



CHARLOTTE'S WEB

STANLEY BROTHERS

CHARLOTTE'S WEB HOLDINGS, INC. COMPLETES PRIVATE PLACEMENT

NOT FOR DISTRIBUTION IN THE UNITED STATES

BOULDER, COLORADO, September 6, 2018 — Charlotte's Web Holdings, Inc. ("**Charlotte's Web**" or the "**Company**") is pleased to announce the its previously announced, non-brokered private placement (the "**Private Placement**") was completed following the close of trading on September 5, 2018. The Company issued a total of 802,246 Common Shares at at a price of C\$7.00 per Common Share ("**Private Placement Shares**") for total proceeds of C\$5,615,722.00. The Private Placement Shares are subject to a four month hold period pursuant to Canadian securities laws. Upon closing of the Private Placement, and assuming the conversion of all Proportionate Voting Shares of the Company to Common Shares, the Company had the equivalent of 92,773,474 Common Shares issued and outstanding.

The Company intends to use the proceeds of the Private Placement for expansion of production capacity, cultivation infrastructure, research and product development, international expansion and working capital, marketing and general corporate purposes.

No securities regulatory authority has either approved or disapproved of the contents of this news release. The Private Placement Shares have not been and nor will they be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**") or any state securities laws. Accordingly, the Private Placement Shares may not be offered or sold within the United States unless registered under the U.S. Securities Act and applicable state securities laws or pursuant to exemptions from the registration requirements of the U.S. Securities Act and applicable state securities laws. This news release does not constitute an offer to sell or a solicitation of an offer to buy any securities of Charlotte's Web in any jurisdiction in which such offer, solicitation or sale would be unlawful.

ABOUT CHARLOTTE'S WEB

The Company has been created to indirectly acquire and hold all of the capital stock in Charlotte's Web, Inc. ("**CWB**"), a market leader in the production and distribution of innovative hemp-based cannabidiol ("**CBD**") wellness products. CWB products are made from high quality and proprietary strains of whole-plant hemp extracts containing a full spectrum of phytocannabinoids, including CBD, terpenes, flavonoids and other minor but valuable hemp compounds. Industrial hemp products have no psychoactive effects. CWB's current product categories include tinctures (liquid product), capsules and topical products.

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Forward-Looking Information

Certain information in this news release, including statements relating to the closing of second tranche of the Private Placement, constitutes forward-looking information. In some cases, but not necessarily in all cases, forward-looking information can be identified by the use of forward-looking terminology such as “plans”, “targets”, “expects” or “does not expect”, “is expected”, “an opportunity exists”, “is positioned”, “estimates”, “intends”, “assumes”, “anticipates” or “does not anticipate” or “believes”, or variations of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might”, “will” or “will be taken”, “occur” or “be achieved”. In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances contain forward-looking information. Statements containing forward-looking information are not historical facts but instead represent management’s expectations, estimates and projections regarding future events.

Forward-looking information is necessarily based on a number of opinions, assumptions and estimates that, while considered reasonable by the Company as of the date of this news release, are subject to known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information, including but not limited to the factors described in greater detail in the public documents of the Company available at www.sedar.com. These factors are not intended to represent a complete list of the factors that could affect the Company; however, these factors should be considered carefully. There can be no assurance that such estimates and assumptions will prove to be correct. The forward-looking statements contained in this news release are made as of the date of this news release, and the Company expressly disclaims any obligation to update or alter statements containing any forward-looking information, or the factors or assumptions underlying them, whether as a result of new information, future events or otherwise, except as required by law.