



Acreage Announces Completion of US\$10 Million Private Placement

NEW YORK, June 06, 2024 -- [Acreage Holdings, Inc.](#) (“Acreage” or the “Company”) (CSE: **ACRG.A.U**, **ACRG.B.U**) (OTCQX: **ACRHF**, **ACRDF**), a vertically integrated, multi-state operator of cannabis cultivation and retailing facilities in the U.S., is pleased to announce that, further to its press release on June 5, 2024, the Company has completed its previously announced brokered private placement (the “Offering”) of 12,000 units (the “Units”) of the Company at a price of US\$833.33 per Unit, for gross proceeds to the Company of US\$10 million (the “Funded Amount”).

Each Unit consists of: (i) US\$1,000 principal amount of non-recourse unsecured convertible notes (the “Notes”), reflecting a 16.67% original issue discount, convertible into Class E subordinate voting shares of the Company (the “Fixed Shares”); and (ii) Fixed Share purchase warrants (the “Warrants”) of the Company, representing 100% warrant coverage for Funded Amount.

ATB Securities Inc. acted as agent in connection with the Offering.

The Company will deposit the net proceeds of the Offering in a segregated account and intends to use the same for working capital and general corporate purposes.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy any securities in the United States. None of the Units, Notes, Warrants or Fixed Shares issuable upon conversion or exercise thereof have been, nor will they be, registered under the *United States Securities Act of 1933*, as amended (the “U.S. Securities Act”) or the securities laws of any state of the United States and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This news release will not constitute an offer to sell or the solicitation of an offer to buy nor will there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

About Acreage Holdings

Acreage is a multi-state operator of cannabis cultivation and retailing facilities in the U.S., including the Company’s national retail store brand, The Botanist. With its principal address in New York City, Acreage’s wide range of national and regionally available cannabis products include the award-winning brands *The Botanist* and *Superflux*, the *Prime* medical brand in Pennsylvania, and others. Acreage has focused on building and scaling operations to create a seamless, consumer-focused, branded experience. Learn more at www.acreageholdings.com and follow us on [Twitter](#), [LinkedIn](#), [Instagram](#), and [Facebook](#).

Forward-Looking Statements

This news release and each of the documents referred to herein contains “forward-looking information” and “forward-looking statements” within the meaning of applicable Canadian and United States securities legislation, respectively. All statements, other than statements of historical fact, included herein are forward-looking information, including, without limitation, the use of proceeds from the Offering, the number of Fixed Shares to be issued upon conversion of the Notes, the number of Warrants or Fixed Shares issuable upon exercise thereof, the dilutive effect of the Offering on the Fixed Shares, the ability of the Company to remain solvent, and the ability of the Company to continue as a going concern. Often, but not always, forward-looking statements and information can be identified by the use of words such as “plans”, “expects” or “does not expect”, “is expected”, “estimates”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. Forward-looking statements or information involve known and unknown risks, uncertainties, and other factors which may cause the actual results, performance or achievements of Acreage or its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements or information contained in this news release.

Risks, uncertainties and other factors involved with forward-looking information could cause actual events, results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking information, including, but not limited to: the occurrence of changes in U.S. federal laws regarding the cultivation, distribution or possession of marijuana; the ability of the parties to satisfy, in a timely manner, the other conditions to the completion of the Floating Share Arrangement Agreement; the ability of Canopy, Canopy USA and Acreage to satisfy, in a timely manner, the closing conditions to the Floating Share Arrangement; risks relating to the value and liquidity of the Floating Shares and the common shares of Canopy; Canopy maintaining compliance with the Nasdaq and Toronto Stock Exchange listing requirements; the rights of the holders of Floating Shares may differ materially from those of shareholders in Canopy; expectations regarding future investment, growth and expansion of Acreage’s operations; the possibility of adverse U.S. or Canadian tax consequences upon completion of the Floating Share Arrangement; if Canopy USA acquires the Fixed Shares pursuant to the Fixed Share Arrangement Agreement without structural amendments to Canopy’s interest in Canopy USA, the listing of the Canopy Shares on the Nasdaq may be jeopardized; the risk of a change of control of either Canopy or Canopy USA; restrictions on Acreage’s ability to pursue certain business opportunities and other restrictions on Acreage’s business; the impact of material non-recurring expenses in connection with the Floating Share Arrangement on Acreage’s future results of operations, cash flows and financial condition; the possibility of securities class action or derivatives lawsuits; in the event that the Floating Share Arrangement is not completed, but the Fixed Share Acquisition is completed and Canopy becomes the majority shareholder in Acreage, the likelihood that the holders of Floating Shares will have little or no influence on the conduct of Acreage’s business and affairs; risk of situations in which the interests of Canopy USA and the interests of

Acreage or shareholders of Canopy may differ; Acreage's compliance with Acreage's business plan for the fiscal years ending December 31, 2020 through December 31, 2029 pursuant to the Fixed Share Arrangement Agreement; in the event that the Floating Share Arrangement is completed, the likelihood of Canopy completing the Fixed Share Acquisition in accordance with the Fixed Share Arrangement Agreement; there is no certainty on the Exchange Ratio and, depending on timing of closing of the Acquisitions, if at all, and the potential for dilution in respect of the Offering, there may be further diminution of the Exchange Ratio, which will result in fewer Canopy Shares being received upon completion of the Acquisition (see "*Risk Factors - Risks Related to the Acquisition - Risks Associated with a Fixed Exchange Ratio*" and "*Risk Factors - Risks Related to the Acquisition - The Exchange Ratio may be decreased in certain instances*" in the Company's Management Information Circular dated May 17, 2019); risks relating to certain directors and executive officers of Acreage having interests in the transactions contemplated by the Floating Share Arrangement Agreement and the connected transactions that are different from those of the holders of Floating Shares; other expectations and assumptions concerning the transactions contemplated between Canopy, Canopy USA and Acreage; the available funds of Acreage and the anticipated use of such funds; the availability of financing opportunities for Acreage and Canopy USA and the risks associated with the completion thereof; regulatory and licensing risks; the ability of Canopy, Canopy USA and Acreage to leverage each other's respective capabilities and resources; changes in general economic, business and political conditions, including changes in the financial and stock markets; risks relating to infectious diseases, including the impacts of COVID-19; legal and regulatory risks inherent in the cannabis industry, including the global regulatory landscape and enforcement related to cannabis, political risks and risks relating to regulatory change; risks relating to anti-money laundering laws; compliance with extensive government regulation and the interpretation of various laws regulations and policies; public opinion and perception of the cannabis industry; and such other risks disclosed in the Company's Proxy Statement and Management Information Circular dated August 17, 2020, the Company's Annual Report on Form 10-K for the year ended December 31, 2023, as amended, and the Company's other public filings, in each case filed with the SEC on the EDGAR website at www.sec.gov and with Canadian securities regulators and available under Acreage's profile on SEDAR+ at www.sedarplus.ca. 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.

Although Acreage believes that the assumptions and factors used in preparing the forward-looking information or forward-looking statements in this news release are reasonable, undue reliance should not be placed on such information and no assurance can be given that such events will occur in the disclosed time frames or at all. The forward-looking information and forward-looking statements included in this news release are made as of the date of this news release and Acreage does not undertake any obligation to publicly update such forward-looking information or forward-looking statements to reflect new information, subsequent events or otherwise unless required by applicable securities laws.

Neither the Canadian Securities Exchange nor its Regulation Service Provider, nor any securities regulatory authority in Canada, the United States, or any other jurisdiction, has reviewed and does not accept responsibility for the adequacy or accuracy of the content of this news release.

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