

iAnthus

iAnthus Reports Significant Progress in Massachusetts Adult-Use Market

Receives approval to commence construction on its first adult-use store in Worcester, Massachusetts' second largest city; continues to scale cultivation and production capacity

NEW YORK – December 5, 2019 – [iAnthus Capital Holdings, Inc.](#) ("iAnthus" or the "Company") (CSE: IAN) (OTCQX: ITHUF), which owns, operates, and partners with best-in-class regulated cannabis operations across the United States, is pleased to announce several recent milestones in Massachusetts.

The Company received approval from the state allowing its subsidiary, Mayflower Medicinals, Inc., to commence construction in Worcester on its first adult-use retail dispensary. Worcester, the second largest city in Massachusetts, has a metropolitan area population of approximately 923,000 and is currently served by one other adult-use dispensary. The Company's new 2,837 sq. ft. dispensary is located at 645 Park Avenue along a busy retail and commercial thoroughfare, with ample safe and well-lit parking.

The Company will continue to work with the Massachusetts Cannabis Control Commission ("CCC") to receive final approval from the state to commence operations once construction is complete, which is expected in late Q1 2020. The Worcester dispensary has been designed and planned in line with the Company's new retail concept. The Company expects to add two additional adult-use dispensaries in Massachusetts during 2020 subject to regulatory approval.

The Company's 36,000 sq. ft. marijuana cultivation and processing facility in Holliston has been operational since January 2018 under a medical-only license. The CCC voted on November 7 to approve a final license at this facility for adult-use cultivation and production, subject to final inspection, allowing the Company to directly supply the state's rapidly growing adult use cannabis market with high-quality flower, concentrates, edibles, and other products.

Given the strong wholesale demand for the Company's products and the anticipated increase in demand from the opening of the Worcester dispensary, the Company anticipates opening a second cultivation and processing facility in Fall River in early 2020. The 37,700 sq. ft. facility will include ethanol extraction equipment to enable the production the Company's popular MPX line.

"According to the CCC, Massachusetts generated nearly \$400 million in gross sales from adult-use cannabis retailers during its first year of legalization," said Hadley Ford, CEO of iAnthus. "Since the first two retailers were approved for operations in November 2018, 34 additional dispensaries have opened state-wide. As the only fully legal adult-use market on the east coast, demand for adult-use cannabis in Massachusetts

continues to exceed supply, and as a result, long lines and stock-outs are endemic across the Massachusetts market. We look forward to the opportunity to bring safe, high quality, well-curated products to the adult-use market to help address this problem, improve access and availability."

About iAnthus Capital Holdings, Inc.

iAnthus Capital Holdings, Inc. owns and operates best-in-class licensed cannabis cultivation, processing and dispensary facilities throughout the United States, providing investors diversified exposure to the U.S. regulated cannabis industry. Founded by entrepreneurs with decades of experience in operations, investment banking, corporate finance, law and health care services, iAnthus provides a unique combination of capital and hands-on operating and management expertise. iAnthus currently has operations in 11 states, including 28 dispensaries (FL-10, AZ-4, MA-1, MD-3, NY-2, CO-1, VT-1 and NM-6 where iAnthus has minority ownership). For more information, visit www.iAnthus.com.

Forward Looking Statements

Statements in this news release that are forward-looking statements are subject to various risks and uncertainties concerning the specific factors disclosed here and elsewhere in iAnthus' periodic filings with Canadian securities regulators. When used in this news release, words such as "will, could, plan, estimate, expect, intend, may, potential, believe, should, our vision" and similar expressions, are forward-looking statements.

Forward-looking statements may include, without limitation, statements including dispensary locations, facility build-outs, and other statements of fact.

Readers should not place undue reliance on forward-looking statements. The forward-looking statements in this news release are made as of the date of this release. iAnthus disclaims any intention or obligation to update or revise such information, except as required by applicable law, and iAnthus does not assume any liability for disclosure relating to any other company mentioned herein.

The Canadian Securities Exchange has not reviewed, approved or disapproved the content of this news release.

This news release does not constitute an offer to sell or a solicitation of an offer to sell any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

CONTACT INFORMATION

Corporate:
Megan Kulick
Vice President of Investor Relations
iAnthus Capital Holdings, Inc.
646-518-9411
investors@ianthuscapital.com

US Investors:
Phil Carlson / Elizabeth Barker
KCSA Strategic Communications
iAnthus@KCSA.com

Canadian Investors:
investors@ianthuscapital.com

Media:
Carrie Booze
North 6th Agency
212-334-9753 ext.112
iAnthus@n6a.com