



CSE: INR
FRANKFURT: 71P

For Immediate Release

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INNOVATIVE PROPERTIES ANNOUNCES CLOSING \$2.2 MILLION FIRST TRANCHE OF PRIVATE PLACEMENT

VANCOUVER, BRITISH COLUMBIA, CANADA/ November 21, 2018, Innovative Properties Inc. (CSE:INR) (“**Innovative Properties**” or the “**Company**”) is pleased to announce that it has closed a first tranche of the non-brokered private placement offering of 14,591,498 shares of the Company (the “**Share**”) at a price of \$0.15 per Share for gross proceeds of approximately \$2.2 million (the “**Offering**”).

In connection with the Offering, the Company has paid Eventus Capital Corp. and other eligible finders, a fee of \$153,123 paid in Shares within the amounts permitted by the policies of the Canadian Securities Exchange and applicable securities laws. In addition, 1,020,820 transferable broker’s warrants (the “**Broker’s Warrants**”) were issued to eligible finders. Each Broker’s Warrant entitles the holder thereof to acquire one Share at price of \$0.15 per Share for a period of two years from the date of issuance.

All securities issued in connection with the Offering are subject to a statutory hold period of four months and one day from the date of issuance in accordance with applicable securities legislation. In addition, two-thirds of the Shares are subject to a 10-month restricted hold period and will be available for resale in accordance with the following schedule: (i) 1/3 of the Shares will be freely tradeable on June 21, 2019; and (ii) the remaining 1/3 of the Shares will be freely tradeable on September 21, 2019. In the event the Company undergoes a change of control after March 22, 2019, the Shares will become freely tradeable.

The net proceeds from the Offering are expected to be used for investments in cannabis-related companies and for general corporate purposes.

Mr. Kevin Ma, Interim CEO and Director, and Mr. Ken Cotiamco, Director, acquired Shares in the Offering and such transactions are considered to be “related party transactions” as defined under Multilateral Instrument 61-101 (“**MI 61-101**”). The transactions are exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as neither the fair market value of any shares issued to or the consideration paid by such persons exceeded 25% of the Company's market capitalization.

ON BEHALF OF THE BOARD OF DIRECTORS

“Kevin Ma”

Kevin Ma
Interim CEO and Director

The CSE does not accept responsibility for the adequacy or accuracy of this release.

All statements, other than statements of historical fact, included herein are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ, materially from the Company's expectations are disclosed in the Company's documents filed from time to time with the Canadian Securities Exchange, the British Columbia Securities Commission, the Ontario Securities Commission and the Alberta Securities Commission.

None of the securities issued pursuant to the Transaction have been or will be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or any state securities laws, and any securities issued pursuant to the Transaction were issued in reliance upon available exemptions from such registration requirements pursuant to Rule 506(b) of Regulation D and/or Section 4(a)(2) of the U.S. Securities Act and applicable exemptions under state securities laws. In addition, the securities issued under an exemption from the registration requirements of the U.S. Securities Act are “restricted securities” as defined under Rule 144(a)(3) of the U.S. Securities Act and contain the appropriate restrictive legend as required under the U.S. Securities Act.

