

## FORM 9

### **NOTICE OF ISSUANCE OR PROPOSED ISSUANCE OF LISTED SECURITIES**

**(or securities convertible or exchangeable into listed securities<sup>1</sup>)**

Name of Listed Issuer:

Symbol(s):

Curaleaf Holdings, Inc. (the "Issuer" or the "Company").

CURA

Date: February 6, 2020

Is this an updating or amending Notice: Yes  No

If yes provide date(s) of prior Notices: \_\_\_\_\_.

Issued and Outstanding Securities of Issuer Prior to Issuance: 420,415,070.

#### **Pricing**

Date of news release announcing proposed issuance: Refer to Part 2 below or

Date of confidential request for price protection: \_\_\_\_\_

Closing Market Price on Day Preceding the news release: \_\_\_\_\_ or

Day preceding request for price protection: \_\_\_\_\_

#### **Closing**

Number of securities to be issued: 2,016,859

Issued and outstanding securities following issuance: 422,431,929.

#### **Instructions:**

1. For private placements (including debt settlement), complete tables 1A and 1B in Part 1 of this form.
2. Complete Table 1A – Summary for all purchasers, excluding those identified in Item 8.
3. Complete Table 1B – Related Persons only for Related Persons
4. If shares are being issued in connection with an acquisition (either as consideration or to raise funds for a cash acquisition) please proceed to Part 2 of this form.
5. An issuance of non-convertible debt does not have to be reported unless it is a significant transaction as defined in Policy 7, in which case it is to be reported on Form 10 – Notice of Proposed Transaction
6. Post the completed Form 9 to the CSE website in accordance with *Policy 6 – Distributions*. In addition, the completed form must be delivered to [listings@thecse.com](mailto:listings@thecse.com) with an appendix that includes the information in Table 1B for ALL places.

**Part 1. Private Placement**

**Table 1A – Summary**

Each jurisdiction in which purchasers reside	Number of Purchasers	Price per Security	Total dollar value (CDN\$) raised in the jurisdiction
Total number of purchasers:			
Total dollar value of distribution in all jurisdictions:			

**Table 1B – Related Persons**

Full Name & Municipality of Residence of Placee	Number of Securities Purchased or to be Purchased	Purchase price per Security (CDN\$)	Conversion Price (if Applicable) (CDN\$)	Prospectus Exemption	Total Securities Previously Owned, Controlled or Directed	Payment Date(1)	Describe relationship to Issuer (2)

<sup>1</sup>An issuance of non-convertible debt does not have to be reported unless it is a significant transaction as defined in Policy 7, in which case it is to be reported on Form 10.

- Total amount of funds to be raised: \_\_\_\_\_ .
- Provide full details of the use of the proceeds. The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the transaction without reference to any other material. \_\_\_\_\_ .

3. Provide particulars of any proceeds which are to be paid to Related Persons of the Issuer: \_\_\_\_\_  
\_\_\_\_\_ .

4. If securities are issued in forgiveness of indebtedness, provide details of the debt agreement(s) or and the agreement to exchange the debt for securities.

5. Description of securities to be issued:

(a) Class \_\_\_\_\_ .

(b) Number \_\_\_\_\_ .

(c) Price per security \_\_\_\_\_ .

(d) Voting rights \_\_\_\_\_ .

6. Provide the following information if warrants, (options) or other convertible securities are to be issued:

(a) Number \_\_\_\_\_ .

(b) Number of securities eligible to be purchased on exercise of warrants (or options) \_\_\_\_\_  
\_\_\_\_\_ .

(c) Exercise price \_\_\_\_\_ .

(d) Expiry date \_\_\_\_\_ .

7. Provide the following information if debt securities are to be issued:

(a) Aggregate principal amount \_\_\_\_\_ .

(b) Maturity date \_\_\_\_\_ .

(c) Interest rate \_\_\_\_\_ .

(d) Conversion terms \_\_\_\_\_ .

(e) Default provisions \_\_\_\_\_ .

8. Provide the following information for any agent's fee, commission, bonus or finder's fee, or other compensation paid or to be paid in connection with the placement (including warrants, options, etc.):

- (a) Details of any dealer, agent, broker or other person receiving compensation in connection with the placement (name, and if a corporation, identify persons owning or exercising voting control over 20% or more of the voting shares if known to the Issuer): \_\_\_\_ .
  - (b) Cash \_\_\_\_\_ .
  - (c) Securities \_\_\_\_\_ .
  - (d) Other \_\_\_\_\_ .
  - (e) Expiry date of any options, warrants etc. \_\_\_\_\_ .
  - (f) Exercise price of any options, warrants etc. \_\_\_\_\_ .
9. State whether the sales agent, broker, dealer or other person receiving compensation in connection with the placement is Related Person or has any other relationship with the Issuer and provide details of the relationship \_\_\_\_\_  
\_\_\_\_\_ .
10. Describe any unusual particulars of the transaction (i.e. tax “flow through” shares, etc.).  
\_\_\_\_\_ .
11. State whether the private placement will result in a change of control.  
\_\_\_\_\_ .
12. Where there is a change in the control of the Issuer resulting from the issuance of the private placement shares, indicate the names of the new controlling shareholders. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ .
13. Each purchaser has been advised of the applicable securities legislation restricted or seasoning period. All certificates for securities issued which are subject to a hold period bear the appropriate legend restricting their transfer until the expiry of the applicable hold period required by National Instrument 45-102 Resale of Securities.

## Part 2. Acquisition

1. Provide details of the assets to be acquired by the Issuer (including the location of the assets, if applicable). The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the transaction without reference to any other material:

On July 25, 2018, the Company (at the time, Lead Ventures Inc. (“LVI”)) and Curaleaf, Inc. (at the time, Palliatech, Inc.) (“Predecessor Curaleaf”) entered into a transaction agreement (the “Transaction Agreement”) setting out the terms and conditions to combine their respective businesses by way of a reverse takeover of LVI by the security holders of Predecessor Curaleaf, related transactions and related offering of subscription receipts of 1177687 B.C. Ltd. (“FinCo”) (the “Offering”) (collectively, the “Business Combination”).

The parties completed the Business Combination under the Transaction Agreement, effective on October 25, 2018.

As disclosed in On December 15, 2016, Predecessor Curaleaf’s subsidiary, PalliaTech CT, Inc. (formerly, PalliaTech CT, LLC) (“PalliaTech CT”), entered into a purchase agreement to acquire, through a series of transactions, 51% of all outstanding membership units in Doubling Road Holdings, LLC (“DRH”), a Delaware limited liability that owned at the time a Connecticut-based medical cannabis facility, for a consideration of U.S. \$13,935,000, payable in cash, of which U.S. \$10,835,000 was allocated towards the membership units and the balance was allocated towards working capital of the business. The acquisition closed in March 2017. In October 2018, Curaleaf agreed to acquire from the minority members of DRH (the “DRH Minority Members”) their 49% membership interests in DRH (the “DRH Minority Membership Units”) that Curaleaf did not then own. This acquisition was structured to be completed shortly after closing of the Business Combination in consideration for: (i) 4,755,548 Subordinate Voting Shares (representing 1.04% of the then fully-diluted capitalization of the Company, without giving effect to the Offering, or U.S. \$41,747,316) and (ii) U.S. \$40,141,656 in cash (the “Connecticut Minority Buy-Out”). The number of Subordinate Voting Shares to be paid to the DRH Minority Members for the DRH Minority Membership Units was subject to an adjustment based upon an independent valuation to be conducted within 90 days of the completion of the Business Combination (the “Independent Valuation”). The Independent Valuation would first establish the value of DRH as a percentage of the value of Predecessor Curaleaf as at March 8, 2018 (the “Exchange Ratio”), and then convert the Exchange Ratio into a percentage of the fully diluted equity of the Company as of the date of the Business Combination, not taking into account shares to be issued in connection with the Offering (the “Diluted Share Count”). Upon completion of the Independent Valuation, the number of additional Subordinate Voting Shares to be issued to DRH Minority Members

would be determined based on a prescribed formula, provided that the aggregate number of Subordinate Voting Shares issued to the DRH Minority Holders would not exceed an additional 1.96% of the Diluted Share Count representing 8,962,380 Subordinate Voting Shares.

On October 25, 2018, concurrently with the completion of the Business Combination, the Company entered into a settlement agreement (the “**Settlement Agreement**”) with Predecessor Curaleaf, PalliaTech CT, DRH and the Series A-2 Holders of Doubling Road Holdings, LLC (the “**Series A-2 Holders**”) (the parties thereto are collectively referred to as the “**Parties**”) to provide, among other things, for the foregoing Independent Valuation process.

On October 25, 2018, concurrently with the completion of the Business Combination, the Company approved and authorized the allotment and issuance of a maximum number of 8,962,380 Subordinate Voting Shares in the event that the number of Subordinate Voting Shares to be issued to the DRH Minority Members under the Connecticut Minority Buy-Out was to be adjusted based upon the Independent Valuation.

On December 14, 2018, the Parties jointly initiated an arbitration to choose an “independent appraiser” to determine the Exchange Ratio. On April 7, 2019, the Parties selected Duff & Phelps as the independent appraiser, which selection was approved by the arbitrator. On October 25, 2019, Duff & Phelps provided the Parties with a draft report with its preliminary calculation of the Exchange Ratio. Duff & Phelps then delivered its final appraisal report (the “**Settlement Second Appraisal**”) dated December 12, 2019. Based upon the Settlement Second Appraisal and the terms of the Settlement Agreement, the Series A-2 Holders are entitled to receive 2,016,859 Subordinate Voting Shares.

The Company will allot and issue 2,016,859 Subordinate Voting Shares to the Series A-2 Holders as fully paid and non-assessable shares.

2. Provide details of the acquisition including the date, parties to and type of agreement (e.g.: sale, option, license etc.) and relationship to the Issuer. The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the acquisition without reference to any other material: Please refer to #1 above.
3. Provide the following information in relation to the total consideration for the acquisition (including details of all cash, securities or other consideration) and any required work commitments:
  - (a) Total aggregate consideration in Canadian dollars: Approximately CAD \$130,033,289.

- (b) Cash: U.S. \$40,141,656, representing approximately CAD \$52,489,229 using an exchange rate of CAD \$1.3076 for U.S. \$1.00 as at October 25, 2018.
- (c) Securities (including options, warrants etc.) and dollar value: 6,772,407 Subordinate Voting Shares at price of CAD \$11.45 per Subordinate Voting Share, being the Offering price, representing an aggregate of CAD \$77,544,060.
- (d) Other: \_\_\_\_\_
- (e) Expiry date of options, warrants, etc. if any: \_\_\_\_\_
- (f) Exercise price of options, warrants, etc. if any: \_\_\_\_\_
- (g) Work commitments: \_\_\_\_\_
4. State how the purchase or sale price was determined (e.g. arm's-length negotiation, independent committee of the Board, third party valuation etc).
- Arm's length negotiation and through the Settlement Second Appraisal
5. Provide details of any appraisal or valuation of the subject of the acquisition known to management of the Issuer: Refer to #1 above.
6. The names of parties receiving securities of the Issuer pursuant to the acquisition and the number of securities to be issued are described as follows:

Name of Party (If not an individual, name all insiders of the Party)	Number and Type of Securities to be Issued	Dollar value per Security (CDN\$)	Conversion price (if applicable)	Prospectus Exemption	Total Securities, Previously Owned, Controlled or Directed by Party	Describe relationship to Issuer <sup>(1)</sup>
Kyle Rusconi	132,665	11.45	N/A	2.11 of NI 45-106	140,000	N/A
Aaron Ford	591,720	11.45	N/A	2.11 of NI 45-106	Nil	N/A
Jack Rubin	144,409	11.45	N/A	2.11 of NI 45-106	Nil	N/A
Robert Birnbaum	288,818	11.45	N/A	2.11 of NI 45-106	200,000	N/A
Josef Sieghart	192,545	11.45	N/A	2.11 of NI 45-106	Nil	N/A
Andrew Sieghart	192,545	11.45	N/A	2.11 of NI 45-106	Nil	N/A

Stephen Roth	108,016	11.45	N/A	2.11 of NI 45-106	44,691	N/A
Trident Arbitrage Partners, L.P.	84,040	11.45	N/A	2.11 of NI 45-106	198,158	N/A
April Arrasate	6,723	11.45	N/A	2.11 of NI 45-106	15,853	N/A
CL Invest LLC	94,036	11.45	N/A	2.11 of NI 45-106	Nil	N/A
DBM Holdings, LLC	29,618	11.45	N/A	2.11 of NI 45-106	69,836	N/A
James Road Holdings LLC	77,746	11.45	N/A	2.11 of NI 45-106	96,024	N/A
Hoover Drive Holdings LLC	18,511	11.45	N/A	2.11 of NI 45-106	41,647	N/A
Blue Lake Holdings LLC	55,466	11.45	N/A	2.11 of NI 45-106	Nil	N/A

(1) Indicate if Related Person

7. Details of the steps taken by the Issuer to ensure that the vendor has good title to the assets being acquired: Customary due diligence.
8. Provide the following information for any agent's fee, commission, bonus or finder's fee, or other compensation paid or to be paid in connection with the acquisition (including warrants, options, etc.):
  - (a) Details of any dealer, agent, broker or other person receiving compensation in connection with the acquisition (name, and if a corporation, identify persons owning or exercising voting control over 20% or more of the voting shares if known to the Issuer): \_\_\_\_\_.
  - (b) Cash \_\_\_\_\_.
  - (c) Securities \_\_\_\_\_.
  - (d) Other \_\_\_\_\_.
  - (e) Expiry date of any options, warrants etc. \_\_\_\_\_.
  - (f) Exercise price of any options, warrants etc. \_\_\_\_\_.
9. State whether the sales agent, broker or other person receiving compensation in connection with the acquisition is a Related Person or has any other relationship with the Issuer and provide details of the relationship. \_\_\_\_\_

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10. If applicable, indicate whether the acquisition is the acquisition of an interest in property contiguous to or otherwise related to any other asset acquired in the last 12 months. \_\_\_\_\_

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**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 on behalf of the Issuer.
2. As of the date hereof there is not material information concerning the Issuer which has not been publicly disclosed.
3. the Issuer has obtained the express written consent of each applicable individual to:
  - (a) the disclosure of their information to the Exchange pursuant to this Form or otherwise pursuant to this filing; and
  - (b) the collection, use and disclosure of their information by the Exchange in the manner and for the purposes described in Appendix A or as otherwise identified by the Exchange, from time to time
4. 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 CSE Policy 1).
5. All of the information in this Form 9 Notice of Issuance of Securities is true.

[signature page follows]

Dated February 6, 2020.

Neil Davidson  
Name of Director or Senior  
Officer

*(signed) Neil Davidson*  
Signature

Chief Operating Officer  
Official Capacity

## Appendix A

### PERSONAL INFORMATION COLLECTION POLICY REGARDING FORM 9

The Canadian Securities Exchange and its subsidiaries, affiliates, regulators and agents (collectively, “CSE or the “Exchange”) collect and use the information (which may include personal or other information) which has been provided in Form 9 for the following purposes:

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- To determine whether an individual is suitable to be associated with a Listed Issuer;
- To determine whether an issuer is suitable for listing;
- To determine whether allowing an issuer to be listed or allowing an individual to be associated with a Listed Issuer could give rise to investor protection concerns or could bring the Exchange into disrepute;
- To conduct enforcement proceedings;
- To ensure compliance with Exchange Requirements and applicable securities legislation; and
- To fulfil the Exchange’s obligation to regulate its marketplace.

The CSE also collects information, including personal information, from other sources, including but not limited to securities regulatory authorities, law enforcement and self-regulatory authorities, regulation service providers and their subsidiaries, affiliates, regulators and agents. The Exchange may disclose personal information to these entities or otherwise as provided by law and they may use it for their own investigations.

The Exchange may use third parties to process information or provide other administrative services. Any third party will be obliged to adhere to the security and confidentiality provisions set out in this policy.

All personal information provided to or collected by or on behalf of The Exchange and that is retained by The Exchange is kept in a secure environment. Only those employees who need to know the information for the purposes listed above are permitted access to the information or any summary thereof. Employees are instructed to keep the information confidential at all times.

Information about you that is retained by the Exchange and that you have identified as inaccurate or obsolete will be corrected or removed.

If you wish to consult your file or have any questions about this policy or our practices, please write the Chief Privacy Officer, Canadian Securities Exchange, 220 Bay Street – 9th Floor, Toronto, ON, M5J 2W4.