

VIA SEDAR

December 18, 2020

Ontario Securities Commission
British Columbia Securities Commission
Alberta Securities Commission
Financial and Consumer Affairs Authority of Saskatchewan
Manitoba Securities Commission
Financial and Consumer Services Commission of New Brunswick
Nova Scotia Securities Commission

Re: Acreage Holdings, Inc. (the “**Company**”) – Restated Interim Financial Statements for the Period Ended September 30, 2020
SEDAR Project No.: 03146607

The Company today filed its interim financial statements for the three and nine month periods ended September 30, 2020 on Form 10-Q (the “**10-Q**”) with the Securities and Exchange Commission. Certain items were identified in the context of preparing the 10-Q that required a restatement of the unaudited interim financial statements of the Company for the three and nine month periods ended September 30, 2020 (the “**Initial Interim Financial Statements**”), which were filed on SEDAR at www.sedar.com on November 30, 2020. Accordingly, the Company today filed restated interim financial statements for the same period (the “**Restated Interim Financial Statements**”), together with corresponding amended management’s discussion and analysis.

It was determined that a contingent liability that had not been resolved at the time of filing the Initial Interim Financial Statements was subsequently determined and therefore has now been recognized within the Company’s financial results as an increase to Losses from Legal Settlements within Operating Expenses. The recognition of this liability resulted in a US\$6.0 million increase to total net loss, consisting of a US\$1.2 million increase to net loss attributable to non-controlling interests and a US\$4.8 million increase to net loss attributable to the Company for both the three-month and nine-month periods ended September 30, 2020, along with corresponding increases to accrued liabilities. It was also determined that additional losses from legal settlements totaling approximately \$8.2 million should be included within Operating Expenses as part of Losses from Legal Settlements, rather than as a component of Other Loss, Net, as set out in the Initial Interim Financial Statements. This change in financial presentation had no impact on the net loss of the Company that had been previously reported in the Initial Interim Financial Statements. Details of the foregoing transactions are further described in Note 13 to the Restated Interim Financial Statements.

The Restated Interim Financial Statements and corresponding amended management’s discussion and analysis are available on SEDAR at www.sedar.com.

Your Truly,

ACREAGE HOLDINGS, INC.

(Signed) *Glen S. Leibowitz*

Glen S. Leibowitz
Chief Financial Officer