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iAnthus Provides Credit Facility to GrowHealthy

In Exclusive Discussions Regarding a Strategic Relationship with Florida-based Medical Marijuana Provider

NEW YORK, NY and TORONTO, ON -- (Marketwired) -- 09/14/17 -- iAnthus Capital Holdings, Inc. ("iAnthus" or "the Company"), (CSE: IAN)(CSE: IAN.CN)(CNSX: IAN)(OTCQB: ITHUF), which owns, operates, and partners with licensed cannabis operations throughout the United States, announces that it has entered into an agreement to provide a US\$2 million credit facility (the "Loan Facility") to GrowHealthy Holdings, LLC and its affiliated Florida entities (collectively, "GrowHealthy"). GrowHealthy's subsidiary, McCrory's Sunny Hill Nursery, LLC, is one of the twelve (12) current Florida Medical Marijuana Treatment Centers ("MMTCs") licensed to provide medical cannabis under Florida's medical marijuana law, originally enacted in 2014 and expanded through legislation passed by the Florida Legislature in June 2017 and signed by the Governor (the "Act"), which followed the approval by more than 71% of the state's voters of a medical marijuana amendment to Florida's Constitution in November 2016 ("Amendment 2").

GrowHealthy owns a cultivation and processing facility comprised of almost 200,000 square-feet on 33 acres in Lake Wales, Florida, which at the time of licensure was the largest cultivation facility in the state. Pursuant to the Act, each MMTC is permitted to immediately open and operate up to twenty-five (25) dispensaries, which number will be increased with every 100,000 patients that are added to the state medical marijuana registry. GrowHealthy is currently negotiating lease agreements for its initial proposed dispensaries in the Tampa and West Palm Beach areas, and is expected to deliver to its first patients in November 2017.

In addition to the Loan Facility, iAnthus announces that it is in exclusive negotiations with GrowHealthy regarding a further strategic relationship between the parties. The Loan Facility provides for an exclusive dealings period that will run until at least December 31, 2017 and may be further extended by the parties.

"We are extremely impressed with GrowHealthy's management team and the company's cultivation operations, and we believe that GrowHealthy has the ability to become the preeminent provider of medical cannabis in one of the nation's most populous states," said Randy Maslow, President of iAnthus. "With more than 20 million residents and favorable demographics, Florida provides enormous potential for its licensed medical cannabis

providers, and we look forward to working with GrowHealthy as it establishes itself as one of the leaders in this large and fast-growing market."

The new Florida full-strength medical marijuana program currently comprises more than 1,000 ordering physicians, with more than 36,000 patients currently registered with the state. The program has been adding patients at a rate of more than 220 per day. In the three months since the Act was passed, Florida's medical cannabis program patient count is up 87%, having added approximately 17,000 patients during that period.

The new Florida program is still in its infancy, with only 17 dispensaries opened across the state so far. In addition to the allowable 25 dispensaries per MMTTC, the Act also allows for delivery by each MMTTC to medical marijuana patients.

"GrowHealthy has built a state of the art cultivation facility providing the capacity to become one of the largest producers in Florida, and has already cultivated significant inventory," said Don Clifford, CEO of GrowHealthy. "This credit facility from iAnthus allows GrowHealthy to ramp up its product manufacturing capabilities and accelerate its dispensary build-out, to more quickly provide for the needs of Florida's medical marijuana patients."

Background on the Florida State Medical Marijuana Program

In November 2016, the Florida Medical Marijuana Legalization Initiative was approved as an amendment to Florida's state constitution by more than 71% of Florida voters, allowing for a full-strength medical cannabis program to be established to replace the prior low-THC program that had gone into effect in 2015. During a special legislative session in June 2017, the Act was passed by the legislature to implement Amendment 2. The Florida Department of Health thereafter issued regulations to implement the Act.

Under the new full-strength medical program, patients may receive medical marijuana certifications during their first visit with a physician, instead of awaiting completion of the 90-day wait period previously required. The Act provides a broad list of qualifying medical conditions, including post-traumatic stress disorder ("PTSD") and chronic pain related to a qualifying condition or terminal illness. The legislation allows for multiple permitted ingestion methods, including the administration of edibles, oils, vape pens, and capsules. The Act provides for a total of 17 licensed MMTCs, of which 12 MMTCs are currently licensed with an additional 5 to be chosen through an open application process. Each MMTTC will be permitted to initially operate up to 25 dispensaries statewide, with a statutory formula for assigning a certain number of dispensaries into each of five regions across the state.

The Loan Facility:

The Loan Facility to GrowHealthy is in the amount of US\$2 million, with a term of twelve months and a blended interest rate of 12.5% over the term, initiating at a 5% annual rate until January 31, 2018 and escalating to 20% for the remainder of the term. The Loan Facility is secured by GrowHealthy's real estate holdings and related assets at its Lake Wales cultivation and processing facility. As part of the agreement, iAnthus has been granted exclusive rights to negotiate a further strategic relationship with GrowHealthy.

iAnthus holds no ownership interest in GrowHealthy or its affiliated entities at the present time.

About iAnthus Capital Holdings, Inc.

iAnthus Capital Holdings, Inc. provides investors diversified exposure to best-in-class licensed cannabis cultivators, processors and dispensaries throughout the United States. Founded by entrepreneurs with decades of experience in operations, investment banking, corporate finance, law and healthcare services, iAnthus provides a unique combination of capital and hands-on operating and management expertise. The Company harnesses these skills to support operations across five states. For more information, visit www.iAnthuscapital.com.

About GrowHealthy Holdings, LLC

GrowHealthy Holdings, LLC and its affiliates were formed in 2014 to apply for a license as a Dispensing Organization under the original Florida low-THC medical cannabis program through its affiliated partner, McCrory's Sunny Hill Nursery, LLC ("McCrory's"). McCrory's was licensed as a Dispensing Organization by the Florida Department of Health on December 21, 2016, and then subsequently licensed on July 5, 2017 to cultivate, process, transport, and dispense full-strength medical cannabis as a Medical Marijuana Treatment Center under the new *Medical Use of Marijuana Act* passed in June 2017.

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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," and similar expressions, are forward-looking statements.

Forward-looking statements may include, without limitation, statements including statements related to the Loan Facility issued to GrowHealthy and GrowHealthy's build out.

Although iAnthus has attempted to identify important factors that could cause actual results, performance or achievements to differ materially from those contained in the forward-looking statements, there can be other factors that cause results, performance or achievements not to be as anticipated, estimated or intended, including, but not limited to: dependence on obtaining regulatory approvals; investing in target companies or projects which have limited or no operating history and are engaged in activities currently considered illegal under US Federal laws; change in laws; limited operating history; reliance on management; requirements for additional financing; competition; hindering market growth and state adoption due to inconsistent public opinion and perception of the medical-use and adult-use marijuana industry and; regulatory or political change.

There can be no assurance that such information will prove to be accurate or that management's expectations or estimates of future developments, circumstances or results will materialize. As a result of these risks and uncertainties, the results or events predicted in these forward-looking statements may differ materially from actual results or events.

Accordingly, 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.

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