

*A copy of this preliminary short form prospectus has been filed with the securities regulatory authorities in all of the provinces of Canada, except Québec, but has not yet become final for the purpose of the sale of securities. Information contained in this preliminary short form prospectus may not be complete and may have to be amended. The securities may not be sold until a receipt for the short form prospectus is obtained from the securities regulatory authorities.*

*No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This short form prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and only by persons permitted to sell these securities in those jurisdictions.*

*The securities offered under this short form prospectus have not been and will not 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 (as such term is defined in Regulation S under the U.S. Securities Act) (the “United States”), and may not be offered or sold within the United States, or to, or for the account or benefit of a U.S. Person (as defined in Rule 902(k) of Regulation S under the U.S. Securities Act) or a person in the United States, except as permitted by the Underwriting Agreement (as defined herein) and in transactions exempt from registration under the U.S. Securities Act and applicable U.S. state securities laws. This short form prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby within the United States or to, or for the account or benefit of, U.S. persons.*

*Information has been incorporated by reference in this short form prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Chief Financial Officer of Green Thumb Industries Inc. at 325 West Huron Street, Suite 412, Chicago, Illinois 60654, telephone (312)-471-6720, and are also available electronically at [www.sedar.com](http://www.sedar.com).*



## PRELIMINARY SHORT FORM PROSPECTUS

**New Issue**

**July 18, 2018**

**Green Thumb Industries Inc.**

**\$80,300,000**

**7,300,000 Subordinate Voting Shares**

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**Price: \$11.00 per Subordinate Voting Share**

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This preliminary short form prospectus (the “**Prospectus**”) qualifies the distribution of 7,300,000 Subordinate Voting Shares (the “**Offered Shares**”) in the capital of Green Thumb Industries Inc. (the “**Company**”) at a price of \$11.00 per Offered Share (the “**Offering Price**”) for total gross proceeds of \$80,300,000 (the “**Offering**”).

The Company has entered into an underwriting agreement (the “**Underwriting Agreement**”) dated as of July 18, 2018 with Canaccord Genuity Corp. (“**Canaccord**”) and GMP Securities L.P., as co-lead underwriters (the “**Co-Lead Underwriters**”), and Beacon Securities Limited, Echelon Wealth Partners Inc. and Eight Capital

(together with the Co-Lead Underwriters, the “**Underwriters**”). The Offering Price was determined by negotiation between the Company and the Co-Lead Underwriters, on their own behalf and on behalf of the Underwriters, with reference to the prevailing market price of the Subordinate Voting Shares.

The Subordinate Voting Shares are listed on the Canadian Securities Exchange (“**CSE**”) under the symbol “**GTII**”. On July 11, 2018, the last trading day prior to the announcement of the Offering, the closing price of the Subordinate Voting Shares on the CSE was \$13.07 per Subordinate Voting Share. On July 17, 2018, the last trading day before the date of this Prospectus, the closing price of the Subordinate Voting Shares on the CSE was \$11.27 per Subordinate Voting Share. The Company has given notice to list the Offered Shares to be distributed under this Prospectus on the CSE. Listing will be subject to the Company fulfilling all of the requirements of the CSE.

	<b>Price to the Public</b>	<b>Underwriting Fee<sup>(1)</sup></b>	<b>Net Proceeds to the Company<sup>(2)(3)</sup></b>
Per Subordinate Voting Share .....	\$11.00	\$0.605	\$10.395
Total Offering .....	\$80,300,000	\$4,416,500	\$75,883,500

Notes:

- (1) Pursuant to the Underwriting Agreement, the Company has agreed to pay to the Underwriters an aggregate cash fee equal to 5.50% of gross proceeds raised in respect of the Offering (including any gross proceeds raised on exercise of the Over-Allotment Option (as defined herein)) provided that, in respect of orders from certain purchasers to be agreed upon by the Company and Canaccord (the “**President’s List**”) for aggregate gross proceeds of up to \$22,500,000, the Company has agreed to pay to the Underwriters an aggregate cash fee equal to 2.75% of the gross proceeds of such sales (collectively, the “**Underwriting Fee**”). See “*Plan of Distribution*”.
- (2) After deducting the Underwriting Fee, but before deducting the expenses of the Offering, estimated to be \$300,000, which, together with the Underwriting Fee, will be paid out of the gross proceeds of the Offering, and assuming no President’s List purchasers.
- (3) The Underwriters have been granted an over-allotment option, exercisable, in whole or in part, in the sole discretion of the Underwriters at any time, and from time to time, on or before 5:00 p.m. (EST) on the 30<sup>th</sup> day (the “**Over-Allotment Deadline**”) following the Closing Date (as defined herein), to purchase up to an additional 15% of the Subordinate Voting Shares offered pursuant to the Offering (the “**Over-Allotment Shares**”) at the Offering Price to cover the Underwriters’ over-allocation position, if any, and for market stabilization purposes (the “**Over-Allotment Option**”). The Over-Allotment Option is exercisable by the Co-Lead Underwriters, on behalf of the Underwriters, giving notice to the Company prior to the Over-Allotment Deadline, which notice shall specify the number of Over-Allotment Shares to be purchased. If the Over-Allotment Option is exercised in full, the total “Price to the Public”, “Underwriting Fee” and “Net Proceeds to the Company” will be \$92,345,000, \$5,078,975 and \$87,266,025, respectively (assuming no President’s List purchasers). This Prospectus qualifies the grant of the Over-Allotment Option and the distribution of the Over-Allotment Shares issuable upon exercise of the Over-Allotment Option. A purchaser who acquires Over-Allotment Shares forming part of the Underwriters’ over-allocation position acquires those Over-Allotment Shares under this Prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. See “*Plan of Distribution*”.

Unless the context otherwise requires, when used herein, all references to “Offering” include the exercise of the Over-Allotment Option and all references to “Offered Shares” include the Over-Allotment Shares issuable upon exercise of the Over-Allotment Option.

The following table sets out the number of Subordinate Voting Shares that have been issued or may be issued by the Company to the Underwriters pursuant to the Over-Allotment Option:

<b>Underwriters’ Position</b>	<b>Maximum Size or Number of Securities Available</b>	<b>Exercise Period</b>	<b>Exercise Price</b>
Over-Allotment Option	1,095,000 Over-Allotment Shares	For a period of 30 days from and including the Closing Date	\$11.00 per Over-Allotment Share

Subscriptions for the Offered Shares will be received subject to rejection or allotment, in whole or in part, and the Underwriters reserve the right to close the subscription books at any time without notice. Closing of the Offering is expected to take place on or about August 2, 2018, or such other date as may be agreed upon by the Company and the Co-Lead Underwriters, but in any event not later than 42 days after the date of the receipt of the (final) short form prospectus (the “**Closing Date**”).

It is anticipated that the Offered Shares will be delivered under the book-based system through CDS Clearing and Depository Services Inc. (“CDS”) or its nominee and deposited in electronic form. A purchaser of Offered Shares will receive only a customer confirmation from the Underwriters or another registered dealer from or through which the Offered Shares are purchased and who is a CDS depository service participant. CDS will record the CDS participants who hold Offered Shares on behalf of owners who have purchased Offered Shares in accordance with the book-based system. No definitive certificates will be issued unless specifically requested or required. See “*Plan of Distribution*”.

The Underwriters propose to offer the Offered Shares to the public initially at the Offering Price. **After the Underwriters have made a reasonable effort to sell all of the Offered Shares at the Offering Price, the offering price for the Offered Shares may be decreased and may be further changed from time to time to amounts not greater than the Offering Price, and the compensation realized by the Underwriters will be decreased by the amount that the aggregate price paid by the purchasers of the Offered Shares is less than the amount paid by the Underwriters to the Company. Any such reduction will not affect the net proceeds received by the Company.** See “*Plan of Distribution*”.

**An investment in Subordinate Voting Shares involves a high degree of risk. Prospective purchasers should consider the risk factors described under “Risk Factors” in this Prospectus and in the AIF (as defined herein), which can be found on SEDAR at [www.sedar.com](http://www.sedar.com), before purchasing the Offered Shares.**

The Company has three classes of issued and outstanding shares: Subordinate Voting Shares, Multiple Voting Shares and Super Voting Shares. Subordinate Voting Shares are “restricted securities” within the meaning of such term under applicable Canadian securities laws. The Subordinate Voting Shares, Multiple Voting Shares and Super Voting Shares are substantially identical with the exception of the multiple voting rights and conversion rights attached to the Multiple Voting Shares and Super Voting Shares. The Subordinate Voting Shares entitle the holders to notice of and to attend at any meeting of the shareholders of the Company, except a meeting of which only holders of another particular class or series of shares of the Company have the right to vote. Each Subordinate Voting Share is entitled to one vote per Subordinate Voting Share, each Multiple Voting Share is entitled to 100 votes per Multiple Voting Share and each Super Voting Shares is entitled to 1,000 votes per Super Voting Share on all matters upon which the holders of shares are entitled to vote, and holders of Subordinate Voting Shares, Multiple Voting Shares and Super Voting Shares will vote together on all matters subject to a vote of holders of each of those classes of shares as if they were one class of shares, except to the extent that a separate vote of holders as a separate class is required by law or provided by our articles. Each Multiple Voting Share is convertible into 100 Subordinate Voting Shares at any time at the option of the holders thereof and automatically in certain other circumstances. Each Super Voting Share is convertible into one Multiple Voting Share at any time at the option of the holders thereof and automatically in certain other circumstances. The holders of Subordinate Voting Shares have certain conversion rights in the event of a take-over bid for the Multiple Voting Shares and each of the Subordinate Voting Shares and Multiple Voting Shares benefit from contractual provisions that give them certain rights in the event of a take-over bid for the Super Voting Shares. See “*Description of Securities Being Distributed*”.

The Underwriters, as principals, conditionally offer the Offered Shares, subject to prior sale, if, as and when issued by the Company and accepted by the Underwriters in accordance with the conditions contained in the Underwriting Agreement referred to under “*Plan of Distribution*”, subject to the approval of certain legal matters on behalf of the Company by Cassels Brock & Blackwell LLP and on behalf of the Underwriters by Fasken Martineau DuMoulin LLP.

Prospective purchasers should rely only on the information contained or incorporated by reference in this Prospectus. The Company and the Underwriters have not authorized anyone to provide prospective purchasers with information different from that contained or incorporated by reference in this Prospectus. The Underwriters are offering to sell and seeking offers to buy the Offered Shares only in jurisdictions where, and to persons to whom, offers and sales are lawfully permitted. Prospective purchasers should not assume that the information contained in this Prospectus is accurate as of any date other than the date on the cover page of this Prospectus.

**Prospective purchasers are advised to consult their own tax advisors regarding the application of Canadian federal income tax laws to their particular circumstances, as well as any other provincial, foreign and other tax consequences of acquiring, holding or disposing of the Offered Shares.**

Benjamin Kovler, Peter Kadens, Anthony Georgiadis, Wendy Berger, Glen Senk and Wes Moore, each a director of the Company, each reside outside of Canada and each has each appointed Cassels Brock & Blackwell

LLP, Suite 2200, HSBC Building, 885 West Georgia Street, Vancouver, BC V6C 3E8, as its agent for service of process. Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person that resides outside of Canada, even if the party has appointed an agent for service of process.

The Company's head office is located at 325 W. Huron Street, Suite 412, Chicago, Illinois 60654, and its registered office is located at 2200, HSBC Building, 885 West Georgia Street, Vancouver, British Columbia V6C 3E8.

**This Prospectus qualifies the distribution of securities of an entity that currently derives, directly, a substantial portion of its revenues from the cannabis industry in certain U.S. states, which industry is illegal under U.S. federal law and enforcement of relevant laws is a significant risk. The Company is directly involved (through its licensed subsidiaries) in the cannabis industry in the United States where local state laws permit such activities. Currently, its subsidiaries are directly engaged in the manufacture, possession, use, sale or distribution of cannabis in the recreational and/or medicinal cannabis marketplace in the States of Illinois, Nevada, Maryland, Pennsylvania, Massachusetts, Florida and Ohio. Third party service providers could suspend or withdraw services as a result of the Company operating in an industry that is illegal under U.S. federal law.**

**The United States federal government regulates drugs through the Controlled Substances Act (21 U.S.C. § 811), which places controlled substances, including cannabis, in a schedule. Cannabis is classified as a Schedule I drug. Under United States federal law, a Schedule I drug or substance has a high potential for abuse, no accepted medical use in the United States, and a lack of accepted safety for the use of the drug under medical supervision. The United States Food and Drug Administration has not approved marijuana as a safe and effective drug for any indication.**

**On January 4, 2018, U.S. Attorney General Jeff Sessions issued a memorandum to U.S. district attorneys which rescinded previous guidance from the U.S. Department of Justice specific to cannabis enforcement in the United States, including the Cole Memorandum (as defined in the AIF). With the Cole Memorandum rescinded, U.S. federal prosecutors have been given discretion in determining whether to prosecute cannabis related violations of U.S. federal law.**

**There is no guarantee that state laws legalizing and regulating the sale and use of cannabis will not be repealed or overturned, or that local governmental authorities will not limit the applicability of state laws within their respective jurisdictions. Unless and until the United States Congress amends the Controlled Substances Act with respect to medical and/or adult-use cannabis (and as to the timing or scope of any such potential amendments there can be no assurance), there is a risk that federal authorities may enforce current U.S. federal law. If the U.S. federal government begins to enforce U.S. federal laws relating to cannabis in states where the sale and use of cannabis is currently legal, or if existing applicable state laws are repealed or curtailed, Green Thumb Industries Inc.'s business, results of operations, financial condition and prospects would be materially adversely affected.**

**In light of the political and regulatory uncertainty surrounding the treatment of U.S. cannabis-related activities, including the rescission of the Cole Memorandum discussed above, on February 8, 2018 the Canadian Securities Administrators published a staff notice ("Staff Notice 51-352") setting out the Canadian Securities Administrator's disclosure expectations for specific risks facing issuers with cannabis-related activities in the United States. Staff Notice 51-352 confirms that a disclosure-based approach remains appropriate for issuers with U.S. cannabis-related activities. Staff Notice 51-352 includes additional disclosure expectations that apply to all issuers with U.S. cannabis-related activities, including those with direct and indirect involvement in the cultivation and distribution of cannabis, as well as issuers that provide goods and services to third parties involved in the U.S. cannabis industry.**

**For these reasons, the Company's operations in the United States cannabis market may subject the Company to heightened scrutiny by regulators, stock exchanges, clearing agencies and other Canadian authorities. There are a number of risks associated with the business of the Company. See section entitled "Risk Factors" in this Prospectus and in the AIF, including in the AIF under "Marijuana remains illegal under U.S. federal law", "Federal regulation of marijuana in the United States", "U.S. State regulatory uncertainty", and "Heightened scrutiny by Canadian regulatory authorities".**

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## CAUTIONARY STATEMENT REGARDING FORWARD LOOKING INFORMATION

This Prospectus, including the documents incorporated herein by reference, contains “forward-looking information” within the meaning of applicable Canadian securities legislation, which is based upon the Company’s current internal expectations, estimates, projections, assumptions and beliefs. Often, but not always, forward looking information can be identified by the use of words and phrases such as “plans”, “expects”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, or “believes” or similar expressions or variations (including negative and grammatical variations) of such words and phrases, or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. The forward-looking information included in this Prospectus is made only as of the date of this Prospectus or the document incorporated herein by reference, as applicable. Such forward-looking information may include, but is not limited to, statements with respect to: the future financial or operating performance of the Company and its subsidiaries; the Company’s expectations with respect to future growth; the availability of sources of income to generate cash flow and revenue; the dependence on management and directors; risks relating to the receipt of the required licenses; risks relating to additional funding requirements; exchange rate risks; risks relating to laws and regulations applicable to the production and sale of cannabis; regulatory risks associated with the operations of the Company, timing and development of current and future projects; the Company’s competitive position; completion of the Offering and the date of such completion and the proposed use of proceeds.

Forward looking information is based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect. This Prospectus, including the documents incorporated herein by reference, may contain statements containing forward-looking information attributed to third party industry sources. The forward-looking information contained is based on certain assumptions, including without limitation: (i) receipt and/or maintenance by the Company and its subsidiaries of required licenses and third party consents in a timely manner or at all; (ii) the Company will be able to generate cash flow from operations and obtain necessary financing on acceptable terms; (iii) general economic, financial market, regulatory and political conditions in which the Company operates will remain the same; (iv) the Company will be able to compete in the cannabis industry; (v) the Company will be able to manage anticipated and unanticipated costs; (vi) the Company will be able to maintain internal controls over financial reporting and disclosure, and procedures; (vii) consumer interest in Company products; (viii) the timely receipt of any required regulatory approvals; (ix) the Company’s ability to obtain qualified staff, equipment and services in a timely and cost efficient manner; (x) the Company’s ability to conduct operations in a safe, efficient and effective manner; (xi) government regulation of the Company’s activities will remain the same; (xii) the Company’s ability to complete the Offering on the Closing Date or otherwise as set out herein; and (xiii) the Company using the proceeds of the Offering as set out herein.

Although the Company believes that the expectations reflected in such forward-looking information are reasonable, it can give no assurance that such expectations will prove to have been correct. The Company’s forward-looking information is expressly qualified in its entirety by this cautionary statement. In particular, but without limiting the foregoing, statements regarding the Company’s objectives, plans and goals, including future operating results and economic performance may make reference to or involve forward-looking information. The purpose of forward-looking information is to provide prospective purchasers with a description of management’s expectations, and such forward-looking information may not be appropriate for any other purpose. Prospective purchasers should not place undue reliance on forward-looking information contained in this Prospectus, including the documents incorporated herein by reference, as statements containing forward-looking information involve significant risks and uncertainties and should not be read as guarantees of future results, performance, achievements, prospects and opportunities. The Company undertakes no obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable law. A number of factors could cause actual events, performance or results to differ materially from what is projected in the forward-looking information. Some of the risks and other factors which could cause actual results to differ materially from those expressed in the forward-looking information contained in this Prospectus, including the documents incorporated herein by reference, include, but are not limited to, the factors described under “Risk Factors” herein and in the Company’s AIF and elsewhere in the documents incorporated by reference in this Prospectus.

## GENERAL MATTERS

Prospective purchasers should rely only on information contained or incorporated by reference in this Prospectus. Neither the Company nor the Underwriters have authorized any other person to provide prospective purchasers with different information. If a prospective purchaser is provided with different or inconsistent information, the prospective purchaser should not rely on such information. The information contained on the Company's website is not a part of this Prospectus and is not incorporated by reference into this Prospectus despite any references to such information in this Prospectus or the documents incorporated by reference, and prospective investors should not rely on such information when deciding whether or not to invest in the Offered Shares. Other than this Prospectus in electronic format, the information on the Underwriters' website and any information contained in any other website maintained by the Underwriters or their affiliates is not part of this Prospectus, has not been approved and/or endorsed by the Company or the Underwriters and should not be relied upon by prospective purchasers. Neither the Company nor the Underwriters are making an offer to sell in any jurisdiction where the offer or sale is not permitted.

Unless the context otherwise requires, any references in this Prospectus to the "Company" or "GTI" refer to Green Thumb Industries Inc. and its subsidiaries.

## MARKET AND INDUSTRY DATA

Unless otherwise indicated, information contained in this Prospectus, including the documents incorporated herein by reference, concerning the Company's industry and the markets in which it operates or seeks to operate is based on information from third party sources, industry reports and publications, websites and other publicly available information, and management studies and estimates. Unless otherwise indicated, the Company's estimates are derived from publicly available information released by third party sources as well as data from the Company's own internal research, and include assumptions which the Company believes to be reasonable based on management's knowledge of the Company's industry and markets. The Company's internal research and assumptions have not been verified by any independent source, and the Company has not independently verified any third party information. While the Company believes that such third party information to be generally reliable, such information and estimates are inherently imprecise. In addition, projections, assumptions and estimates of the Company's future performance or the future performance of the industry and markets in which the Company operates are necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those described in this Prospectus under "*Risk Factors*" and "*Cautionary Statement Regarding Forward-Looking Information*" and in the AIF under "*Risk Factors*".

## CURRENCY PRESENTATION AND EXCHANGE RATES

Unless the context otherwise requires, all references to "\$", "C\$" and "dollars" mean references to the lawful money of Canada. All references to "US\$" refer to United States dollars.

On July 17, 2018, the daily exchange rate for the United States dollar in terms of Canadian dollars, as quoted by the Bank of Canada, was US\$1.00 = \$1.3187.

## ELIGIBILITY FOR INVESTMENT

In the opinion of Cassels Brock & Blackwell LLP, counsel to the Company, and Fasken Martineau DuMoulin LLP, counsel to the Underwriters, based on the current provisions of the *Income Tax Act* (Canada) and the regulations thereunder (collectively, the "**Tax Act**") as of the date hereof, the Subordinate Voting Shares, if issued on the date hereof, would be "qualified investments" under the Tax Act for trusts governed by registered retirement savings plans, registered retirement income funds, registered education savings plans, registered disability savings plans and tax-free savings accounts, each as defined in the Tax Act (collectively "**Registered Plans**") and trusts governed by deferred profit sharing plans ("**DPSPs**"), provided that (i) the Subordinate Voting Shares are listed on a "designated stock exchange" as defined in the Tax Act (which currently includes the CSE).

Notwithstanding the foregoing, holders, annuitants or subscribers of Registered Plans (each a “**Controlling Individual**”) will be subject to a penalty tax in respect of the Subordinate Voting Shares held in a trust governed by a Registered Plan if such Subordinate Voting Shares are a “prohibited investment” under the Tax Act for the particular Registered Plan. Subordinate Voting Shares will generally not be a “prohibited investment” for a Registered Plan unless the Controlling Individual of the Registered Plan (i) does not deal at arm’s length with the Company for purposes of the Tax Act or (ii) has a “significant interest”, as defined in the Tax Act, in the Company. However, Subordinate Voting Shares will not be a “prohibited investment” if such securities are “excluded property” (as defined in the Tax Act for purposes of the prohibited investment rules) for trusts governed by a Registered Plan.

Persons who intend to hold Subordinate Voting Shares in a Registered Plan, should consult their own tax advisors in regard to the application of these rules in their particular circumstances.

## **DOCUMENTS INCORPORATED BY REFERENCE**

The following documents filed with the securities commission or similar regulatory authority in each of the provinces of Canada, other than Québec, are available at [www.sedar.com](http://www.sedar.com) and are specifically incorporated by reference into, and form an integral part of, this Prospectus:

- the sections entitled “Description of Securities – Prior Sales”, “Principal Shareholders”, “Indebtedness of Directors and Officers” and “Executive Compensation”, as well as Schedules “B”, “D” and “E” in the listing statement of the Company dated June 12, 2018 (the “**Listing Statement**”);
- the management information circular of the Company dated May 11, 2018, prepared in connection with a special meeting of shareholders of the Company held on June 11, 2018;
- the management information circular of the Company dated November 15, 2017, prepared in connection with an annual general meeting of shareholders of the Company held on December 20, 2017;
- the annual information form of the Company for the year ended February 28, 2018 (the “**AIF**”);
- the audited consolidated financial statements of the Company, and the notes thereto, for the years ended February 28, 2018 and 2017, together with the auditor’s report thereon;
- the management’s discussions and analysis of the financial condition of the Company for the year ended February 28, 2018;
- the material change report of the Company dated June 22, 2018 regarding the execution of a business combination agreement in connection with the Transaction (as defined herein) and related matters; and
- a template version of the term sheet in respect of the Offering dated July 12, 2018 (the “**Marketing Materials**”).

Any documents of the type required by Item 11.1 of Form 44-101F1 – *Short Form Prospectus*, filed by the Company with a securities commission or similar regulatory authority in any of the provinces of Canada (other than the Province of Québec) pursuant to the requirements of applicable securities legislation after the date of this Prospectus and prior to the termination of the distribution of this Offering shall be deemed to be incorporated by reference into this Prospectus.

**Any statement contained in a document incorporated or deemed to be incorporated by reference herein will be deemed to be modified or superseded for the purposes of this Prospectus to the extent that a statement contained in this Prospectus or in any subsequently filed document that also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any statement so modified or superseded will not constitute a part of this Prospectus, except as so modified or superseded. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the statement or document that it modifies or supersedes. The making of such a modifying or superseding statement will not be deemed an admission for any purpose that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not**



**misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed in its unmodified or superseded form to constitute part of this Prospectus.**

## **MARKETING MATERIALS**

Neither the Marketing Materials, nor any “template version” of any other “marketing materials” (as such terms are defined in National Instrument 41-101 – *General Prospectus Requirements* of the Canadian Securities Administrators) that are utilized by the Underwriters in connection with the Offering, are part of this Prospectus to the extent that the contents of the Marketing Materials or other marketing materials, as the case may be, have been modified or superseded by a statement contained in this Prospectus or any amendment.

In addition, any template version of any marketing materials that is filed under the Company’s profile on SEDAR at [www.sedar.com](http://www.sedar.com) with the securities commission or similar authority in each of the provinces of Canada, except Québec, in connection with the Offering after the date of this Prospectus and before the termination of the distribution of the Offering (including any amendments to, or an amended version of, any template version of any marketing materials) is deemed to be incorporated by reference into this Prospectus.

## **DESCRIPTION OF THE BUSINESS**

### **Name, Address and Incorporation**

GTI is a reporting issuer in British Columbia, Alberta, and Ontario and following the issuance of the final receipt for this Prospectus, will be a reporting issuer or equivalent in all Provinces of Canada (other than the Province of Québec). The Company’s Subordinate Voting Shares are listed for trading on the CSE under the symbol “GTII”.

The Company was incorporated under the *Company Act* (British Columbia) on June 26, 1979 under the name “Dalmatian Resources Ltd.” On February 18, 2002, the Company changed its name to “Enwest Ventures Corp.” and further changed its name to “Bayswater Ventures Corp.” on February 25, 2003. In August 2006, the Company changed its name from Bayswater Ventures Corp. to “Bayswater Uranium Corporation” following an amalgamation with Pathfinder Resources Ltd.

On July 18, 2007, under a plan of arrangement, the Company amalgamated with Kilgore Minerals Ltd., a company incorporated under the *Canada Business Corporations Act* on June 21, 2002. Following the plan of arrangement, Kilgore Minerals Ltd. changed its name to “Bayswater Uranium Corporation” on July 24, 2007 and effected a continuance under the laws of the province of British Columbia on December 7, 2006. On December 7, 2006, it was continued into British Columbia under the *Business Corporations Act* (British Columbia) (the “BCBCA”) under the name Bayswater Uranium Corporation.

On June 12, 2018, the Company completed the Transaction (as defined herein) and filed articles of amendment under the BCBCA to effect the name change from “Bayswater Uranium Corporation” to “Green Thumb Industries Inc.”, to reclassify its then post-consolidation common shares into Subordinate Voting Shares and to create its class of Multiple Voting Shares and Super Voting Shares.

The registered office of the Company is located at 2200, HSBC Building, 885 West Georgia Street, Vancouver, British Columbia V6C 3E8. The head office is located at 325 W. Huron Street, Suite 412, Chicago, Illinois 60654.

### **Business of the Company**

On June 12, 2018, the Company (then Bayswater Uranium Corporation), 1165318 B.C. Ltd. (“**Subco**”), VCP23, LLC (“**VCP**”), GTI23, Inc. and GTI Finco Inc. (“**Finco**”) entered into a business combination agreement combining their respective businesses (the “**Transaction**”). The Transaction was structured as a series of transactions, including a Canadian three-cornered amalgamation transaction involving the Company (then Bayswater Uranium Corporation, Subco and Finco, and a series of U.S. reorganization steps. As part of the Transaction, the Company delisted from the TSX Venture Exchange and relisted on the CSE. As a result of the completion of the Transaction, VCP became a wholly-owned subsidiary of the Company, and the Company, through VCP and its affiliated entities, owns the U.S. focused cannabis-related business carried on by VCP.

Since the completion of the Transaction, the Company has adopted the business carried on by VCP. The Company is a leading U.S. multi-state cannabis consumer goods corporation that reaches over 75 million Americans with a portfolio of cannabis brands and award-winning customer-first retail experiences.

As a vertically integrated corporation with a consumer-centric “house of brands” approach, the Company manufactures and sells a well-rounded suite of branded cannabis products, targeted towards different customer segments, including flower, concentrates for dabbing and vaporizing, edibles, and topicals. The Company distributes its portfolio of brands to licensed retail stores in its active markets in the states of Illinois, Nevada, Maryland, Pennsylvania, Massachusetts, Florida and Ohio, some of which the Company owns as part of a rapidly growing chain of retail cannabis stores called RISE™ Dispensaries.

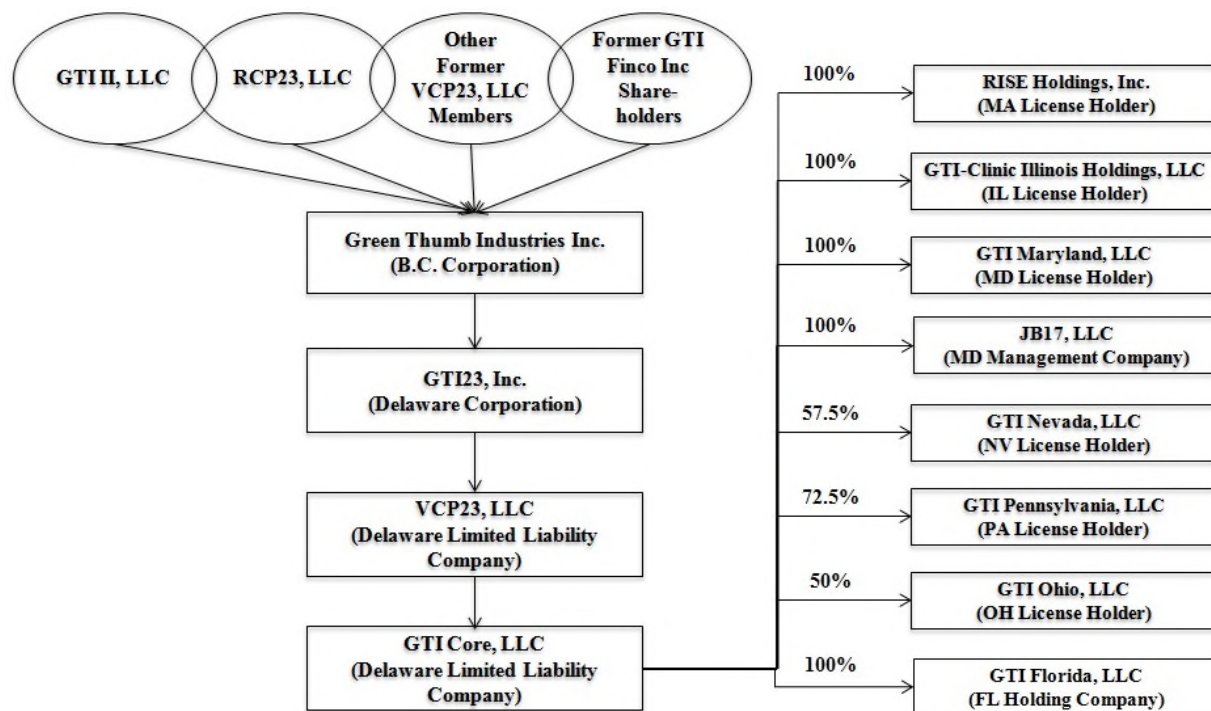
Headquartered in Chicago, Illinois, the Company owns 58 operational licenses across seven highly regulated U.S. markets and is dedicated to providing dignified access to safe and effective cannabis nationwide, while giving back to the communities in which they serve. The Company employs over 300 people and serves hundreds of thousands of customers from coast to coast.

### Inter-corporate Relationships

The diagram immediately below presents the subsidiaries of the Company as of the date of this Prospectus, reflecting completion of the Transaction. Unless otherwise noted, all lines represent 100% ownership of outstanding securities of the applicable subsidiary.

GTI Core, LLC owns the membership interest in several state-licensed medical and adult use marijuana businesses in Illinois, Massachusetts, Maryland, Pennsylvania, Nevada, Ohio, and Florida.

### Corporate Structure of Green Thumb Industries Inc.



The Company is currently organized so that each of the state-licensed medical and adult use marijuana businesses are owned directly by the Company.

<b>Entity Name</b>	<b>Formation</b>	<b>Formation Date</b>	<b>Corporate Structure</b>	<b>GTI Ownership</b>
Green Thumb Industries Inc.	British Columbia, Canada	June 26, 1979	GTI Parent Company	N/A
GTI23, Inc.	Delaware, USA	May 10, 2018	U.S. Parent Company	100%
VCP23, LLC	Delaware, USA	November 27, 2017	Owens GTI Core, LLC	100%
Vision Management Services, LLC	Delaware, USA	November 11, 2016	Provides Management Services to GTI-Related Businesses	100%
VCP Real Estate Holdings, LLC	Delaware, USA	December 4, 2017	Holds Certain GTI-Owned Real Estate	100%
VCP IP Holdings, LLC	Delaware, USA	December 4, 2017	Holds Certain GTI-Owned Intellectual Property	100%
TWD18, LLC	Delaware, USA	June 1, 2018	Holds Certain GTI Investments	100%
GTI Core, LLC	Delaware, USA	February 21, 2017	Owens GTI's Interest in State-Licensed Businesses	100%
GTI-Clinic Illinois Holdings, LLC	Illinois, USA	June 26, 2014	Owens GTI's Illinois Licensed Entities	100%
GTI Maryland, LLC	Maryland, USA	April 30, 2015	Holds Maryland Licenses	100%
JB17, LLC	Delaware, USA	July 26, 2017	Management Services Company	100%
GTI Pennsylvania, LLC	Pennsylvania, USA	August 30, 2016	Holds Pennsylvania Licenses	72.5%

Entity Name	Formation	Formation Date	Corporate Structure	GTI Ownership
GTI Nevada, LLC	Nevada, USA	January 21, 2016	Holds Nevada Licenses	57.5%
RISE Holdings, Inc.	Massachusetts, USA	April 25, 2018	Holds Massachusetts Licenses	100%
GTI Ohio, LLC	Ohio, USA	April 7, 2017	Holds Ohio Licenses	50%

### Pipeline Transactions

The Company is actively pursuing growth opportunities to expand its portfolio in the medical and adult use marijuana industry. The Company currently has several transactions in its pipeline, including the following:

- (a) The Company anticipates closing its acquisition of KW Ventures Holdings, LLC, which has medical marijuana dispensaries in Steelton, Pennsylvania and Carlisle, Pennsylvania and a dispensary in York, Pennsylvania, which is anticipated to open in the third quarter of 2018. Pursuant to the terms of a contribution agreement with KW Ventures Holdings, LLC executed on February 14, 2018, GTI Pennsylvania, LLC will purchase the membership interest of KW Ventures Holdings, LLC in exchange for a 9.9% membership interest in GTI Pennsylvania, LLC. Prior to the closing of this acquisition, the Company agreed to fund KW Ventures Holdings, LLC a total of US\$3 million pursuant to an amended and restated line of credit promissory note as well as executed a management services agreement, both of which were executed on February 14, 2017.
- (b) The Company has entered into a letter of intent with Revolution Maryland Retail, LLC, the holder of the right to operate a medical marijuana dispensary in the State of Maryland, to enter into a management services agreement and purchase 100% of the membership interest of Revolution Maryland Retail, LLC for cash. It is anticipated that the closing of the acquisition will occur in the second half of 2018 and that the dispensary will be located in Abingdon, Maryland.
- (c) The Company has entered into a letter of intent with MGTM, LLC, the holder of the right to operate a medical marijuana dispensary in the State of Maryland, to purchase 100% of the membership interest of MGTM, LLC for Company equity. It is anticipated that the closing of the acquisition will occur in the second half of 2018 and that the dispensary will be located in Gambrills, Maryland.
- (d) On or about May 31, 2018, the Company entered into a definitive agreement with KSGNF, LLC, the holder of a license to operate a medical marijuana treatment center in the State of Florida, to purchase the assets or equity (the “**Florida Acquisition**”) of KSGNF, LLC in exchange for a combination of cash and equity in the Company. The Company also entered into a credit agreement and promissory note with KSGNF, LLC to lend up to US\$1 million in working capital for the Florida business. It is anticipated that the closing of the acquisition will occur in the fourth quarter of 2018.
- (e) On or about June 29, 2018, the Company signed a definitive agreement to acquire one of ten licenses in the regulated New York cannabis market. Subject to regulatory approval, the acquisition includes the licenses and assets for one cultivation, one processing and four retail facilities. The closing of the acquisition is subject to a number of conditions, including receipt of

regulatory approval. It is anticipated that the closing of the acquisition will occur in the second half of 2018.

## DIVIDENDS

The Company has not declared distributions on Subordinate Voting Shares in the past. The Company currently intends to reinvest all future earnings to finance the development and growth of its business. As a result, the Company does not intend to pay dividends on Subordinate Voting Shares in the foreseeable future. Any future determination to pay distributions will be at the discretion of the board of directors (“**Board of Directors**”) and will depend on the financial condition, business environment, operating results, capital requirements, any contractual restrictions on the payment of distributions and any other factors that the Board of Directors deems relevant. The Company is not bound or limited in any way to pay dividends in the event that the Board of Directors determined that a dividend was in the best interest of its shareholders.

## CONSOLIDATED CAPITALIZATION

There have been no material changes to the Company’s share and loan capitalization on a consolidated basis since February 28, 2018 except as follows:

- (a) During June of 2018, the Company, with the consent of the holders thereof, cancelled all then outstanding options to purchase common shares of the Company;
- (b) During June of 2018, the Company completed a private placement of subscription receipts, which converted on June 12, 2018, into 84,239 Subordinate Voting Shares upon completion of the Transaction, at an effective price of \$7.36 per Subordinate Voting Share;
- (c) During June of 2018, the Company issued subscription receipts, which converted on June 12, 2018 into 332,669 Subordinate Voting Shares upon completion of the Transaction at an effective price of \$7.36 per Subordinate Voting Share, in settlement of a finders’ fees;
- (d) On June 12, 2018, the Company consolidated its then existing common shares, including the then outstanding 30,739,548 common shares, on a 368 to 1 basis, reclassified the post-consolidation common shares of the Company as Subordinate Voting Shares and created the class of Multiple Voting Shares and the class of Super Voting Shares;
- (e) On June 12, 2018, the Company issued 11,245,439 Subordinate Voting Shares, 830,975 Multiple Voting Shares (convertible into 83,097,500 Subordinate Voting Shares) and 433,409 Super Voting Shares (ultimately convertible into 43,340,900 Subordinate Voting Shares) upon completion of the Transaction at an implied price of \$7.75 per Subordinate Voting Share and \$775 per Multiple Voting Share and \$775 per Super Voting Share and compensation options to acquire common shares of GTI Finco granted to agents in connection with a private placement by GTI Finco were converted into options to acquire 285,200 Subordinate Voting Shares at a exercise price of \$7.75 per share;
- (f) During June and July of 2018, the Company issued 600,000 stock options to purchase Subordinate Voting Shares at an exercise price of \$13.51 and 1,053,000 restricted stock units (“**RSU**”) to new and existing directors, officers and employees under the Company’s new Equity Incentive Plan; and
- (g) In July of 2018, 1,000 Multiple Voting Shares were converted into 100,000 Subordinate Voting Shares.

The following table sets forth the consolidated capitalization of the Company as at the dates indicated, adjusted to give effect to, the Offering and the above noted changes, on the share capital of the Company since February 28, 2018, the date of the Company’s most recently filed financial statements. This table should be read in conjunction with the consolidated financial statements and pro forma financial statements of the Company and the related notes and management’s discussion and analysis of financial condition and results of operations in respect of those statements that are incorporated by reference in this Prospectus.

	<b>As at February 28, 2018, before giving effect to the Offering, and the above noted changes</b>	<b>Pro-Forma as at February 28, 2018 after giving effect to the above noted changes and the Offering</b>
Subordinate Voting Shares	83,531 <sup>(1)</sup>	18,645,439 (19,740,439 if the Over-Allotment Option is exercised in full)
Multiple Voting Shares	Nil	829,975 (convertible into 82,997,500 Subordinate Voting Shares)
Super Voting Shares	Nil	433,409 (ultimately convertible into 43,340,900 Subordinate Voting Shares)
Stock Options	8,152 <sup>2)</sup>	600,000
Compensation Option from GTI Finco financing	Nil	285,200
RSUs	Nil	1,053,000
<b>Fully diluted issued and outstanding<sup>(3)</sup></b>	91,683 Subordinate Voting Shares	146,922,039 Subordinate Voting Shares (148,017,039 if the Over-Allotment Option is exercised in full) <sup>(4)</sup>
<b>Shareholder's Equity</b>	\$27,742	\$307,236,800 (\$318,619,325 if the Over-Allotment is exercised in full)

Notes

(1) On a post-consolidation, post-reclassification basis (30,739,548 pre-consolidation common shares).

(2) On a post-consolidation, post-reclassification basis (3,000,000 stock options on a pre-consolidation basis).

(3) On a post-consolidation, post-reclassification basis. Assumes conversion or exercise of all securities convertible into or exercisable for Subordinate Voting Shares.

(4) Does not include certain Multiple Voting Shares that may become issuable in connection with the closing of the Florida Acquisition.

## USE OF PROCEEDS

The estimated net proceeds of the Offering, after deducting the Underwriting Fee and the estimated expenses of the Offering, estimated to be \$300,000, will be \$75,583,500 (being approximately US\$57.24 million (based on the daily exchange rate for the United States dollar in terms of Canadian dollars, as quoted by the Bank of Canada on July 17, 2018), assuming no exercise of the Over-Allotment Option and no President's List purchasers. The net proceeds of the Offering are currently intended to be used for business development and working capital, as outlined below:

<b>Project</b>	<b>Allocation of Net Proceeds (US\$ Millions)</b>
Purchase and Buildout of Vertically Integrated New York License <sup>(1)</sup>	\$55.00
Ohio Dispensaries Buildout and Working Capital <sup>(2)</sup>	\$2.24
<b>Total</b>	<b>\$57.24</b>

Notes:

(1) Licence covers one cultivation facility, one processing facility and four dispensaries. See "*Description of the Business – Pipeline Transactions*".

(2) In June 2018 the Company was awarded five dispensary licenses in Ohio.

If the Over-Allotment Option is exercised in full for Over-Allotment Shares, the Company will receive additional net proceeds of \$11,382,525 after deducting the Underwriting Fee specifically attributed to the sale of Over-Allotment Shares (assuming no President's List purchasers). The net proceeds from the exercise of the Over-Allotment Option, if any, are expected to be used for working capital and general corporate purposes.

While the Company currently anticipates that it will use the net proceeds of the Offering as set forth above, the Company may re-allocate the net proceeds of the Offering, as applicable from time to time, giving consideration

to its strategy relative to the market, development and changes in the industry and regulatory landscape, as well as other conditions relevant at the applicable time. Until utilized, the net proceeds of the Offering will be held in cash balances in the Company's bank account or invested at the discretion of the Board of Directors. Management will have discretion concerning the use of the net proceeds of the Offering, as well as the timing of their expenditure. See "*Risk Factors*".

## **PLAN OF DISTRIBUTION**

### **General**

Subject to the terms and conditions contained in the Underwriting Agreement, the Company has agreed to issue and sell, and the Underwriters have agreed to purchase, on the Closing Date an aggregate of 7,300,000 Offered Shares at the Offering Price, payable in cash to the Company against delivery of such Offered Shares, for gross proceeds to the Company of \$80,300,000.

The obligations of the Underwriters under the Underwriting Agreement are conditional and may be terminated at their discretion on the basis of a "restrictions on distribution out", "material change out", "disaster out", "adverse order out" and "breach out" described in the Underwriting Agreement and may also be terminated upon the occurrence of certain other stated events. The Underwriters are, however, obligated to take up and pay for all of the Offered Shares if any of the Offered Shares are purchased under the Underwriting Agreement. The obligations of the Underwriters to purchase the Offered Shares are several (and not joint or joint and several). The terms of the Offering and the prices of the Offered Shares have been determined by negotiation between the Company and the Co-lead Underwriters, on behalf of the Underwriters.

The Underwriting Agreement provides that the Company will pay, on closing of the Offering, the Underwriting Fee of \$0.605 per Offered Share or 5.50% of the gross proceeds of the Offering excluding proceeds from the sale of Offered Shares sold to purchasers on the President's List for gross proceeds of up to \$22,500,000, for which the Underwriters will be paid a fee of \$0.3025 per Offered Share, or 2.75% of the gross proceeds of such sales. The aggregate Underwriting Fee payable to the Underwriters by the Company in consideration for their services in connection with the Offering is expected to be \$4,416,500, assuming no President's List purchasers. Subscriptions for Offered Shares will be received subject to rejection or allotment, in whole or in part, and the right is reserved to close the subscription books at any time without notice.

The Company has granted to the Underwriters the Over-Allotment Option, exercisable in whole or in part, in the sole discretion of the Underwriters, at any time, and from time to time, until the Over-Allotment Deadline, to purchase up to 1,095,000 Over-Allotment Shares (being 15% of the Subordinate Voting Shares offered pursuant to the Offering) at the Offering Price to cover over-allotments, if any, and for market stabilization purposes. This Prospectus qualifies the grant of the Over-Allotment Option and the distribution of any Over-Allotment Shares. A purchaser who acquires Over-Allotment Shares forming part of the Underwriters' over allocation position acquires those Over-Allotment Shares under this Prospectus, regardless of whether the over-allotment position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. If the Underwriters exercise the Over-Allotment Option in full, the total price to the public relating to the Offering, the Underwriting Fee and the net proceeds to the Company before deducting the expenses of the Offering will be \$92,345,000, \$5,078,975 and \$87,266,025, respectively (assuming no President's List purchasers).

The Company has given notice to the CSE to list the Offered Shares that may be issued pursuant to this Prospectus. Listing will be subject to the Company fulfilling all of the listing requirements of the CSE.

Under the Underwriting Agreement, the Company has agreed to indemnify and hold harmless the Underwriters and each of their respective subsidiaries, affiliates and syndicate members and each of their respective partners, shareholders, advisers, directors, officers, employees and agents against certain liabilities, including civil liabilities under Canadian securities legislation, and to contribute to payments the Underwriters may be required to make in respect thereof.

The Offering is being made in each of the provinces of Canada other than Québec. The Offered Share have not been and will not be registered under the U.S. Securities Act or any state securities laws and may not be offered or sold within the United States unless pursuant to an exemption to the registration requirements of such laws. Accordingly, each Underwriter has agreed that it will not offer, sell or deliver the Offered Shares within the United States except in certain transactions exempt from the registration requirements of the U.S. Securities Act and

applicable state securities laws. In addition, until 40 days after the commencement of this Offering, any offer or sale of the Subordinate Voting Shares offered hereby within the United States by any dealer (whether or not participating in this Offering) may violate the registration requirements of the U.S. Securities Act unless made pursuant to an exemption from such registration requirements.

The Underwriters propose to offer the Offered Shares to the public initially at the Offering Price. After the Underwriters have made a reasonable effort to sell all of the Offered Shares at the Offering Price, the offering price for the Offered Shares may be decreased and may be further changed from time to time to amounts not greater than the Offering Price, and the compensation realized by the Underwriters will be decreased by the amount that the aggregate price paid by the purchasers of the Offered Shares is less than the amount paid by the Underwriters to the Company. Any such reduction will not affect the net proceeds received by the Company.

The Company has agreed for a period of 90 days after the closing date of the Transaction, it will not, without the prior written consent of the Co-lead Underwriters, such consent not to be unreasonably withheld, offer, sell, issue or grant, or enter into any agreement or announce any intention to offer, sell, issue or grant any securities of the Company, other than: (i) equity compensation grants to directors, officers, employees and consultants of the Company and shares issued upon their exercise pursuant to any stock option plan of the Company; (ii) upon the exercise of convertible securities, warrants or options outstanding at the date hereof; or (iii) strategic acquisitions in the ordinary course of business payable in shares. The Co-Lead Underwriters provided a waiver to the Company in respect of the Offering.

### **Price Stabilization and Passive Market-Making**

In connection with the Offering and subject to applicable laws, the Underwriters may over-allot or effect transactions that stabilize or maintain the market price of the Subordinate Voting Shares at a level other than that which might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time.

In addition, in accordance with rules and policy statements of certain Canadian securities regulators, the Underwriters may not, at any time during the period of distribution, bid for or purchase Subordinate Voting Shares. The foregoing restriction is, however, subject to exceptions where the bid or purchase is not made for the purpose of creating actual or apparent active trading in, or raising the price of, the Subordinate Voting Shares. These exceptions include a bid or purchase permitted under the by-laws and rules of applicable regulatory authorities and the CSE, including the Universal Market Integrity Rules for Canadian Marketplaces, relating to market stabilization and passive market making activities and a bid or purchase made for and on behalf of a customer where the order was not solicited during the period of distribution.

As a result of these activities, the price of the Subordinate Voting Shares may be higher than the price that otherwise might exist in the open market. If these activities are commenced, they may be discontinued by the Underwriters at any time. The Underwriters may carry out these transactions on any stock exchange on which the Subordinate Voting Shares are listed, in the over-the-counter market, or as otherwise permitted by applicable law.

## **DESCRIPTION OF SECURITIES BEING DISTRIBUTED**

The Company is authorized to issue an unlimited number of Subordinate Voting Shares, an unlimited number of Multiple Voting Shares and an unlimited number of Super Voting Shares. As at July 17, 2018, the outstanding capital of the Company consists of: (i) 11,345,439 Subordinate Voting Shares; (ii) 829,975 Multiple Voting Shares; and (iii) 433,409 Super Voting Shares.

### **Subordinate Voting Shares**

**Right to Notice and Vote**      Holders of Subordinate Voting Shares are entitled to notice of and to attend at any meeting of the shareholders of the Company, except a meeting of which only holders of another particular class or series of shares of the Company have the right to vote. At each such meeting, holders of Subordinate Voting Shares are entitled to one vote in respect of each Subordinate Voting Share held.

**Class Rights**                      As long as any Subordinate Voting Shares remain outstanding, the Company will not, without the consent of the holders of the Subordinate Voting Shares by separate



special resolution, prejudice or interfere with any right attached to the Subordinate Voting Shares. Holders of Subordinate Voting Shares will not be entitled to a right of first refusal to subscribe for, purchase or receive any part of any issue of Subordinate Voting Shares, or bonds, debentures or other securities of the Company.

Dividends	Holders of Subordinate Voting Shares are entitled to receive as and when declared by the directors of the Company, dividends in cash or property of the Company. No dividend will be declared or paid on the Subordinate Voting Shares unless the Company simultaneously declares or pays, as applicable, equivalent dividends (on an as-converted to Subordinate Voting Share basis) on the Multiple Voting Shares and Super Voting Shares.
Participation	In the event of the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, or in the event of any other distribution of assets of the Company among its shareholders for the purpose of winding up its affairs, the holders of Subordinate Voting Shares will, subject to the prior rights of the holders of any shares of the Company ranking in priority to the Subordinate Voting Shares, be entitled to participate rateably along with all other holders of Subordinate Voting Shares, Multiple Voting Shares (on an as-converted to Subordinate Voting Share basis) and Super Voting Shares (on an as-converted to Subordinate Voting Share basis).
Changes	No subdivision or consolidation of the Subordinate Voting Shares, Multiple Voting Shares or Super Voting Shares shall occur unless, simultaneously, the Subordinate Voting Shares, Multiple Voting Shares and Super Voting Shares are subdivided or consolidated in the same manner, so as to maintain and preserve the relative rights of the holders of the shares of each of the said classes.
Conversion	In the event that an offer is made to purchase Multiple Voting Shares and the offer is one which is required, pursuant to applicable securities legislation or the rules of a stock exchange on which the Multiple Voting Shares are then listed, to be made to all or substantially all the holders of Multiple Voting Shares in a given province or territory of Canada to which these requirements apply, each Subordinate Voting Share shall become convertible at the option of the holder into Multiple Voting Shares at the inverse of the Conversion Ratio (as defined herein) then in effect at any time while the offer is in effect until one day after the time prescribed by applicable securities legislation for the offeror to take up and pay for such shares as are to be acquired pursuant to the offer. The conversion right may only be exercised in respect of Subordinate Voting Shares for the purpose of depositing the resulting Multiple Voting Shares pursuant to the offer, and for no other reason. In such event, the Company's transfer agent shall deposit the resulting Multiple Voting Shares on behalf of the holder. Should the Multiple Voting Shares issued upon conversion and tendered in response to the offer be withdrawn by shareholders or not taken up by the offeror, or should the offer be abandoned or withdrawn, the Multiple Voting Shares resulting from the conversion shall be automatically reconverted, without further intervention on the part of the Company or on the part of the holder, into Subordinate Voting Shares at the Conversion Ratio then in effect.

## **Multiple Voting Shares**

Right to Vote	Holders of Multiple Voting Shares are entitled to notice of and to attend at any meeting of the shareholders of the Company, except a meeting of which only holders of another particular class or series of shares of the Company have the right to vote. At each such meeting, holders of Multiple Voting Shares are entitled to one vote in respect of each Subordinate Voting Share into which such Multiple Voting Share could
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then be converted (currently 100 votes per Multiple Voting Share held).

Class Rights

As long as any Multiple Voting Shares remain outstanding, the Company will not, without the consent of the holders of the Multiple Voting Shares by separate special resolution, prejudice or interfere with any right attached to the Multiple Voting Shares. Holders of Multiple Voting Shares will not be entitled to a right of first refusal to subscribe for, purchase or receive any part of any issue of Subordinate Voting Shares, or bonds, debentures or other securities of the Company.

Dividends

The holders of the Multiple Voting Shares are entitled to receive such dividends as may be declared and paid to holders of the Subordinate Voting Shares in any financial year as the Board of Directors may by resolution determine, on an as-converted to Subordinate Voting Share basis. No dividend will be declared or paid on the Multiple Voting Shares unless the Company simultaneously declares or pays, as applicable, equivalent dividends (on an as-converted to Subordinate Voting Share basis) on the Subordinate Voting Shares and Super Voting Shares.

Participation

In the event of the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, or in the event of any other distribution of assets of the Company among its shareholders for the purpose of winding up its affairs, the holders of Multiple Voting Shares will, subject to the prior rights of the holders of any shares of the Company ranking in priority to the Multiple Voting Shares, be entitled to participate rateably along with all other holders of Multiple Voting Shares (on an as-converted to Subordinate Voting Share basis), Subordinate Voting Shares and Super Voting Shares (on an as-converted to Subordinate Voting Share basis).

Changes

No subdivision or consolidation of the Subordinate Voting Shares, Multiple Voting Shares or Super Voting Shares shall occur unless, simultaneously, the Subordinate Voting Shares, Multiple Voting Shares and Super Voting Shares are subdivided or consolidated in the same manner, so as to maintain and preserve the relative rights of the holders of the shares of each of the said classes.

Conversion

The Multiple Voting Shares each have a restricted right to convert into 100 Subordinate Voting Shares (the “**Conversion Ratio**”), subject to adjustments for certain customary corporate changes. The ability to convert the Multiple Voting Shares is subject to a restriction that the aggregate number of Subordinate Voting Shares, Multiple Voting Shares and Super Voting Shares held of record, directly or indirectly, by residents of the United States (as determined in accordance with Rules 3b-4 and 12g3-2(a) under the Securities Exchange Act of 1934, as amended, may not exceed forty percent (40%) of the aggregate number of Subordinate Voting Shares, Multiple Voting Shares and Super Voting Shares issued and outstanding after giving effect to such conversions and to a restriction on beneficial ownership of Subordinate Voting Shares exceeding certain levels. In addition, the Multiple Voting Shares will be automatically converted into Subordinate Voting Shares in certain circumstances, including upon the registration of the Subordinate Voting Shares under the United States Securities Act of 1933, as amended.

In the event that an offer is made to purchase Subordinate Voting Shares and the offer is one which is required, pursuant to applicable securities legislation or the rules of a stock exchange on which the Subordinate Voting Shares are then listed, to be made to all or substantially all the holders of Subordinate Voting Shares in a given province or territory of Canada to which these requirements apply, each Multiple Voting Share shall become convertible at the option of the holder into Subordinate Voting Shares at the Conversion Ratio at any time while the offer is in effect until one day after the time prescribed by applicable securities legislation for the offeror to take up and pay for such shares as are to be acquired pursuant to the offer. The conversion right may be

exercised in respect of Multiple Voting Shares for the purpose of depositing the resulting Multiple Voting Shares pursuant to the offer. Should the Subordinate Voting Shares issued upon conversion and tendered in response to the offer be withdrawn by shareholders or not taken up by the offeror, or should the offer be abandoned or withdrawn, the Subordinate Voting Shares resulting from the conversion shall be automatically reconverted, without further intervention on the part of the Company or on the part of the holder, into Multiple Voting Shares at the inverse of the Conversion Ratio then in effect.

## **Super Voting Shares**

Right to Vote	Holders of Super Voting Shares are entitled to notice of and to attend at any meeting of the shareholders of the Company, except a meeting of which only holders of another particular class or series of shares of the Company have the right to vote. At each such meeting, holders of Super Voting Shares are entitled to 1000 votes in respect of each Subordinate Voting Share into which such Super Voting Share could ultimately then be converted (currently 1,000 votes per Super Voting Share held).
Class Rights	As long as any Super Voting Shares remain outstanding, the Company will not, without the consent of the holders of the Super Voting Shares by separate special resolution, prejudice or interfere with any right or special right attached to the Super Voting Shares. Additionally, consent of the holders of a majority of the outstanding Super Voting Shares will be required for any action that authorizes or creates shares of any class having preferences superior to or on a parity with the Super Voting Shares. In connection with the exercise of the voting rights in respect of any such approvals, each holder of Super Voting Shares will have one vote in respect of each Super Voting Share held. The holders of Super Voting Shares will not be entitled to a right of first refusal to subscribe for, purchase or receive any part of any issue of Subordinate Voting Shares, bonds, debentures or other securities of the Company not convertible into Super Voting Shares.
Dividends	The holders of the Super Voting Shares are entitled to receive such dividends as may be declared and paid to holders of the Subordinate Voting Shares in any financial year as the Board of Directors may by resolution determine, on an as-converted to Subordinate Voting Share basis. No dividend will be declared or paid on the Super Voting Shares unless the Company simultaneously declares or pays, as applicable, equivalent dividends (on an as-converted to Subordinate Voting Share basis) on the Multiple Voting Shares and Subordinate Voting Shares.
Participation	In the event of the liquidation, dissolution or winding-up of the Company , whether voluntary or involuntary, or in the event of any other distribution of assets of the Company among its shareholders for the purpose of winding up its affairs, the holders of Super Voting Shares will, subject to the prior rights of the holders of any shares of the Company ranking in priority to the Super Voting Shares, be entitled to participate rateably along with all other holders of Super Voting Shares (on an as-converted to Subordinate Voting Share basis), Subordinate Voting Shares and Multiple Voting Shares (on an as-converted to Subordinate Voting Share basis).
Changes	No subdivision or consolidation of the Subordinate Voting Shares, Multiple Voting Shares or Super Voting Shares shall occur unless, simultaneously, the Subordinate Voting Shares, Multiple Voting Shares and Super Voting Shares are subdivided or consolidated in the same manner, so as to maintain and preserve the relative rights of the holders of the shares of each of the said classes.

Conversion	Each Super Voting Share has a right to convert into 1 Multiple Voting Share subject to customary adjustments for certain corporate changes.
Conversion at the Option of the Company	<p>The Company has the right to convert all or some of the Super Voting Shares from a holder of Super Voting Shares into an equal number of Multiple Voting Shares subject to customary adjustments for certain corporate changes:</p> <p>(a) upon the transfer by the holder thereof to anyone other than (i) an immediate family member of Benjamin Kovler, Peter Kadens, Anthony Georgiadis or Andrew Grossman (the “<b>Initial Holders</b>”) or a transfer for purposes of estate or tax planning to a company or person that is wholly beneficially owned by an Initial Holder or immediate family members of an Initial Holder or which an Initial Holder or immediate family members of an Initial Holder are the sole beneficiaries thereof; or (ii) a party approved by the Company (together with the Initial Holders, “<b>Permitted Holders</b>”); or</p> <p>(b) if at any time the aggregate number of issued and outstanding Super Voting Shares beneficially owned, directly or indirectly, by an Initial Holder of the Super Voting Shares and the Initial Holder’s predecessor or transferor, permitted transferees and permitted successors, divided by the number of Super Voting Shares beneficially owned, directly or indirectly, by the holder (and the Initial Holder’s predecessor or transferor, permitted transferees and permitted successors) as at the date of completion of the Transaction is less than 50%. The Initial Holders of Super Voting Shares will, from time to time upon the request of the Company, provide to the Company evidence as to such Initial Holders’ direct and indirect beneficial ownership (and that of its permitted transferees and permitted successors) of Super Voting Shares to enable the Company to determine if its right to convert has occurred. For purposes of these calculations, a holder of Super Voting Shares will be deemed to beneficially own Super Voting Shares held by an intermediate company or fund in proportion to their equity ownership of such company or fund, unless such company or fund holds such shares for the benefit of such holder, in which case they will be deemed to own 100% of such shares held for their benefit.</p> <p>The Company is not required to convert Super Voting Shares on a pro-rata basis among the holders of Super Voting Shares.</p>

### **Take-Over Bid Protection**

Under applicable Canadian law, an offer to purchase Super Voting Shares would not necessarily require that an offer be made to purchase Subordinate Voting Shares or Multiple Voting Shares. In accordance with the rules applicable to most senior issuers in Canada, in the event of a take-over bid, the holders of Subordinate Voting Shares or of Multiple Voting Shares will be entitled to participate on an equal footing with holders of Super Voting Shares. The owners of all the outstanding Super Voting Shares entered into a customary coattail agreement with the Company and a trustee (the “**Coattail Agreement**”). The Coattail Agreement contains provisions customary for dual class, listed corporations designed to prevent transactions that otherwise would deprive the holders of Subordinate Voting Shares or of Multiple Voting Shares of rights under applicable provincial take-over bid legislation to which they would have been entitled if the Super Voting Shares had been Subordinate Voting Shares or Multiple Voting Shares.

The undertakings in the Coattail Agreement do not apply to prevent a sale by any holder of Super Voting Shares if concurrently an offer is made to purchase Subordinate Voting Shares and Multiple Voting Shares that:

- (a) offers a price per Subordinate Voting Share or Multiple Voting Share (on an as converted to Subordinate Voting Share basis) at least as high as the highest price per share paid pursuant to the take-over bid for the Super Voting Shares (on an as converted to Subordinate Voting Share basis);

- (b) provides that the percentage of outstanding Subordinate Voting Shares or Multiple Voting Shares to be taken up (exclusive of shares owned immediately prior to the offer by the offeror or persons acting jointly or in concert with the offeror) is at least as high as the percentage of Super Voting Shares to be sold (exclusive of Super Voting Shares owned immediately prior to the offer by the offeror and persons acting jointly or in concert with the offeror);
- (c) has no condition attached other than the right not to take up and pay for Subordinate Voting Shares or Multiple Voting Shares tendered if no shares are purchased pursuant to the offer for Super Voting Shares; and
- (d) is in all other material respects identical to the offer for Super Voting Shares.

In addition, the Coattail Agreement does not prevent the transfer of Super Voting Shares by a holder to a Permitted Holder. The conversion of Super Voting Shares into Multiple Voting Shares, whether or not such Multiple Voting Shares are subsequently sold or converted into Subordinate Voting Shares, would not constitute a disposition of Super Voting Shares for the purposes of the Coattail Agreement.

Under the Coattail Agreement, any disposition of Super Voting Shares (including a transfer to a pledgee as security) by a holder of Super Voting Shares party to the agreement will be conditional upon the transferee or pledgee becoming a party to the Coattail Agreement, to the extent such transferred Super Voting Shares are not automatically converted into Multiple Voting Shares in accordance with the terms of the Super Voting Shares.

The Coattail Agreement contains provisions for authorizing action by the trustee to enforce the rights under the Coattail Agreement on behalf of the holders of the Subordinate Voting Shares or of the Multiple Voting Shares. The obligation of the trustee to take such action is conditional on the Company or holders of the Subordinate Voting Shares or of the Multiple Voting Shares, as the case may be, providing such funds and indemnity as the trustee may require. No holder of Subordinate Voting Shares or of Multiple Voting Shares, as the case may be, has the right, other than through the trustee, to institute any action or proceeding or to exercise any other remedy to enforce any rights arising under the Coattail Agreement unless the trustee fails to act on a request authorized by holders of not less than 10% of the outstanding Subordinate Voting Shares or of Multiple Voting Shares, as the case may be, and reasonable funds and indemnity have been provided to the trustee. The Company has agreed to pay the reasonable costs of any action that may be taken in good faith by holders of Subordinate Voting Shares or of Multiple Voting Shares, as the case may be, pursuant to the Coattail Agreement.

The Coattail Agreement provides that it may not be amended, and no provision thereof may be waived, unless, prior to giving effect to such amendment or waiver, the following have been obtained: (a) the consent of any applicable securities regulatory authority in Canada and (b) the approval of at least 66-2/3% of the votes cast by holders of Subordinate Voting Shares and 66-2/3% of the votes cast by holders of Multiple Voting Shares excluding votes attached to Subordinate Voting Shares and to Multiple Voting Shares, if any, held by the holders of Super Voting Shares, their affiliates and any persons who have an agreement to purchase Super Voting Shares on terms which would constitute a sale or disposition for purposes of the Coattail Agreement other than as permitted thereby.

No provision of the Coattail Agreement limits the rights of any holders of Subordinate Voting Shares or of Multiple Voting Shares under applicable law.

#### **PRIOR SALES**

For the 12-month period before the date of this Prospectus, the only Subordinate Voting Shares and securities convertible into Subordinate Voting Shares issued by the Company are the securities listed in “Consolidated Capitalization” and under “Description of Securities - Prior Sales” in the Listing Statement.

## TRADING PRICE AND VOLUME

The Subordinate Voting Shares are listed on the CSE under the trading symbol “GTII”.

The following table sets out trading information for the Subordinate Voting Shares from July 1, 2018 up to the date of this Prospectus.<sup>1</sup>

Period	High Trading Price (C\$)	Low Trading Price (C\$)	Volume (#)
July 1, 2018 – July 17, 2018	\$14.94	\$11.20	967,475

Note:

1. Source: Bloomberg L.P. Past performance is not necessarily indicative of future results or performance.

## CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Cassels Brock & Blackwell LLP, counsel to the Company, and Fasken Martineau DuMoulin LLP, counsel to the Underwriters, the following is, as at the date of this Prospectus, a summary of the principal Canadian federal income tax considerations under the Tax Act generally applicable to an investor who acquires Subordinate Voting Shares pursuant to the Offering and who, for the purposes of the Tax Act and at all relevant times, (i) deals at arm’s length with the Company and the Underwriters, (ii) is not affiliated with the Company or the Underwriters, and (iii) acquires and holds the Subordinate Voting Shares as capital property (a “**Holder**”). Generally, the Subordinate Voting Shares will be considered to be capital property of a Holder thereof provided that the Holder does not use the Subordinate Voting Shares in the course of carrying on a business of trading or dealing in securities and such Holder has not acquired them in one or more transactions considered to be an adventure or concern in the nature of trade.

This summary does not apply to a Holder (i) that is a “financial institution” for the purposes of the mark-to-market rules contained in the Tax Act; (ii) that is a “specified financial institution” as defined in the Tax Act; (iii), an interest in which would be a “tax shelter investment” as defined in the Tax Act; (iv) that has made a functional currency reporting election under the Tax Act; (v) that has or will enter into a “derivative forward agreement”, as that term is defined in the Tax Act, with respect to the Subordinate Voting Shares; or (vi) that is a corporation resident in Canada, and is, or becomes as part of a transaction or event or series of transactions or events that includes the acquisition of the Subordinate Voting Shares, controlled by a non-resident corporation for purposes of the “foreign affiliate dumping” rules in section 212.3 of the Tax Act. Such Holders should consult their own tax advisors with respect to an investment in Subordinate Voting Shares or participation in the Program

This summary is based upon the current provisions of the Tax Act in force as of the date hereof and counsel’s understanding of the current published administrative policies and assessing practices of the Canada Revenue Agency (the “**CRA**”). This summary takes into account all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the “**Tax Proposals**”) and assumes that the Tax Proposals will be enacted in the form proposed, although no assurance can be given that the Tax Proposals will be enacted in their current form or at all. This summary does not otherwise take into account any changes in law or in the administrative policies or assessing practices of the CRA, whether by legislative, governmental or judicial decision or action, nor does it take into account or consider any other federal or any provincial, territorial or foreign income tax considerations, which considerations may differ significantly from the Canadian federal income tax considerations discussed in this summary.

This summary is of a general nature only, is not exhaustive of all possible Canadian federal income tax considerations and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Holder. Holders should consult their own tax advisors with respect to their particular circumstances.

### Resident Holders

The following section of this summary applies to Holders who, for the purposes of the Tax Act, are or are deemed to be resident in Canada at all relevant times (“**Resident Holders**”). Certain investors who are resident in Canada for purposes of the Tax Act and whose Shares might not constitute capital property may make, in certain circumstances, an irrevocable election permitted by subsection 39(4) of the Tax Act to deem the Shares, and every other “Canadian security” as defined in the Tax Act, held by such persons, in the taxation year of the election and

each subsequent taxation year to be capital property. Investors should consult their own tax advisors regarding this election.

#### *Dividends*

Dividends received or deemed to be received on the Subordinate Voting Shares will be included in computing a Resident Holder's income. In the case of an individual (other than certain trusts), such dividends will be subject to the gross-up and dividend tax credit rules normally applicable in respect of "taxable dividends" received from "taxable Canadian corporations" (as defined in the Tax Act), including the enhanced dividend tax credit in respect of "eligible dividends", if any, so designated by the Company to the Resident Holder in accordance with the provisions of the Tax Act.

Dividends received or deemed to be received by a corporation that is a Resident Holder on the Shares must be included in computing its income but generally will be deductible in computing its taxable income, subject to special rules under the Tax Act. In certain circumstances, subsection 55(2) of the Tax Act will treat a taxable dividend received or deemed to be received by a Resident Holder that is a corporation as proceeds of disposition or a capital gain. Resident Holders that are corporations should consult their own tax advisors having regard to their own circumstances.

A Resident Holder that is a "private corporation" (as defined in the Tax Act) and certain other corporations controlled by or for the benefit of an individual (other than a trust) or related group of individuals (other than trusts) generally will be liable to pay an additional refundable tax under Part IV of the Tax Act on dividends received or deemed to be received on the Shares to the extent such dividends are deductible in computing taxable income.

#### *Dispositions of Subordinate Voting Shares*

Upon a disposition (or a deemed disposition) of a Subordinate Voting Share (other than to the Company), a Resident Holder generally will realize a capital gain (or a capital loss) equal to the amount by which the proceeds of disposition received for the Subordinate Voting Share, net of any reasonable costs of disposition, are greater (or are less) than the adjusted cost base of the Subordinate Voting Share to the Resident Holder. The tax treatment of capital gains and capital losses is discussed in greater detail below under the subheading "Capital Gains and Capital Losses".

#### *Capital Gains and Capital Losses*

Generally, a Resident Holder is required to include in computing its income for a taxation year one-half of the amount of any capital gain (a "**taxable capital gain**") realized in the year. Subject to and in accordance with the provisions of the Tax Act, a Resident Holder is required to deduct one-half of the amount of any capital loss (an "**allowable capital loss**") realized in a taxation year from taxable capital gains realized in that year by such Resident Holder. Allowable capital losses in excess of taxable capital gains may be carried back and deducted in any of the three preceding years or carried forward and deducted in any following taxation year against taxable capital gains realized in such year to the extent and under the circumstances described in the Tax Act.

The amount of any capital loss realized on the disposition or deemed disposition of Shares by a Resident Holder that is a corporation may be reduced by the amount of dividends received or deemed to have been received by it on such shares or shares substituted for such shares to the extent and in the circumstance specified by the Tax Act. Similar rules may apply where a corporation is a member of a partnership or a beneficiary of a trust that owns Shares, directly or indirectly, through a partnership or trust. Resident Holders to whom these rules may be relevant should consult their own tax advisors.

A Resident Holder that is throughout the relevant taxation year a "Canadian-controlled private corporation" (as defined in the Tax Act) also may be liable to pay an additional refundable tax on its "aggregate investment income" (as defined in the Tax Act) for the year which will include taxable capital gains.

#### *Minimum Tax*

Capital gains realized and dividends received by a Resident Holder that is an individual or a trust, other than certain specified trusts, may give rise to minimum tax under the Tax Act. Resident Holders should consult their own advisors with respect to the application of the minimum tax.

## **Non-Resident Holders**

The following section of this summary is generally applicable to Holders who, for the purposes of the Tax Act, (i) have not been and will not be resident or deemed to be resident in Canada at any time while they hold the Subordinate Voting Shares, and (ii) do not use or hold the Subordinate Voting Shares in carrying on a business in Canada (“**Non-Resident Holders**”). Special rules, which are not discussed in this summary, may apply to a Non-Resident Holder that is an insurer carrying on business in Canada and elsewhere or that is an “authorized foreign bank” (as defined in the Tax Act). Such Holders should consult their own tax advisors.

### *Dividends*

Dividends paid or credited or deemed to be paid or credited to a Non-Resident Holder by the Company are subject to Canadian withholding tax at the rate of 25% on the gross amount of the dividend, unless such rate is reduced by the terms of an applicable tax treaty. Under the *Canada-United States Tax Convention (1980)* (the “**Treaty**”) as amended, the rate of withholding tax on dividends paid or credited to a Non-Resident Holder who is resident in the U.S. for purposes of the Treaty and entitled to benefits under the Treaty (a “**U.S. Holder**”) is generally limited to 15% of the gross amount of the dividend (or 5% in the case of a U.S. Holder that is a company beneficially owning at least 10% of the Company’s voting shares). Non-Resident Holders should consult their own tax advisors.

### *Dispositions of Subordinate Voting Shares*

A Non-Resident Holder generally will not be subject to tax under the Tax Act in respect of a capital gain realized on the disposition or deemed disposition of a Subordinate Voting Share, nor will capital losses arising therefrom be recognized under the Tax Act, unless the Subordinate Voting Share constitutes “taxable Canadian property” to the Non-Resident Holder thereof for purposes of the Tax Act, and the gain is not exempt from tax pursuant to the terms of an applicable tax treaty.

Provided the Subordinate Voting Shares are listed on a “designated stock exchange” as defined in the Tax Act (which currently includes the CSE) at the time of disposition, the Subordinate Voting Shares generally will not constitute taxable Canadian property of a Non-Resident Holder at that time, unless at any time during the 60 month period immediately preceding the disposition the following two conditions are met concurrently: (i) the Non-Resident Holder, persons with whom the Non-Resident Holder did not deal at arm’s length, partnerships in which the Non-Resident Holder or such non-arm’s length person holds a membership interest (either directly or indirectly through one or more partnerships), or the Non-Resident Holder together with all such persons, owned 25% or more of the issued shares of any class or series of shares of the Company; and (ii) more than 50% of the fair market value of the shares of the Company was derived directly or indirectly from one or any combination of real or immovable property situated in Canada, “Canadian resource properties” (as defined in the Tax Act), “timber resource properties” (as defined in the Tax Act) or an option, an interest or right in such property, whether or not such property exists. Notwithstanding the foregoing, a Subordinate Voting Share may also be deemed to be taxable Canadian property to a Non-Resident Holder under other provisions of the Tax Act.

A Non-Resident Holder’s capital gain (or capital loss) in respect of Subordinate Voting Shares that constitute or are deemed to constitute taxable Canadian property (and are not “treaty-protected property” as defined in the Tax Act) will generally be computed in the manner described above under the subheading “Resident Holders – Dispositions of Subordinate Voting Shares”.

Non-Resident Holders whose Subordinate Voting Shares are taxable Canadian property should consult their own tax advisors.

## **RISK FACTORS**

An investment in the securities of the Company is speculative and subject to risks and uncertainties. The occurrence of any one or more of these risks or uncertainties could have a material adverse effect on the value of any investment in the Company and the business, prospects, financial position, financial condition or results of operations of the Company. Additional risks and uncertainties not presently known to the Company or that the Company currently deems immaterial may also impair the Company’s business, prospects, financial position, financial condition or results of operations.



Prospective purchasers of the Offered Shares should carefully review and consider all the information described in this Prospectus, including the documents incorporated herein by reference, and in particular should give special consideration to the risk factors under the section titled “*Risk Factors*” in the AIF and the information contained in the section entitled “*Cautionary Statement Regarding Forward-Looking Information*” above, before deciding to purchase the Offered Shares.

The risks and uncertainties described or incorporated by reference in this Prospectus are not the only ones the Company may face. Additional risks and uncertainties that the Company is unaware of, or that the Company currently deems not to be material, may also become important factors that affect the Company. If any such risks actually occur, the Company’s business, prospects, financial position, financial condition or results of operations could be materially adversely affected, with the result that the trading price of the Subordinate Voting Shares could decline and purchasers could lose all or part of their investment. Additionally, purchasers should consider the following risk factors:

### **Completion of the Offering**

The completion of the Offering remains subject to a number of conditions. There can be no certainty that the Offering will be completed. Failure by the Company to satisfy all of the conditions precedent to the Offering would result in the Offering not being completed. If the Offering is not completed, the Company may not be able to raise the funds required for the purposes contemplated under “*Use of Proceeds*” from other sources on commercially reasonable terms or at all.

### **Discretion Over the Use of Proceeds**

The Company will have discretion concerning the use of the net proceeds of the Offering as well as the timing of their expenditures, and may apply the net proceeds of the Offering in ways other than as described under “*Use of Proceeds*”. As a result, an investor will be relying on the judgment of the Company for the application of the net proceeds of the Offering. The Company may use the net proceeds of the Offering in ways that an investor may not consider desirable. The results and the effectiveness of the application of the net proceeds are uncertain. If the net proceeds are not applied effectively, the Company’s business, prospects, financial position, financial condition or results of operations may suffer.

### **Unpredictability and Volatility of the Subordinate Voting Share Price**

Publicly-traded securities such as those of the Company will not necessarily trade at values determined by reference to the underlying value of its business. The prices at which the Subordinate Voting Shares will trade cannot be predicted. The market price of the Subordinate Voting Shares could be subject to significant fluctuations in response to a variety of factors, including the following: actual or anticipated fluctuations in the Company’s quarterly results of operations; recommendations by securities research analysts; changes in the economic performance or market valuations of companies in the industry in which the Company operates; addition or departure of the Company’s executive officers and other key personnel; significant acquisitions or business combinations, strategic partnerships, joint ventures or capital commitments by or involving the Company or its competitors; operating and share price performance of other companies that investors deem comparable to the Company; and news reports relating to trends, concerns, technological or competitive developments, regulatory changes and other related issues in the Company’s industry or target markets.

In addition, the securities markets have experienced significant price and volume fluctuations from time to time in recent years that often have been unrelated or disproportionate to the operating performance of particular issuers. These broad fluctuations may adversely affect the market price of the Subordinate Voting Shares. Accordingly, prospective purchaser may not be able to sell their Subordinate Voting Shares at or above the Offering Price.

### **Additional Issuance of Subordinate Voting Shares May Result in Dilution**

The Company’s articles of incorporation allow it to issue an unlimited number of Subordinate Voting Shares for such consideration and on such terms and conditions as shall be established by the Board of Directors, in many cases, without the approval of the Company’s shareholders. As part of this Offering, the Company will issue 7,300,000 Subordinate Voting Shares (or 8,395,000 Subordinate Voting Shares if the Over-Allotment Option is exercised in full). Except as described under the heading “*Plan of Distribution*”, the Company may issue additional Subordinate Voting Shares in subsequent offerings (including through the sale of securities convertible into or

exchangeable for Subordinate Voting Shares) and on the exercise of stock options or other securities exercisable for Subordinate Voting Shares. The Company may also issue Subordinate Voting Shares to finance future acquisitions. The Company cannot predict the size of future issuances of Subordinate Voting Shares or the effect that future issuances and sales of Subordinate Voting Shares will have on the market price of the Subordinate Voting Shares. Issuances of a substantial number of additional Subordinate Voting Shares, or the perception that such issuances could occur, may adversely affect prevailing market prices for the Subordinate Voting Shares. With any additional issuance of Subordinate Voting Shares, investors will suffer dilution to their voting power and the Company may experience dilution in its earnings per share.

#### **ENFORCEMENT OF JUDGMENTS AGAINST FOREIGN PERSONS**

The following directors and/or officers reside outside of Canada. Such directors and legal counsel named below have appointed the following agent for service of process:

<b>Name of Director</b>	<b>Name and Address of Agent</b>
Benjamin Kovler	Cassels, Brock & Blackwell LLP, 2200, HSBC Building, 885 West Georgia Street, Vancouver, British Columbia V6C 3E8
Peter Kadens	Cassels, Brock & Blackwell LLP, 2200, HSBC Building, 885 West Georgia Street, Vancouver, British Columbia V6C 3E8
Anthony Georgiadis	Cassels, Brock & Blackwell LLP, 2200, HSBC Building, 885 West Georgia Street, Vancouver, British Columbia V6C 3E8
Wendy Berger	Cassels, Brock & Blackwell LLP, 2200, HSBC Building, 885 West Georgia Street, Vancouver, British Columbia V6C 3E8
Glen Senk	Cassels, Brock & Blackwell LLP, 2200, HSBC Building, 885 West Georgia Street, Vancouver, British Columbia V6C 3E8
Wes Moore	Cassels, Brock & Blackwell LLP, 2200, HSBC Building, 885 West Georgia Street, Vancouver, British Columbia V6C 3E8

Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person that resides outside of Canada, even if the party has appointed an agent for service of process.

#### **AUDITORS, TRANSFER AGENT AND REGISTRAR**

Effective as at the close of the Transaction, MNP LLP were appointed the auditors of the Company and have confirmed that, as of the date hereof, they are independent within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulations. Davidson & Company LLP are the previous auditors of the Company and have performed the audit in respect of certain financial statements incorporated by reference herein and have confirmed that, as of the date hereof, they are independent within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulations. Macias Gini & O'Connell LLP audited the financial statements of the "GTI Group of Companies" incorporated by reference herein and have confirmed that, as of the date hereof, they are independent within the meaning of the relevant rules and related interpretations prescribed by applicable legislation or regulations.

The transfer agent and registrar for the Subordinate Voting Shares is Odyssey Trust Company at its principal offices in Calgary, Alberta and Vancouver, British Columbia.

## **LEGAL MATTERS**

Certain legal matters in connection with this Offering will be passed upon by Cassels Brock & Blackwell LLP, on behalf of the Company, and by Fasken Martineau DuMoulin LLP, on behalf of the Underwriters. As at the date hereof, the partners and associates of Cassels Brock & Blackwell LLP, as a group and the partners and associates of Fasken Martineau DuMoulin LLP, as a group, each beneficially own, directly or indirectly, less than one percent of the outstanding Subordinate Voting Shares of the Company.

### **PURCHASERS' STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION**

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment thereto. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

**CERTIFICATE OF GREEN THUMB INDUSTRIES INC.**

Dated: July 18, 2018

This short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of all the provinces of Canada, except Québec.

(Signed) *Peter Kadens*  
Chief Executive Officer

(Signed) *Anthony Georgiadis*  
Chief Financial Officer

On Behalf of the Board of Directors

(Signed) Benjamin Kovler  
Director

(Signed) Wendy Berger  
Director

**CERTIFICATE OF THE UNDERWRITERS**

Dated: July 18, 2018

To the best of our knowledge, information and belief, this short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of all the provinces of Canada, except Québec.

**CANACCORD GENUITY CORP.**

By: (Signed) *Steve Winokur*

**GMP SECURITIES L.P.**

By: (Signed) *Steve Ottaway*

**BEACON SECURITIES LIMITED**

By: (Signed) *Mario Maruzzo*

**ECHELON WEALTH PARTNERS INC.**

By: (Signed) *David Anderson*

**EIGHT CAPITAL**

By: (Signed) *Patrick McBride*