



## **Acreage Provides Update on Timing of Filing of Financial Statements for 2019 and First Quarter 2020**

NEW YORK, April 29, 2020 -- [Acreage Holdings, Inc.](#) ("Acreage" or the "Company") (CSE: ACRG.U) (OTCQX: ACRGF) (FSE: OVZ) announces that due to delays caused by the COVID-19 virus, it is utilizing the extension period provided for under BC Instrument 51-515 *Temporary Exemption from Certain Corporate Finance Requirements* ("Instrument 51-515"), and similar extension periods provided for by the securities commissions in Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick and Nova Scotia, for: (i) the filing of its annual financial statements and related management's discussion and analysis for its fiscal year ended December 31, 2019 (the "Annual Filings"); (ii) the filing of its interim financial statements and related management's discussion and analysis for its first quarter in 2020 ended March 31, 2020 (the "Interim Filings"); and (iii) the compliance with the delivery requirements of applicable securities laws relating to the Annual Filings and the Interim Filings.

In consideration of the COVID-19 pandemic and its impact on market participants, the Canadian Securities Administrators announced temporary relief from certain regulatory filings required to be made on or before June 1, 2020. This blanket relief is implemented through Instrument 51-515, which provides that during the period from March 23, 2020 to June 1, 2020, a person or company required to make certain filings as described in Instrument 51-515 has an additional 45 days from the deadline otherwise applicable under British Columbia securities laws to make the filing. Acreage expects to file the Annual Filings by no later than May 14, 2020, and the Interim Filings by no later than June 29, 2020.

In December 2019, COVID-19 was reported to have surfaced in Wuhan, China, which has and is continuing to spread throughout China and other parts of the world, including the United States. On January 30, 2020, the World Health Organization declared the outbreak of the COVID-19 a "Public Health Emergency of International Concern," and on March 11, 2020, the World Health Organization characterized the outbreak as a "pandemic". The Company's operations are located in many states throughout the United States, including New York, one of the areas of the United States hardest-hit by the COVID-19 pandemic. The Company's corporate headquarters are located in New York City.

As a result of COVID-19, the Company has been following the recommendations of local health authorities to minimize exposure risk for its employees for the past several weeks, including the temporary closures of its offices and having employees work remotely to the extent possible, which has adversely affected employee efficiency and disrupted the Company's business operations. In particular, these changes have affected the collaboration of our financial reporting team and the accessibility of the Company's books and records, resulting in delays in the review, preparation and completion of its financial statements for the fiscal year ended December 31, 2019 and the first quarter of 2020 due to guidance from authorities for employees to follow work from home procedures.

The Company is continuing to work diligently towards completing and filing the Annual Filings and Interim Filings. Until the Company has filed the Annual Filings and Interim Filings, members of the Company's management and other insiders are subject to a trading black-out period as per its internal Insider Trading and Reporting Policy that is consistent with the principles in Section 9 of National Policy 11-207 - Failure-to-File Cease Trade Orders and Revocations in Multiple Jurisdictions. Acreage confirms that, other than disclosed in prior press releases, there have been no material business developments since the filing on November 22, 2019 of the Company's latest interim financial reports for the period ended September 30, 2019.

### **ABOUT ACREAGE**

Headquartered in New York City, Acreage is one of the largest vertically integrated, multi-state operators of cannabis licenses and assets in the U.S., according to publicly available information. Acreage is dedicated to building and scaling operations to create a seamless, consumer-focused branded cannabis experience. Acreage debuted its national retail store brand, *The Botanist* in 2018 and its award-winning consumer brands, *The Botanist* and *Live Resin Project* in 2019.

On June 27, 2019 Acreage implemented an arrangement under section 288 of the Business Corporations Act (British Columbia) (the "Arrangement") with Canopy Growth Corporation ("Canopy Growth"). Pursuant to the Arrangement, the Acreage articles were amended to provide Canopy Growth with an option to acquire all of the issued and outstanding shares in the capital of Acreage, with a requirement to do so, upon a change in federal laws in the United States to permit the general cultivation, distribution and possession of marijuana (as defined in the relevant legislation) or to remove the regulation of such activities from the federal laws of the United States (the "Triggering Event"), subject to the satisfaction of the conditions set out in the arrangement agreement entered into between Acreage and Canopy Growth on April 18, 2019, as amended on May 15, 2019 (the "Arrangement Agreement"). Acreage will continue to operate as a stand-alone entity and to conduct its business independently, subject to compliance with certain covenants contained in the Arrangement Agreement. Upon the occurrence or waiver of the Triggering Event, Canopy Growth will exercise the option and, subject to the satisfaction or waiver of certain conditions to closing set out in the Arrangement Agreement, acquire (the "Acquisition") each of the Subordinate Voting Shares (following the automatic conversion of the Class B proportionate voting shares and Class C multiple voting shares of Acreage into Subordinate Voting Shares) in exchange for the payment of 0.5818 of a common share of Canopy Growth per Subordinate Voting Share (subject to adjustment in accordance with the terms of the Arrangement Agreement). If the Acquisition is

completed, Canopy Growth will acquire all of the Acreage Shares, Acreage will become a wholly owned subsidiary of Canopy Growth and Canopy Growth will continue the operations of Canopy Growth and Acreage on a combined basis. For more information about the Arrangement and the Acquisition please see the respective information circulars of each of Acreage and Canopy Growth dated May 17, 2019, which are available on Canopy Growth's and Acreage's respective profiles on SEDAR at [www.sedar.com](http://www.sedar.com). For additional information regarding Canopy Growth, please see Canopy Growth's profile on SEDAR at [www.sedar.com](http://www.sedar.com).

## FORWARD LOOKING STATEMENTS

This news release and each of the documents referred to herein contains "forward-looking information" within the meaning of applicable Canadian securities legislation and "forward-looking statements" within the meaning of applicable United States securities legislation. All statements, other than statements of historical fact, included herein are forward-looking information, including, for greater certainty, statements regarding the implications of the strategic decisions by Acreage, the temporary nature of the operational changes referred to, the timing and implications of deferring the Company's 2020 financial targets, the on-going implications of COVID-19 and the proposed transaction with Canopy Growth, including the anticipated benefits and likelihood of completion thereof.

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 Acreage's current beliefs and is based on information currently available to Acreage and on assumptions Acreage 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 Acreage 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: the future implications to the business, financial results and performance of the Company arising, directly or indirectly, from COVID-19, the ability of Acreage and Canopy Growth to satisfy, in a timely manner, the conditions to the completion of the Acquisition; the likelihood of completion of the Acquisition; other expectations and assumptions concerning the transactions contemplated between Acreage and Canopy Growth; legal and regulatory risks inherent in the cannabis industry; risks associated with economic conditions, dependence on management and currency risk; risks relating to U.S. regulatory landscape and enforcement related to cannabis, including political risks; risks relating to anti-money laundering laws and regulation; other governmental and environmental regulation; public opinion and perception of the cannabis industry; risks related to contracts with third-party service providers; risks related to the enforceability of contracts and lack of access to U.S. bankruptcy protections; reliance on the expertise and judgment of senior management of Acreage; risks related to proprietary intellectual property and potential infringement by third parties; the concentrated voting control of Acreage's founder and the unpredictability caused by Acreage's capital structure; risks relating to the management of growth; increasing competition in the industry; risks inherent in an agricultural business; risks relating to energy costs; risks associated to cannabis products manufactured for human consumption including potential product recalls; reliance on key inputs, suppliers and skilled labor; cybersecurity risks; ability and constraints on marketing products; fraudulent activity by employees, contractors and consultants; tax and insurance related risks; risks related to the economy generally; risk of litigation; conflicts of interest; risks relating to certain remedies being limited and the difficulty of enforcement judgments and effecting service outside of Canada; risks related to future acquisitions or dispositions; sales by existing shareholders; and limited research and data relating to cannabis. 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 Acreage's disclosure documents, including the Acreage's management information circular dated May 17, 2019 filed on May 23, 2019 and Acreage's Annual Information Form for the year ended December 31, 2018 filed on April 29, 2019, on the SEDAR website at [www.sedar.com](http://www.sedar.com). Although Acreage 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 Acreage as of the date of this news release and, accordingly, is subject to change after such date. However, Acreage 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 and does not accept responsibility for the adequacy or accuracy of the content of this news release.

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