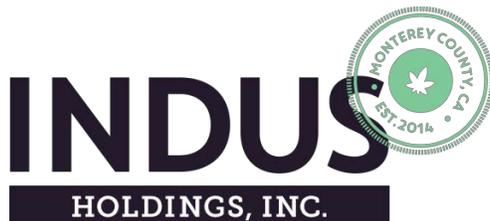


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INDUS HOLDINGS, INC. ANNOUNCES US\$1.5 MILLION LOAN

Financing agreement will allow California cannabis leader to complete in-progress greenhouse upgrades, positions Indus for self-sustainability

SALINAS, Calif., January 10, 2020 – Indus Holdings, Inc. (“Indus” or the “Company”) (CSE: INDS; OTCQX: INDXF), a leading, vertically-integrated cannabis company, announces that it has entered into a US\$1,500,000 short-term revolving loan facility (the “Loan”), US\$1,275,000 of which is being funded by Hadron Capital and the balance of US\$225,000 is being funded on an equal basis by three directors of the Company by way of a participation arrangement. The Loan has an interest rate of 20% per annum and must be repaid within 120 days of demand or earlier if the Company enters into a financing arrangement to replace the Loan. The Company is in the process of negotiating a more significant replacement financing, the terms of which will be announced if, as, and when definitive documentation has been executed. The Company’s obligations under the Loan are secured by a first priority security interest in the assets of the Company and an assignment of certain accounts receivable of the Company’s U.S. subsidiaries. Indus has built a strong footprint along with a respected portfolio of cannabis brands and this capital injection will assist in the necessary infrastructure upgrades while continuing to put Indus in a pathway to the goal of profitability.

“As we enter a new year, this financing brings us one step closer to our goal of becoming a cash flow positive, fully self-sustainable organization,” says Indus Holdings, Inc. Co-Founder and Chief Executive Officer Robert Weakley. “This investment partnership with Hadron Capital will make it possible for Indus to fund critical projects in the first quarter of 2020 and beyond, as we position the company for a bigger, brighter future.”

The participation of Arthur Maxwell, director, William Anton, director, and Sam Tramiel, director in the Loan as noted above constitutes a “related party transaction” within the meaning of Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions. The Company did not file a material change report in respect of the Loan 21 days in advance of the closing of the Loan because insider participation had not been confirmed. The shorter period was necessary given the circumstances in order to permit the Company to close the Loan and improve the financial condition of the Company in a timely manner.

The Company also announces that Robert Weakley of Carmel, California who holds all of the super voting shares of the Company (“**Super Voting Shares**”), has agreed to vote such shares as determined by a majority of the board of directors of the Company (the “**Board**”). In connection with the business combination transaction completed April 26, 2019 (the “**Business Combination**”) among certain parties, including the Company and Indus Holding Company (“**IHC**”), Mr. Weakley, directly or indirectly, acquired ownership and control of 202,590 Super Voting Shares, representing 100% of the issued and outstanding

Super Voting Shares and approximately 85% of all outstanding votes attached to securities of the Company, in addition to the 5,509,397 non-voting redeemable common shares of IHC (“**Convertible Shares**”) held by him (which are exchangeable for subordinate voting shares of the Company (“**Subordinate Voting Shares**”) on a one-for-one basis). The Convertible Shares held by Mr. Weakley, represented, at the time, 19.1% of the outstanding Convertible Shares. Immediately prior to the completion of the Business Combination, Mr. Weakley did not own or exercise control or direction over any securities of the Company. The Super Voting Shares were issued to Mr. Weakley at a price of US\$40,000 in aggregate (CAD\$53,840 in aggregate or CAD\$0.265 per Super Voting Share based on the exchange rate posted by the Bank of Canada on April 26, 2019) and the Convertible Shares were issued to Mr. Weakley at a price of US\$550,940 in aggregate (CAD\$741,565 in aggregate or CAD\$0.1346 per Convertible Share based on the exchange rate posted by the Bank of Canada on April 26, 2019). Following the agreement to vote his Super Voting Shares as determined by a majority of the Board, Mr. Weakley owns 202,590 Super Voting Shares and he owns and controls 5,509,397 Convertible Shares, representing 17.1% of the outstanding Convertible Shares. Mr. Weakley holds his shares of the Company for investment purposes only and Mr. Weakley could increase or decrease his beneficial ownership over the shares of the Company, depending on market or other conditions and to the extent deemed advisable in light of his general investment strategy. The Super Voting Shares are subject to the provisions of the investment agreement between Mr. Weakley and the Company, including transfer restrictions, as described in the Company’s listing agreement dated April 23, 2019, which is posted and filed under the Company’s issuer profile on www.sedar.com, and as noted above. A copy of Mr. Weakley’s early warning report will be available on SEDAR under the Company’s issuer profile at www.sedar.com and can be obtained by contacting the persons noted below.

About Indus Holdings, Inc

Indus Holdings, Inc. (CSE:INDS) is a vertically-integrated cannabis company with advanced production capabilities, including cultivation, extraction, manufacturing, brand sales & marketing, and distribution. Founded in 2014 and based in Salinas, California, Indus offers services supporting every step of the supply chain and an extensive portfolio of award-winning brands, including House Weed, The Original Pot Co., MOON, Acme, Beboe, and Dixie Elixirs & Edibles. Indus Distribution, a division of Indus Holdings, Inc., is a leading distributor of cannabis products, servicing an extensive portfolio of brands and licensed retailers.

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Forward Looking Statements

This press release contains certain "forward-looking information" within the meaning of applicable Canadian securities legislation and may also contain statements that may constitute "forward looking statements" within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995. Such forward-looking information and forward-looking statements are not representative of historical facts or information or current condition, but instead represent only Indus' beliefs regarding future events, plans or objectives, many of which, by their nature, are inherently uncertain and outside of Indus' control. Generally, such forward-looking information or forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or may contain statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "will continue", "will occur" or "will be achieved." The forward-looking information and forward-looking statements contained herein may include, but are not limited to, entering into a financing arrangement to replace the Loan and the execution of definitive documentation. There can be no assurance that such forward-looking information will prove to be accurate, and actual results and future events could differ materially from those anticipated in such forward-looking information. This forward-looking information reflects Indus' current beliefs and is based on information currently available to Indus and on assumptions Indus believes are reasonable.

Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Indus to be materially different from those expressed or implied by such forward-looking information. Such risks and other factors may include, but are not limited to: general business, economic, competitive, political and social uncertainties; general capital market conditions and market prices for securities; delay or failure to receive board or regulatory approvals; the actual results of future operations; operating and development costs; competition; changes in legislation or regulations affecting Indus; the timing and availability of external financing on acceptable terms; the available funds of Indus and the anticipated use of such funds; delay or inability to complete a financing arrangement to replace the Loan; favorable production levels and outputs; the stability of pricing of cannabis products; the level of demand for cannabis product; the availability of third-party service providers and other inputs for Indus' operations; and lack of qualified, skilled labor or loss of key individuals. A description of additional assumptions used to develop such forward-looking information and a description of additional risk factors that may cause actual results to differ materially from forward-looking information can be found in Indus' disclosure documents, such as Indus' listing statement filed on the SEDAR website at www.sedar.com. Although Indus has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. Readers are cautioned that the foregoing list of factors is not exhaustive. Readers are further cautioned not to place undue reliance on forward-looking information as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur.

Forward-looking information contained in this news release is expressly qualified by this cautionary statement. The forward-looking information contained in this news release represents the expectations of Indus as of the date of this news release and, accordingly, is subject to change after such date. However,

Indus expressly disclaims any intention or obligation to update or revise any forward looking information, whether as a result of new information, future events or otherwise, except as expressly required by applicable securities law. Neither the Canadian Securities Exchange nor its Regulation Service Provider has reviewed, or accepts responsibility for the adequacy or accuracy of, the content of this news release.