



iAnthus Capital Holdings, Inc.'s Partner, Grassroots Vermont, Launches Statewide Delivery Service

Cannabis license holder in Vermont first to be approved for home delivery

Toronto, ONTARIO, and New York, NEW YORK, September 29, 2016 -- iAnthus Capital Holdings, Inc., ("iAnthus" or the "Company") (CSE: IAN), which delivers a comprehensive solution for financing and managing licensed cannabis cultivators, processors and dispensaries throughout the United States, today announced that Grassroots Vermont ("Grassroots") has successfully launched its delivery service statewide in Vermont. iAnthus entered into a lending facility and management services agreement in early 2015 to finance Grassroots, which is one of the four medical cannabis license holders in Vermont.

The new service has allowed Grassroots to deliver medical cannabis to patients across the state. Grassroots is the first, and to date only, provider of a medical cannabis delivery service in Vermont, which has a population of approximately 600,000. According to the Vermont Department of Safety, qualified medical practitioners have issued to date 2,700 registry ID cards to patients in the state. Recent legislative changes to the medical indications that may be treated with cannabis have accelerated interest in the program, which has witnessed a registered patient increase of approximately 45% since 2015.

Management of Grassroots launched the service this past spring and has just finished the first phase of assessment. "The program has been a big success by any measure," said Alex Ford, Executive Director of Grassroots. Ms. Ford further stated: "Many of our patients faced long drives to pick up their medicine. This program has been a godsend to them."

"Vermont has a geographically diverse population. Not only have existing Grassroots' patients found the delivery program useful, but we have seen a significant increase in new patients, with Grassroots' registered patient count doubling year over year," said Randy Maslow, President of iAnthus. Mr. Maslow further stated: "Home delivery has been highly beneficial to Vermont's medical cannabis patients and Grassroots is actively looking at expanding the program."

The state recently expanded the list of qualifying medical conditions to include glaucoma and chronic pain. The legislative changes also reduced the wait time, from six months to three months, for patients to receive their medical certification card after first seeing a physician. The voters have consistently been supportive of expanding the medical cannabis program and the state legislature is expected to continue to consider legalizing full adult cannabis use, as it did in the 2016 legislative session.

iAnthus' began trading on the Canadian Securities Exchange in September 2016 and previously announced the closing of a US\$6.7 million private placement in May, 2016. Funds from the pri-

vate placement will be used to invest in its existing partners in Massachusetts, New Mexico and Vermont and for general working capital purposes.

Additional information about iAnthus may be accessed on the Company's website at www.ianthuscapital.com and under the Company's SEDAR profile located at www.sedar.com.

About iAnthus Capital Holdings

iAnthus Capital Holdings, Inc., through its 100% owned subsidiary, iAnthus Capital Management, LLC, delivers a comprehensive solution for financing and managing licensed cannabis cultivators, processors and dispensaries throughout the United States. Founded by entrepreneurs with decades of experience in 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 a diversified portfolio of cannabis industry investments for our shareholders, including direct equity investments in for-profit license holders and lending facilities coupled with management services to not-for-profit license holders. For more information, visit www.ianthuscapital.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," and similar expressions, are forward-looking statements.

Forward-looking statements may include, without limitation, statements regarding the development of Vermont into a lucrative medical cannabis market and other statements of fact.

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.

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