two cultivation and production facilities, more than doubling the Company's presence in the market**

- **Sierra Well's last quarter annualized revenue was approximately $17.4 million with an EBITDA (non-IFRS) margin above 20% and positive net income**

- **The total consideration, to be paid upon closing of the transaction, is approximately $27.6 million, comprised of approximately $5.1 million to be paid in cash and $22.5 million to be paid in iAnthus shares priced at the 10-day volume-weighted average price prior to closing of the transaction**

- **The acquisition brings additional cultivation and processing capacity and strong retail presence in the northern part of the state**

- **The transaction is expected to close in 2020, subject to customary regulatory approvals including approval of the license transfers by the Nevada Department of Taxation**

The Company also, through its subsidiary and licensed Medical Marijuana Treatment Center, GrowHealthy, debuted a brand-new dispensary in Deerfield Beach, Florida. The official grand opening for the new dispensary on Wednesday, November 27 at the Deerfield Beach location marks GrowHealthy's 10th retail store.

2. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

   N/A

3. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

   N/A

4. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

   N/A

5. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

   N/A

6. Describe the acquisition of new customers or loss of customers.

   N/A

7. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.

   N/A

8. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

   N/A

9. Report on any labour disputes and resolutions of those disputes if applicable.

N/A

10. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

    N/A

11. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

    N/A

12. Provide details of any securities issued and options or warrants granted.

Security	Number Issued	Details of Issuance	Use of Proceeds[1]
N/A	N/A	N/A	N/A

(1) State aggregate proceeds and intended allocation of proceeds.

13. Provide details of any loans to or by Related Persons.

    N/A

14. Provide details of any changes in directors, officers or committee members.

    N/A

15. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

    N/A

Regulatory Risks

Conflicts of Interest

Certain directors of the Company also serve as directors and/or officers of other companies involved in other business ventures. Consequently, there exists the possibility for such directors to be in a position of conflict. Any decision made by such directors involving the Company will be made in accordance with their duties and obligations to deal fairly and in good faith with the Company and such other companies. In addition, such directors will declare, and refrain from voting on, any matter in which such directors may have a conflict of interest.

Negative Operating Cash Flows

As the Company is in the early start-up stage it may continue to have negative operating cash flows. Without the injection of further capital and the development of revenue streams from its business, the Company may continue to have negative operating cash flows until it can realize stable cash flow from operations.

Risks Related as a Going Concern

The ability of the Company to continue as a going concern is uncertain and dependent upon its ability to achieve profitable operations, obtain additional capital and receive continued support from its members. Management of the Company will have to raise capital through private placements or debt financing and proposes to continue to do so through future private placements and offerings. The outcome of these matters cannot be predicted at this time.

Passive Foreign Investment Company

There is a risk that the Company is a passive foreign investment company ("PFIC"). If the Company is a passive foreign investment company, its shareholders in the U.S. are likely subject to adverse U.S. tax consequences. Under U.S. federal income tax laws, if a company is a PFIC for any year, it could have adverse U.S. federal income tax consequences to a U.S. shareholder with respect to its investment in the Company's shares. The Company earns significant royalty and franchise revenue which may be treated as passive income unless the royalty and franchise revenue is derived in the active conduct of a trade or business. Assessing whether royalty or franchise revenue received by the Company and its subsidiaries is derived in the active conduct of a trade or business involves substantial factual and legal ambiguity.

Therefore, whether the Company is a PFIC is unclear, and the Company believes there is a significant risk that the Company will be considered a PFIC currently or in the future. The Company has not yet made a determination as to whether the Company is a PFIC, and even if the Company were to make determinations of its PFIC status, there can be no assurances that the U.S. Internal Revenue Service will agree with such determinations. Furthermore, because PFIC determinations are made annually, it is possible that the Company will meet the requirements to be treated as a PFIC in one or more years, but not meet such requirements in other years. U.S. shareholders should consult their own tax advisors regarding the potential adverse tax consequences to owning PFIC stock, and whether they are able to and should make any elections or take other actions to mitigate such potential adverse tax consequences.

Cannabis-related Practices or Activities are Illegal Under U.S. Federal Laws

The concepts of “medical cannabis” and “retail cannabis” do not exist under U.S. federal law. The Federal Controlled Substances Act classifies “marihuana” as a Schedule I drug. Under U.S. federal law, a Schedule I drug or substance has a high potential for abuse, no accepted medical use in the United States, and a lack of safety for the use of the drug under medical supervision. As such, cannabis-related practices or activities, including without limitation, the manufacture, importation, possession, use or distribution of cannabis are illegal under U.S. federal law. Strict compliance with state laws with respect to cannabis will neither absolve the Company of liability under U.S. federal law, nor will it provide a defence to any federal proceeding which may be brought against the Company. Any such proceedings brought against the Company may adversely affect the Company’s operations and financial performance.

Dividends

The Company does not anticipate paying any dividends on the common shares in the foreseeable future. Dividends paid by the Company would be subject to tax and, potentially, withholdings.

Reliance on Key Personnel and Advisors

The Company relies heavily on its officers. The loss of their services may have a material adverse effect on the business of the Company. There can be no assurance that one or all of the employees of, and contractors engaged by, the Company will continue in the employ of, or in a consulting capacity to, the Company or that they will not set up competing businesses or accept positions with competitors. There is no guarantee that certain employees of, and contractors to, the Company who have access to confidential information will not disclose the confidential information.

Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.

2. As of the date hereof there were is no material information concerning the Issuer which has not been publicly disclosed.

3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).

4. All of the information in this Form 7 Monthly Progress Report is true.

Dated November 30, 2019.

Julius Kalcevich
Name of Director or Senior Officer

"Julius Kalcevich"
Signature

CFO & Corporate Secretary
Official Capacity

Issuer Details Name of Issuer iAnthus Capital Holdings, Inc.	For Month End November, 2019	Date of Report YY/MM/DD 19/11/30
Issuer Address Suite 1980, 1075 West Georgia Street		
City/Province/Postal Code Vancouver, BC V6E 3C9	Issuer Fax No. (778) 329-9361	Issuer Telephone No. (647) 705-5544
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