



Trulieve Enters 5th State with Two Acquisitions in Pennsylvania, Creating a Vertically Integrated Operation

Acquisitions further Trulieve's mission of being the leading customer-focused cannabis brand in the United States

TALLAHASSEE, FL, Sept. 16, 2020 /CNW/ - Trulieve Cannabis Corp. ("Trulieve" or the "Company") (CSE: TRUL) (OTCQX: TCNNF), a leading and top-performing cannabis company in the United States, today announced that it has entered into definitive agreements pursuant to which Trulieve has agreed to acquire cultivator and producer PurePenn LLC and Pioneer Leasing & Consulting LLC (collectively "PurePenn") as well as dispensary operator Keystone Relief Centers LLC, doing business as Solevo Wellness ("Solevo").

Key Transaction Benefits:

- Delivers an accretive transaction on an EBITDA basis.
- Broadens Trulieve's multi-state footprint to Pennsylvania, the fifth most populated and limited-license state, adding to Trulieve's existing operations in Florida, California, Massachusetts, and Connecticut
- Expands Trulieve's cultivation footprint with the addition of one of Pennsylvania's leading cultivators and producers with 35,000 square feet of existing cultivation, with planned expansion to 90,000 square feet by Q1 2021
- Adds three fully operational dispensaries in premier Pittsburgh-area locations to Trulieve's rapidly growing retail footprint of 60 dispensaries nationally
- Provides Trulieve with the ability to enter the Pennsylvania market with existing vertical operations
- Further strengthens Trulieve's experienced leadership with engaged and aligned local management teams

Kim Rivers, Trulieve CEO stated, "We are extremely excited to announce the acquisition of PurePenn and Solevo as these companies are proven and profitable operators with strong management teams, state of the art facilities, a premium product portfolio, and strong patient base."

Rivers continued, "We believe Pennsylvania is one of the most attractive cannabis markets in the United States and these acquisitions align with our focus on expanding within the northeast. The combination of these companies, coupled with Trulieve's supply chain expertise, customer and brand-centric approach, and ability to profitably grow will propel us into a strong leadership position in the state."

PurePenn

PurePenn is a premier cultivation and production company, producing pharmaceutical-grade medical marijuana products. It offers a range of products such as concentrates, flower, oil, capsules and tinctures, and its portfolio includes some of the highest THC potencies in the Pennsylvania program, with 750mg THC per 30mL bottle tincture and the original THCA sand with potencies in excess of 96%. PurePenn currently operates a 35,000 square foot cultivation and processing facility in McKeesport, PA, which is undergoing expansion to 90,000 square feet expected to be operational by Q1 2021. The PurePenn facility also provides room for future expansion as Trulieve grows its operations in Pennsylvania.

Under its current 100% wholesale model, PurePenn's sizeable cultivation footprint supplies an extensive distribution network, including Solevo and other private and public medical marijuana companies.

The acquisition allows Trulieve to expand its cultivation presence into the Pennsylvania market. As of the end of the second quarter of 2020, the state of Pennsylvania reported that out of the 33 companies permitted to cultivate in the state, only 26 grower/processors were deemed operational, and of those, only 15 of those were actively shipping to dispensaries.

"We are excited to join Trulieve, as well as Solevo, who we have an established relationship with, and see this as an incredible opportunity to combine Trulieve's seed to sale structure with our wholesale model," said Gabe Perlow, CEO of PurePenn. "We look forward to continuing to add to our cultivation to meet the wholesale demand in the state, as well as being part of a vertical integration model – the best of both worlds. The announcement today provides new opportunities for PurePenn and we believe this will accelerate our already rapid growth."

Solevo Wellness

Solevo owns and operates three dispensaries, located in premier Pittsburgh-area locations, including the first dispensary to open in Allegheny County in February 2018. Solevo is dedicated to providing medical marijuana relief solutions for Pennsylvanians certified with serious medical conditions such as intractable pain including arthritis, and other serious medical conditions including glaucoma, cancer, autism, Parkinson's disease, MS, IBS, and HIV/AIDS.

The acquisition expands Trulieve's retail presence into the fifth-most populated state in the U.S., with approximately 13 million people and an expanding medical marijuana patient base of 330,000 patients as of June 30, 2020. The medical market size in Pennsylvania is estimated to be US\$420 million in 2019 and is anticipated to grow to US\$575M by the end of 2020, according to BDS Analytics. As of the end of the second quarter of 2020, only 87 of the potential 198 dispensary locations were operational and servicing the 330,000 patients in the state.

"We are extremely excited to join Trulieve to bring their strong brand presence to the Pennsylvania market. We share the same patient-centric core values and strive to develop best-in-class service by providing quality products and delivering the highest standard of professional care," said Dr. Robert Capretto, Chairman of the Board of Solevo. "We are looking forward to bringing the Trulieve brand to the market, which we anticipate will be well-received by our patients and communities."

Proposed Transactions

Trulieve has agreed to acquire PurePenn for an upfront payment of \$46 million, comprised of \$27 million in Trulieve subordinate voting shares ("Trulieve Shares") and \$19 million in cash, plus a potential earn-out payment of up to approximately \$60 million in Trulieve Shares based on the achievement of certain agreed EBITDA milestones.

Trulieve has agreed to acquire Solevo for an upfront purchase price of US\$20 million, comprised of \$10 million in cash and \$10 million in Trulieve Shares, plus a potential earn-out payment of up to approximately \$15 million in Trulieve Shares based on the achievement of certain agreed EBITDA milestones.

Both acquisitions are agreed as of September 16, 2020. The Transactions are subject to customary closing conditions and regulatory approvals and are expected to close during the fourth quarter of 2020. Each acquisition is an arms length transaction and neither involve a finder's fee. The acquisitions will result in a change of control for both PurePenn and Solevo.

The Trulieve Shares issued in conjunction with the transactions are subject to various hold periods of up to 18 months following the closing date of each respective transaction.

Advisors and Counsel

For both the PurePenn and Solevo transactions: Canaccord Genuity Corp. is acting as the exclusive financial advisor to Trulieve, and Akerman LLP is acting as legal counsel to Trulieve. Saul Ewing Arnstein & Lehr LLC is acting as legal counsel to PurePenn and PLC and Metz Lewis Brodman Must O'Keefe LLC is acting as legal counsel to Solevo.

About PurePenn

PurePenn is a premier grower and processor of medical marijuana licensed by the Pennsylvania Department of Health composed of Pennsylvania business leaders and healthcare experts deeply committed to patient quality of life, job creation, and social impact on the communities it serves. PurePenn's products have received repeated acclaim for consistently providing safe and effective treatments for patients. Rooted in community and social good, our goal is to consistently produce medical marijuana products at its facility in McKeesport that exceeds the state's, community's, employees' and patients' expectations. Learn more at: www.purepenn.com/

About Solevo

Solevo operates three medical marijuana dispensaries in Pittsburgh, PA, and is dedicated to providing medical marijuana relief solutions for Pennsylvanians certified with serious medical conditions such as intractable pain including arthritis, and other serious medical conditions including glaucoma, cancer, autism, Parkinson's disease, MS, IBS, and HIV/AIDS. Founded by leading physicians, pharmacists, and medical professionals, Solevo offers personal, professional care, and quality medical marijuana products. Learn more at: www.solevowellness.com/

About Trulieve

Trulieve is a vertically integrated "seed-to-sale" company and is the first and largest fully licensed medical cannabis company in the State of Florida. Trulieve cultivates and produces all of its products in-house and distributes those products to Trulieve-branded stores (dispensaries) throughout the State of Florida, as well as directly to patients via home delivery. Trulieve also operates in California, Massachusetts and Connecticut. Trulieve is listed on the Canadian Securities Exchange under the symbol TRUL and trades on the OTCQX Best Market under the symbol TCNNF. Learn more at: www.trulieve.com/

Forward-Looking Statements

This news release includes forward-looking information and statements, which may include, but are not limited to, information and statements regarding or inferring the future business, operations, financial performance, prospects, and other plans, intentions, expectations, estimates, and beliefs of the Company and statements with regard to the completion of the acquisitions, the issuance of Subordinate Voting Shares, the expansion of the Company's operations, the achievement by PurePenn and Solevo of certain performance milestones and the issuance of Subordinate Voting Shares in satisfaction of such milestone payments. Words such as "expects", "continue", "will", "anticipates" and "intends" or similar expressions are intended to identify forward-looking statements. These forward-looking statements are based on the Company's current projections and expectations about future events and financial trends that management believes might affect its financial condition, results of operations, business strategy and financial needs, and on certain assumptions and analysis made by the Company in light of the experience and perception of historical trends, current conditions and expected future developments and other factors management believes are appropriate. Forward-looking information and statements involve and are subject to assumptions and known and unknown risks, uncertainties, and other factors which may cause actual events, results, performance, or achievements of the Company to be materially different from future events, results, performance, and achievements expressed or implied by forward-looking information and statements herein. Although the Company believes that any forward-looking information and statements herein are reasonable, in light of the use of assumptions and the significant risks and uncertainties inherent in such information and statements, there can be no assurance that any such forward-looking information and statements will prove to be accurate, and accordingly readers are advised to rely on their own evaluation of such risks and uncertainties and should not place undue reliance upon such forward-looking information and statements. Any forward-looking information and statements herein are made as of the date hereof, and except as required by applicable laws, the Company assumes no obligation and disclaims any intention to update or revise any forward-looking information and statements herein or to update the reasons that actual events or results could or do differ from those projected in any forward looking information and statements herein, whether as a result of new information, future events or results, or otherwise, except as required by applicable laws.

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

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