



## **C21 Investments Announces Private Placement of up to \$45 Million of Convertible Debentures**

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**VANCOUVER, November 8, 2018** – C21 Investments Inc. (“C21” or the “Company”) (CSE: CXXI) (FSE: C6QP) today announced that it has entered into a brokered syndicated private placement led by Industrial Alliance Securities Inc. (the “Lead Agent”) with Canaccord Genuity Corp. and Sprott Capital Partners joining as syndicate members (collectively with the Lead Agent, the “Agents”) for the sale of up to 45,000 units of C21 (the “Units”), at a price of \$1,000 per Unit, for gross proceeds of a minimum of \$20,000,000 and up to a maximum of \$45,000,000 (the “Offering”).

In addition, C21 has granted the Agents an over-allotment option, exercisable in whole or in part, at the discretion of the Agents, to arrange for the purchase of up to an additional 15% of the Units sold by the Agents, at any time until the closing of the Offering.

Each Unit consists of one \$1,000 principal amount 10% unsecured convertible debenture (the “Debenture”) and one-half of one non-transferable debenture warrant (each whole warrant, a “Warrant”). Each Warrant will entitle the holder thereof to purchase, for a period of 24 months from the date of issue, one additional \$1,000 principal amount 10% unsecured convertible debenture (a “Warrant Debenture”) at an exercise price of \$1,000 per Warrant Debenture. The Debentures are convertible to common shares of C21 at a price of \$1.50 per common share. The Warrant Debentures are convertible into common shares of C21 at a price of \$2.25 per common share. The Debentures and Warrant Debentures will mature two years from the date of issuance of the Debentures.

"This additional capital will accelerate our growth and expansion plans in the United States and globally," said Robert Cheney, Chief Executive Officer of C21. "It is exciting to participate in an industry growing as rapidly as ours and with a regulatory landscape that continues to improve."

Net proceeds from the Offering are intended to be used primarily to complete previously announced acquisitions in the United States, and to upgrade and expand the acquired businesses.

In consideration of the services rendered by the Agents in connection with the Offering, C21 has agreed to pay the Agents on the closing of the Offering an aggregate cash fee equal to: (a) 6.0% of the gross proceeds of the Offering resulting from the sale of Units

to purchasers (other than purchasers identified on a mutually agreed upon subscriber list (the "President's List")); and (b) 3% of the gross proceeds of the Offering resulting from the sale of Units to purchasers on the President's List. In addition, C21 has agreed to issue to the Agents warrants for the purchase of Debentures in a number equal to: (a) 6% of the number of Units sold to purchasers (other than to purchasers on the President's List); and (b) 3% of the number of Units sold to purchases on the President's List.

Closing of the Offering is expected to occur November 28, 2018 and is subject to a number of conditions, including receipt of all necessary corporate and regulatory approvals, including the Canadian Securities Exchange (the "CSE").

This news release does not constitute an offer to sell or a solicitation of an offer to buy any securities in the United States, nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. The securities described herein have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws, and, accordingly, may not be offered or sold within the United States, or to or for the account or benefit of persons in the United States or "U.S. Persons", as such term is defined in Regulation S promulgated under the U.S. Securities Act, unless registered under the U.S. Securities Act and applicable state securities laws or pursuant to an exemption from such registration requirements.

## **ABOUT C21 INVESTMENTS**

C21 Investments Inc. (CSE: CXXI) (FSE: C6QP) is a vertically integrated cannabis company that cultivates, processes, and distributes quality cannabis and hemp-derived consumer products in the United States. The Company owns Eco Firma Farms in Oregon, and has definitive agreements in place that are expected to close prior to the Company's year end of January 31, 2019 to acquire Silver State Relief and Silver State Cultivation in Nevada and Phantom Farms, Pure Green and Swell in Oregon, and Letters of Intent to acquire and expected to also close prior to year-end with two dispensaries in Oregon. These brands produce and distribute a broad range of THC and CBD products from cannabis flowers, pre-rolls, cannabis oil, vaporizer cartridges and edibles. C21 is also in active discussions to acquire additional operations in the USA and globally, which includes the first CBD license issued in Ukraine. These developments will add to the Company's ability to compete aggressively in the rapid growth of the cannabis industry and to grow revenue and EBITDA. Based in Vancouver, Canada, additional information on C21 can be found at [www.sedar.com](http://www.sedar.com) and [www.cxxi.ca](http://www.cxxi.ca).

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**Cautionary Statement:**

*Certain statements contained in this news release may constitute forward-looking statements within the meaning of applicable securities legislation. Forward-looking statements are often, but not always, identified by the use of words such as "anticipate", "plan", "expect", "may", "will", "intend", "should", and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Forward looking statements in this news release include: (i) net proceeds from the Offering are intended to be used primarily to complete previously announced acquisitions in the United States, and to upgrade and expand the acquired businesses; and (ii) closing of the Offering is expected to occur on November 28, 2018, and is subject to a number of conditions, including receipt of all necessary corporate and regulatory approvals, including the Canadian Securities Exchange; (iii) the Company owns Eco Firma Farms in Oregon, and has definitive agreements in place that are expected to close prior to the Company's year end of January 31, 2019 to acquire Silver State Relief and Silver State Cultivation in Nevada and Phantom Farms, Pure Green and Swell in Oregon, and Letters of Intent to acquire and expected to also close prior to year-end with two dispensaries in Oregon .*

*The forward-looking statements contained in this news release are based on certain key expectations and assumptions made by C21. Although C21 believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because C21 can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, the failure to obtain necessary regulatory approvals or satisfy the conditions to closing the Offering, C21's inability to complete previously announced acquisitions or, if completed, to upgrade and expand the acquired business as planned, competitive factors in the industries in which C21 operates, prevailing economic and regulatory conditions, and other factors, many of which are beyond the control of C21.*

*The forward-looking statements contained in this news release represent C21's expectations as of the date hereof, and are subject to change after such date. C21 disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as required under applicable securities regulations.*

***The CSE has not accepted responsibility for the adequacy or accuracy of this release.***