

## Curaleaf Continues its Aggressive Expansion West Through Strategic Acquisition in Nevada

### **Acquires existing vertically integrated operator, the largest cultivation facilities in the state**

WAKEFIELD, Mass., March 18, 2019 /PRNewswire/ -- Curaleaf Holdings, Inc. (CSE: CURA / OTCQX: CURLF), a leading vertically integrated cannabis operator in the United States, today announced it has signed a definitive agreement to acquire Acres Cannabis ("Acres"). With 269,000 sq. ft. of operating cultivation facilities and further expansion as needed on its 37 acres of land in Amargosa Valley, Nevada, Acres operates the state's largest cultivation facility, a state-of-the-art production and extraction lab and an immersive cannabis dispensary located in the city of Las Vegas, adjacent to the Strip, with a second dispensary under construction.

"The acquisition of Acres is a major step in expanding our vertical platform in Nevada. Acres operates a flagship dispensary in the heart of Las Vegas, complementing our existing assets in the state extremely well, and importantly, we can control the consistency, quality and production cost of our own cannabis products," said Joseph Lusardi, CEO of Curaleaf. "We have built the most accessible, trusted and reliable cannabis brand and are extremely excited about the prospects in Nevada both for retail and wholesale activity."

The addition of Acres' cultivation platform will provide Curaleaf with 42,000 sq. ft. of functioning climate-controlled greenhouses and 227,000 sq. ft. of outdoor cultivation in Amargosa Valley. The site is currently under construction, adding another 133,000 sq. ft. of capacity. At over 400,000 sq. ft., the facility is expected to generate 100,000 pounds of dry flower per year at full scale. During the fourth quarter of 2018, Acres harvested over 5,000 pounds of flower.

Acres also operates an award winning 19,000 sq. ft. dispensary in Las Vegas, NV. The cannabis experiential store is open 24 hours a day, 7 days a week, and hosts America's first marijuana farmers market every weekend. Steeped in the cannabis culture, the facilities offer a museum and open view processing kitchen where customers can view the processing of edibles and extracts. Acres also has a second dispensary in Ely, Nevada currently under construction and scheduled to open later this year.

John Mueller, CEO of Acres, commented, "Curaleaf's management, vision and rapid expansion plans made them the natural fit for Acres." Mueller added, "Acres believes Curaleaf is very well positioned to continue to be the largest cannabis operator in the U.S. giving our partners significant upside."

Acres dispensaries are expected to be branded as Curaleaf by year end to further expand its leading footprint as the largest operator of single-branded dispensaries in the U.S.

The Acres acquisition significantly increases Curaleaf's cultivation and manufacturing operations from which Curaleaf will supply its own flagship dispensary at 1736 Las Vegas Blvd in Las Vegas, scheduled to open in the second quarter of this year. Curaleaf will further continue the operation of its indoor grow facility, located near Las Vegas, producing consistently high-quality strains to be sold predominantly in Curaleaf stores in Nevada.

The transaction, valued at \$70 million, with \$25 million to be paid in cash, \$45 million to be paid in Curaleaf stock and additional consideration to be paid if certain financial targets are exceeded, is subject to customary closing conditions and expected to close in 2019.

### **About Curaleaf Holdings**

Curaleaf Holdings, Inc. (CSE: CURA) (OTCQX: CURLF) ("Curaleaf") is the leading vertically integrated multi-state cannabis operator in the United States. It is a high-growth cannabis company with a national brand known for quality, trust and reliability. The company is positioned in highly populated, limited license states, and currently operates in 12 states with 42 dispensaries, 12 cultivation sites and 10 processing sites. Curaleaf has the executive expertise and research and development capabilities to provide leading service, selection, and accessibility across the medical and adult-use markets, as well as the CBD category through its Curaleaf Hemp brand.

### **About Acres**

Acres Cannabis is driven by connecting with the cannabis culture, through one-of-a-kind experiences for customers at its 19,000 square foot dispensary in Las Vegas. With the largest marijuana cultivation facility in the state of Nevada, Acres' vertically integrated agricultural, production and dispensary facilities bring together generations of horticultural experience to produce affordable products of the highest quality. For more information, please visit: <https://acrescannabis.com/>

## FORWARD LOOKING STATEMENTS

This news release contains "forward-looking information" within the meaning of applicable Canadian securities legislation. All statements, other than statements of historical fact, included herein are forward looking information. Generally, forward-looking information may be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "proposed", "is expected", "budgets", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases, or by the use of words or phrases which state that certain actions, events or results may, could, would, or might occur or be achieved. 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 the current beliefs of Curaleaf and is based on information currently available to Curaleaf and on assumptions that Curaleaf believes are reasonable. These assumptions include, but are not limited to, the anticipated benefits to Curaleaf of the transaction described above. 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 Curaleaf 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; competition; changes in legislation affecting Curaleaf; the timing and availability of external financing on acceptable terms; and lack of qualified, skilled labor or loss of key individuals and the other factors identified in Curaleaf's Listing Statement and its other public filings with the Canadian Securities Exchange. Although Curaleaf 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 Curaleaf as of the date of this news release and, accordingly, is subject to change after such date. However, Curaleaf 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.

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