



Charlotte's Web Announces Proposed Public Offering of Common Shares

NOT FOR DISTRIBUTION IN THE UNITED STATES

BOULDER, COLORADO, May 8, 2019 — (CSE:CWEB, OTCQX:CWBHF) Charlotte's Web Holdings, Inc. ("Charlotte's Web", or the "Company"), the market share leader in hemp-derived CBD extract products, intends to sell its common shares in an underwritten public offering. All of the common shares in the offering are to be sold by certain current shareholders. In addition, the selling shareholders intend to grant the underwriters a 30-day option to purchase up to an additional 15% of the common shares offered in the proposed public offering on the same terms and conditions.

The offering is expected to be priced in the context of the market, with the final terms of the offering to be determined at the time of pricing. There can be no assurance as to whether or when the offering may be completed, or as to the actual size or terms of the offering. The closing of the offering will be subject to market conditions, as well as a number of customary closing conditions, including the listing of the offered common shares on the Canadian Securities Exchange and any required approvals of the exchange.

The Company will not receive any proceeds from the sale of common shares by the current shareholders.

Canaccord Genuity Corp. is acting as the sole bookrunner for the offering.

It is expected that the common shares will be offered in each of the provinces of Canada, other than Québec, pursuant to the Company's base shelf prospectus dated April 8, 2019 (the "**Base Prospectus**") and may also be offered by way of private placement in the United States to "qualified institutional buyers". The terms of any offering will be described in a prospectus supplement to be filed with the securities commission in each of the provinces of Canada, except Québec (the "**Supplement**").

Copies of the Supplement, following filing thereof, and accompanying Base Prospectus may be obtained on SEDAR at www.sedar.com and from Canaccord Genuity Corp., 161 Bay Street, Suite 3000, Toronto, ON M5J 2S1. The Base Prospectus contains, and the Supplement will contain, important detailed information about the Company and the proposed offering. Prospective investors should read the Supplement and accompanying Base Prospectus and the other documents the Company has filed before making an investment decision.

No securities regulatory authority has either approved or disapproved of the contents of this news release. The common 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 common 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 Holdings, Inc.

Charlotte's Web Holdings, Inc. is the market leader in the production and distribution of innovative hemp-derived cannabidiol ("CBD") wellness products. Founded by the Stanley Brothers, the Company's premium quality products start with proprietary hemp genetics that are responsibly manufactured into hemp-derived CBD extracts naturally containing a full spectrum of phytocannabinoids, including CBD, terpenes, flavonoids and other beneficial hemp compounds. Industrial hemp products are non-intoxicating. Charlotte's Web product categories include CBD Oil tinctures (liquid products), CBD capsules, CBD topicals, as well as CBD pet products. Charlotte's Web hemp-derived CBD extracts are sold through select distributors, brick and mortar retailers, and online through the Company's website at www.CharlottesWeb.com. The rate the Company pays for agricultural products reflects a fair and sustainable rate driving higher quality yield, encouraging good farming practices, and supporting U.S. farming communities.

Charlotte's Web is a socially conscious company and is committed to using business as a force for good and a catalyst for innovation. The Company weighs sound business decisions with consideration for how its efforts affect its employees, customers, the environment, and the communities where its employees live and where it does business, while maximizing profits and strengthening its brands. The Company's management believes that socially oriented actions have a positive impact on the Company, its employees and its shareholders. Charlotte's Web donates a portion of its pre-tax earnings to charitable organizations.

Shares of Charlotte's Web trade on the Canadian Securities Exchange under the symbol "CWEB" and in the United States on the OTCQX under the symbol "CWBHF". As at March 31, 2019 Charlotte's Web has 25,375,294 Common Shares outstanding and 169,696.18 Proportionate Voting Shares convertible at 400:1, for an effective equivalent of 93,253,766 Common Shares outstanding.

Forward-Looking Information

Certain information in this news release, including, but not limited to, statements with respect to the proposed offering, if any, and timing and size thereof, constitute 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.



CHARLOTTE'S WEB™
STANLEY BROTHERS

Company Contacts:

Cory Pala
Investor Relations
(416) 594-3849
Cory.Pala@CharlottesWeb.com

Richard Mohr
Chief Financial Officer
(720) 487-9508
Rich.Mohr@CharlottesWeb.com