We are hereby filing amended and restated unaudited interim consolidated financial statements (**Financial Statements**) and interim management discussion & analysis **(MD&A)** of the VCP23, LLC d/b/a Green Thumb Industries as of and for the three months ended March 31, 2018 and 2017. Such Financial Statements and MD&A are being filed to correct the following:

1. Disclosure on the Consolidated Statements of Operations regarding Cost of Goods Sold and Net Effect of Changes in Fair Value of Biological Assets;

2. Disclosure in Note 1 (Nature of Operations) and Note 2 (d) Significant Accounting Policies (Basis of Consolidation) regarding combined financial statements; and

3. Disclosure in Note 4 regarding Biological Assets.

None of these amendments resulted in changes to any of the net values in these financial statements. Specifically, there is no change to Revenues, Gross Profit or Net Loss Attributable to GTI Group of Companies.

VCP23, LLC d/b/a GREEN THUMB INDUSTRIES

AMENDED AND RESTATED
CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS
AS OF AND FOR THE THREE MONTHS ENDED
MARCH 31, 2018 AND 2017

(Expressed in United States Dollars)

VCP23, LLC d/b/a GREEN THUMB INDUSTRIES
Amended and Restated Consolidated Statements of Financial Position
At March 31, 2018 and December 31, 2017

Page(s)

CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS:

VCP23, LLC d/b/a GREEN THUMB INDUSTRIES
Amended and Restated Consolidated Statements of Financial Position
At March 31, 2018 and December 31, 2017

		March 31, 2018 (Unaudited)	December 31, 2017 (Audited)
ASSETS			
Current Assets:			
Cash and Cash Equivalents		$ 18,920,337	$ 29,565,497
Investments	*Note 14*	20,000,000	-
Accounts Receivable		2,156,322	892,373
Members Contribution Receivable	*Note 10*	1,001,000	2,785,998
Due from Related Parties	*Note 13*	2,141,007	1,188,686
Inventories	*Note 3*	5,156,798	2,689,762
Biological Assets	*Note 4*	500,204	2,117,131
Prepaid Expenses and Other Current Assets		644,668	550,389
Total Current Assets		50,520,336	39,789,836
Property and Equipment, Net	*Note 5*	38,086,813	31,558,357
Intangible Assets, Net	*Note 7*	14,168,434	14,161,995
Goodwill		188,260	188,260
Deposits and Other Assets		1,765,520	1,458,833
TOTAL ASSETS		$ 104,729,363	$ 87,157,281
LIABILITIES AND MEMBERS' EQUITY			
LIABILITIES			
Current Liabilities:			
Accounts Payable		$ 3,174,809	$ 4,044,760
Accrued Liabilities		1,924,215	880,771
Current Portion of Notes Payable	*Note 8*	8,899,261	8,861,376
Income Tax Payable	*Note 2*	718,000	214,000
Distributions Payable to Members		279,750	279,750
Total Current Liabilities		14,996,035	14,280,657
Long-Term Liabilities:			
Deferred Rent		344,888	301,105
Deferred Income Taxes		145,000	-
Notes Payable, Net of Current Portion	*Note 8*	7,666,727	7,206,673
TOTAL LIABILITIES		23,152,650	21,788,435
MEMBERS' EQUITY OF GTI GROUP OF COMPANIES	*Note 10*	76,996,926	62,002,496
NON-CONTROLLING INTEREST	*Note 11*	4,579,787	3,366,350
TOTAL LIABILITIES AND MEMBERS' EQUITY		$ 104,729,363	$ 87,157,281

Nature of Operations (*Note 1*)
Commitments and Contingencies (*Note 12*)
Subsequent Events (*Note 15*)

Approved and authorized by the Board of Directors on July 26, 2018

Chief Executive Officer

Chief Financial Officer

The accompanying notes are an integral part of these consolidated financial statements

VCP23, LLC d/b/a GREEN THUMB INDUSTRIES
Amended and Restated Consolidated Statements of Operations
For the Three Months Ended March 31 2018 and 2017

		Three Months Ended March 31,	
		2018	2017
		(Unaudited)	*(Unaudited)*
Revenues, net of discounts		$ 10,925,898	$ 3,018,649
Cost of Goods Sold, net		(6,212,963)	(1,946,738)
Gross Profit before Biological Asset Adjustment		4,712,935	1,071,911
Net Effect of Changes in Fair Value of Biological Assets	*Note 4*	151,045	1,845,961
Gross Profit		4,863,980	2,917,872
Expenses:			
General and Administrative	*Note 9*	5,851,896	2,129,751
Sales and Marketing		170,113	41,346
Depreciation and Amortization		233,629	24,111
Total Expenses		6,255,638	2,195,208
(Loss) Income From Operations		(1,391,658)	722,664
Other Income (Expense):			
Other Income (Expense), net		233,344	516,441
Interest Income		600,000	-
Interest Expense		(371,105)	(21,549)
Total Other Income		462,239	494,892
(Loss) Income Before Provision for Income Taxes And Non-Controlling Interest		(929,419)	1,217,556
Provision For Income Taxes	*Note 2*		
Currently Payable		504,000	-
Deferred Tax Benefit		(469,000)	-
Total Provision For Income Taxes		35,000	-
Net (Loss) Income Before Non-Controlling Interest		(964,419)	1,217,556
Net Income Attributable To Non-Controlling Interest		616,550	-
Net (Loss) Income Attributable To GTI Group of Companies		$ (1,580,969)	$ 1,217,556

VCP23, LLC d/b/a GREEN THUMB INDUSTRIES
Amended and Restated Consolidated Statements of Changes in Members' Equity
For the Three Months Ended March 31, 2018

	Members' Equity	Non-Controlling Interest	Total
Balance, January 1, 2018	$ 62,002,496	$ 3,366,350	$ 65,368,846
Deferred Tax Liability from Reorganization	(614,000)	-	(614,000)
Net loss (income)	(1,580,969)	616,550	(964,419)
Contributions from members	22,829,399	638,887	23,468,286
Distributions to members	(5,640,000)	(42,000)	(5,682,000)
Balance, March 31, 2018	$ 76,996,926	$ 4,579,787	$ 81,576,713

VCP23, LLC d/b/a GREEN THUMB INDUSTRIES
Amended and Restated Consolidated Statements of Cash Flows
For the Three Months Ended March 31, 2018 and 2017

	2018	2017
	(Unaudited)	*(Unaudited)*
CASH FLOW FROM OPERATING ACTIVITIES		
Net (loss) income attributable to GTI Group of Companies	$ (1,580,969)	$ 1,217,556
Net income attributable to non-controlling interest	616,550	-
Adjustments to reconcile net loss to net cash used in operating activities:		
Deferred income taxes	(469,000)	-
Depreciation and amortization	344,305	136,933
Loss on disposal of property and equipment	49,622	-
Income from joint venture	-	(17,500)
Deferred rent	43,783	28,186
Changes in operating assets and liabilities:		
Accounts receivable	(1,263,949)	(465,156)
Biological assets	1,616,927	(189,851)
Inventory	(2,467,036)	(1,629,559)
Prepaid expenses and other current assets	(94,279)	24,936
Deposits and other assets	138,344	(265,173)
Accounts payable	(869,951)	315,420
Accrued liabilities	1,043,444	(298,040)
Income tax payable	504,000	-
NET CASH USED IN OPERATING ACTIVITIES	(2,388,209)	(1,142,248)
CASH FLOW FROM INVESTING ACTIVITIES		
Investment in iAnthus Debenture	(20,000,000)	-
Proceeds received from investors	1,784,998	-
Purchases of property and equipment	(6,273,823)	(158,422)
Advances to related party	(2,132,321)	-
Repayments from related parties	575,000	-
Purchases of licenses	(49,999)	(970,000)
Investment in joint venture	(445,031)	-
NET CASH USED IN INVESTING ACTIVITIES	(26,541,176)	(1,128,422)
CASH FLOW FROM FINANCING ACTIVITIES		
Contributions from members	23,468,286	4,055,676
Distributions to members	(5,682,000)	(2,745,800)
Proceeds from issuance of notes payable	825,000	-
Principal repayments of notes payable	(327,061)	-
NET CASH PROVIDED BY FINANCING ACTIVITIES	18,284,225	1,309,876
NET DECREASE IN CASH AND CASH EQUIVALENTS	(10,645,160)	(960,794)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	29,565,497	12,955,518
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 18,920,337	$ 11,994,724

VCP23, LLC d/b/a GREEN THUMB INDUSTRIES
Amended and Restated Consolidated Statements of Cash Flows (Continued)
For the Three Months Ended March 31, 2018 and 2017

	Three Months Ended March 31, 2018 (Unaudited)	Three Months Ended March 31, 2017 (Unaudited)
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Interest paid	$ 409,312	$ 13,254
OTHER NONCASH INVESTING AND FINANCING ACTIVITIES		
Purchase of property and equipment with cancellation of note receivable	$ 605,000	$ -
Distributions payable to members	$ -	$ (667,250)

The accompanying notes are an integral part of these consolidated financial statements

1. NATURE OF OPERATIONS

VCP23, LLC d/b/a Green Thumb Industries (the "Company" or "GTI") is a vertically integrated cannabis operator that focuses on limited-licensed markets in the United States. As a vertically integrated provider it owns cultivation, processing, and retail licenses across five State markets (Illinois, Maryland, Nevada, Pennsylvania and Massachusetts). The Company is fully licensed in its State markets and has acquired its various State licenses through competitive application processes and / or via purchase.

In addition to the States listed above, the Company also conducts pre-licensing activities in several other markets. In these markets, the Company has either applied for licenses, or plans on applying for licenses, but does not currently own any cultivation, production or retail licenses.

The Company's corporate headquarters are at 325 W. Huron St., Chicago, Illinois 60654.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The unaudited interim period consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations of the IFRS Interpretations Committee ("IFRIC") in effect for the three month period ended March 31, 2018.

These unaudited interim consolidated financial statements were approved and authorized for issue by the Board of Directors of the Company on July 26, 2018.

(b) Basis of Measurement

These unaudited interim consolidated financial statements have been prepared on the going concern basis, under the historical cost convention except for certain financial instruments and biological assets that are measured at fair value as described herein.

(c) Functional Currency

The Company's functional currency, as determined by management, is the United States ("U.S.") dollar. These consolidated financial statements are presented in U.S. dollars.

(d) Basis of Consolidation

On January 1, 2018, GTI-Clinic Illinois Holdings, LLC (representing GTI's Illinois operations and ownership) and RCP23, LLC (representing GTI's non-Illinois operations that included Nevada, Pennsylvania, Massachusetts, and Maryland ownership) closed on a restructuring, which combined all of GTI's operational and ownership structure within VCP23, LLC. Prior to January 1, 2018, these businesses were managed by GTI senior management but had a slightly different shareholder base. As part of the restructuring, the owners of the GTI-Clinic Illinois Holdings, LLC and RCP23, LLC received approximately 42.5% and 57.5% of the Preferred and Common Units of VCP23, LLC respectively.

As a result of the reorganization described in the preceding paragraph, the accompanying unaudited consolidated financial statements includes the accounts of the VCP23, LLC and its wholly-owned or majority owned subsidiaries. Non-controlling interests are included as a component of members' equity.

All significant intercompany balances and transactions were eliminated in consolidation.

2. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

(e) Cash and Cash Equivalents

Cash and cash equivalents include cash deposits in financial institutions, other deposits that are readily convertible into cash, and cash held at retail locations.

(f) Inventories

Inventories purchased from third parties, which include work in process, finished goods, and packaging and supplies, are valued at the lower of cost and net realizable value. Cost is determined using the weighted average costing method. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs to sell. The Company reviews inventories for obsolete, redundant and slow moving goods and any such inventories identified are written down to net realizable value. At March 31, 2018 and December 31, 2017, there were no reserves for inventories required.

(g) Biological Assets

The Company measures biological assets consisting of medical cannabis plants at fair value less costs to sell and complete up to the point of harvest, which becomes the basis for the cost of internally produced work in process and finished goods inventories after harvest. Unrealized gains or losses arising from changes in fair value less cost to sell during the period are included in the results of operations. The Company expenses pre-harvest costs as incurred.

(h) Property and Equipment

Property and equipment is stated at cost, net of accumulated depreciation and impairment losses, if any. Expenditures that materially increase the life of the assets are capitalized. Ordinary repairs and maintenance are expensed as incurred. Depreciation is calculated on a straight-line basis over the estimated useful life of the asset using the following terms and methods:

Land	Not Depreciated
Buildings and Improvements	39 Years
Furniture and Fixtures	5 – 7 Years
Computer Equipment and Software	5 Years
Leasehold Improvements	Remaining Life of Lease
Manufacturing Equipment	5 - 7 Years
Assets Under Construction	Not Depreciated

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year-end and adjusted prospectively if appropriate. An item of equipment is derecognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying value of the asset) is included in the Consolidated Statements of Operations in the year the asset is derecognized.

2. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

(i) Intangible Assets

Intangible assets are recorded at cost, less accumulated amortization and impairment losses, if any. Intangible assets acquired in a business combination are measured at fair value at the acquisition date. Amortization is recorded on a straight-line basis over their estimated useful lives, which do not exceed the contractual period, if any. Intangible assets, which include cannabis licenses, have indefinite useful lives and are not subject to amortization. Such assets are tested annually for impairment, or more frequently, if events or changes in circumstances indicate that they might be impaired. The estimated useful lives, residual values, and amortization methods are reviewed at each year-end, and any changes in estimates are accounted for prospectively. As of March 31, 2018 and December 31, 2017, the Company did not recognize any impairment losses.

Patient relationships and non-compete agreements are measured at fair value at the time of acquisition and are amortized on a straight-line basis over a period of five and two years, respectively.

(j) Goodwill

Goodwill represents the excess of the purchase price paid for the acquisition of an entity over the fair value of the net tangible and intangible assets acquired. Goodwill is allocated to the cash generating unit ("CGU") or CGUs which are expected to benefit from the synergies of the combination.

Goodwill that has an indefinite useful life is not subject to amortization and is tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Impairment is determined for goodwill by assessing if the carrying value of a CGU, including the allocated goodwill, exceeds its recoverable amount determined as the greater of the estimated fair value less costs to sell and the value in use. Impairment losses recognized in respect of a CGU are first allocated to the carrying value of goodwill and any excess is allocated to the carrying amount of assets in the CGU.

Any goodwill impairment loss is recognized in the Consolidated Statements of Operations in the period in which the impairment is identified. Impairment losses on goodwill are not subsequently reversed. As of March 31, 2018 and December 31, 2017, the Company did not recognize any impairment losses.

(k) Leased Assets

A lease of property and equipment is classified as an operating lease whenever the terms of the lease do not transfer substantially all of the risks and rewards of ownership to the lessee. Lease payments are recognized as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which the economic benefits are consumed.

2. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

(l) Income Taxes

Income tax expense is recognized in the Consolidated Statements of Operations based on the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at year-end. For the periods ended March 31, 2018 and 2017, Federal and State income tax expense totaled $504,000 and $0, respectively. Taxable income is computed for GTI Core, LLC and its respective LLC ownership interests. In 2017, GTI Core, LLC elected to be taxed as a C Corporation. Not all GTI companies and subsidiaries have elected to be taxed as a C Corporation and, accordingly, taxable income and losses from certain limited liability companies flow through to their respective members.

Deferred tax assets and liabilities and the related deferred income tax expense or recovery, if any, are recognized for deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liabilities settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment occurs.

As discussed in note 15, on January 1, 2018, the Company, through a tax-free transfer under IRC Section 352, transferred ownership in GTI-Clinic Illinois Holdings, LLC (taxed as a partnership) to GTI Core, LLC (taxed as a "C" corporation). As a result of the transaction, the Company now accounts for income taxes in accordance with ASC-740 - Income taxes, under which deferred tax assets and liabilities are recognized based upon anticipated future tax consequences attributable to differences between financial statement carrying values of assets and liabilities and the respective tax bases. As a result of the transaction, the tax basis of the Company decreased resulting in the recognition of a deferred tax liability of $614,000 with a corresponding decrease to Members' Equity. The liability pertains to the difference in reporting biological assets for financial statement and income tax reporting purposes. At March 31, 2018, the liability was reduced by $469,000 in order to recognize the tax effect of the reduction in biological assets at that date.

As the Company operates in the cannabis industry, it is subject to the limits of IRC Section 280E under which the Company is only allowed to deduct expenses directly related to sales of product. This results in permanent differences between ordinary and necessary business expenses deemed non-allowable under IRC Section 280E.

(m) Revenue Recognition

Revenue is recognized at the fair value of consideration received or receivable. Revenue from the sale of goods is recognized when all the following conditions have been satisfied, which are generally met once the products are shipped to customers:

- The Company has transferred the significant risks and rewards of ownership of the goods to the customer;
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the customer; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

For the periods ended March 31, 2018 and 2017, amounts recorded as revenues are net of allowances, discounts, and rebates totaling $287,919 and $110,981, respectively.

2. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

(n) Financial Instruments *(See also Note 14)*

(i) Financial Assets

All financial assets (including assets designated at fair value through profit or loss) are recognized initially on the date at which the Company becomes a party to the contractual provisions of the instrument. The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

The Company classifies its financial assets as financial assets at fair value through profit or loss or loans and receivables. A financial asset is classified at fair value through profit or loss if it is classified as held for trading or is designated as such upon initial recognition. Financial assets at fair value through profit or loss are measured at fair value, and changes therein are recognized in profit or loss.

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value. Subsequent to initial recognition loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses.

(ii) Financial Liabilities

All financial liabilities (including liabilities designated at fair value through profit or loss) are recognized initially on the date at which the Company becomes a party to the contractual provisions of the instrument. The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled, or expire.

The Company classifies its financial liabilities as either financial liabilities at fair value through profit or loss or other liabilities. Subsequent to initial recognition other liabilities are measured at amortized cost using the effective interest method. Financial liabilities at fair value are stated at fair value with changes being recognized in the consolidated statement of operations.

(iii) Classification of Financial Instruments

The Company classifies its financial assets and liabilities depending on the purpose for which the financial instruments were acquired, their characteristics, and management intent as outlined below:

	Classification
Cash and Cash Equivalents	Fair value through profit or loss
Investments	Loans and receivables
Accounts Receivable	Loans and receivables
Accounts Payable and Accrued Liabilities	Other liabilities
Distributions Payable to Members	Other liabilities
Notes Payable	Other liabilities

(iv) Classification of Financial Instruments

Financial assets, other than those classified at fair value through profit or loss, are assessed for indicators of impairment at the end of each reporting period or whenever circumstances dictate. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

2. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

(o) Significant Accounting Judgments, Estimates and Assumptions

The preparation of the Company's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and revenue and expenses. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the review affects both current and future periods.

Significant judgments, estimates and assumptions that have the most significant effect on the amounts recognized in the consolidated financial statements are described below.

(i) Estimated Useful Lives and Depreciation of Property and Equipment (Also see Note 2(h))

Depreciation of property and equipment is dependent upon estimates of useful lives which are determined through the exercise of judgment. The assessment of any impairment of these assets is dependent upon estimates of recoverable amounts that take into account factors such as economic and market conditions and the useful lives of assets.

(ii) Estimated Useful Lives and Amortization of Intangible Assets (Also see Note 2(i))

Amortization of intangible assets is recorded on a straight-line basis over their estimated useful lives, which do not exceed the contractual period, if any. Intangible assets that have indefinite useful lives are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

(iii) Biological Assets (Also see Note 4)

Management is required to make estimates in calculating the fair value of biological assets and harvested cannabis inventory. These estimates include a number of assumptions, such as estimating the stages of growth or the cannabis, harvested costs, sales price and expected yields.

(iv) Business Combinations (Also see Note 6)

In a business combination, all identifiable assets, liabilities and contingent liabilities acquired are recorded at their fair values. One of the most significant estimates relates to the determination of the fair value of these assets and liabilities. Contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is re-measured at subsequent reporting dates in accordance with IAS 39, or IAS 37 Provisions, Contingent Liabilities and Contingent Assets, as appropriate, with the corresponding gain or loss being recognized in profit or loss. For any intangible asset identified, depending on the type of intangible asset and the complexity of determining its fair value, an independent valuation expert or management may develop the fair value, using appropriate valuation techniques, which are generally based on a forecast of the total expected future net cash flows. The evaluations are linked closely to the assumptions made by management regarding the future performance of the assets concerned and any changes in the discount rate applied.

2. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

(o) Significant Accounting Judgments, Estimates and Assumptions *(Continued)*

Certain fair values may be estimated at the acquisition date pending confirmation or completion of the valuation process. Where provisional values are used in accounting for a business combination, they may be adjusted retrospectively in subsequent periods. However, the measurement period will last for one year from the acquisition date.

(v) Goodwill Impairment

Goodwill is tested for impairment annually and whenever events or changes in circumstances indicate that the carrying amount of goodwill has been impaired. In order to determine if the value of goodwill has been impaired, the cash-generating unit to which goodwill has been allocated must be valued using present value techniques. When applying this valuation technique, the Company relies on a number of factors, including historical results, business plans, forecasts and market data. Changes in the conditions for these judgments and estimates can significantly affect the assessed value of goodwill.

(p) Recent Accounting Pronouncements

The following IFRS standards have been recently issued by the IASB. The Company is assessing the impact of these new standards on future consolidated financial statements. Pronouncements that are not applicable or where it has been determined do not have a significant impact to the Company have been excluded herein.

(i) IFRS 7, Financial instruments: Disclosure

IFRS 7, *Financial instruments: Disclosure*, was amended to require additional disclosures on transition from IAS 39 to IFRS 9. IFRS 7 is effective on adoption of IFRS 9, which is effective for annual periods commencing on or after January 1, 2018. The Company does not expect significant impact on its consolidated financial statements from the adoption of this new standard.

(ii) IFRS 9, Financial Instruments

In July 2014, the IASB issued the final version of IFRS 9, *Financial Instruments*, which reflects all phases of the financial instruments project and replaces IAS 39, *Financial Instruments: Recognition and Measurement*, and all previous versions of IFRS 9. The standard introduces new requirements for classification and measurement, impairment, and hedge accounting. IFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. The Company does not expect significant impact on its consolidated financial statements from the adoption of this new standard.

(iii) IFRS 15, Revenue from Contracts with Customers

The IASB replaced IAS 18, *Revenue*, in its entirety with IFRS 15, *Revenue from Contracts with Customers*. The standard contains a single model that applies to contracts with customers and two approaches to recognizing revenue: at a point in time or over time. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognized. New estimates and judgmental thresholds have been introduced, which may affect the amount and/or timing of revenue recognized. IFRS 15 is effective for annual periods beginning on or after January 1, 2018, with early application permitted. The Company does not expect significant impact on its consolidated financial statements from the adoption of this new standard.

2. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

(p) Recent Accounting Pronouncements *(Continued)*

(iv) IFRS 16, Leases

In January 2016, the IASB issued IFRS 16, *Leases*, which will replace IAS 17, *Leases*. This standard introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months unless the underlying asset is of low value. A lessee is required to recognize a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard will be effective for annual periods beginning on or after January 1, 2019, with earlier application permitted for entities that apply IFRS 15, *Revenue from Contracts with Customers*, at or before the date of initial adoption of IFRS 16. The extent of the impact of adoption of the standard has not yet been determined. However, upon adoption of IFRS 16, the leases described in note 12(a) will likely constitute right of use assets with a corresponding lease obligation.

3. INVENTORIES

The Company’s inventories include the following at March 31, 2018 and at December 31, 2017:

	2018	2017
Raw Material		
Harvested Cannabis	$ 2,031,411	$ 601,227
Packaging and Miscellaneous	1,062,174	500,765
Total Raw Material	3,093,585	1,101,992
Work in Process	137,034	184,435
Finished Goods	1,926,179	1,403,335
Total Inventories	$ 5,156,798	$ 2,689,762

4. BIOLOGICAL ASSETS

Biological assets consist of cannabis plants. At March 31, 2018 and December 31, 2017, the changes in the carrying value of biological assets are shown below:

Harvest in Process	2018	2017
Beginning balance	$ 2,117,131	$ 971,044
Net change in fair value less costs to sell due to biological transformation	1,831,219	6,990,524
Transferred to inventory upon harvest	(3,448,146)	(5,844,437)
Ending balance	$ 500,204	$ 2,117,131

The Company values its biological assets at the end of each reporting period at fair value less costs to sell and complete. This is determined using a valuation model to estimate the expected harvest yield per plant applied to the estimated price per gram less processing and selling costs. This model also considers the progress in the plant life cycle.

Management has made the following estimates in this valuation model:

- The average number of weeks in the growing cycle is sixteen weeks from propagation to harvest;
- The average harvest yield of whole flower is 106 grams per plant;
- The average selling price of whole flower is $6.28 per gram;
- Processing costs include drying and curing, testing and packaging, post-harvest overhead allocation, and oil extraction costs estimated to be $0.91 per gram: and
- Selling costs include shipping, order fulfillment, and labelling, estimated to be $0.57 per gram.

The estimates of growing cycle, harvest yield, and costs per gram are based on the Company's historical results. The estimate of the selling price per gram is based on the Company's historical sales in addition to the Company's expected sales price going forward.

Management has quantified the sensitivity of the inputs, and determined the following:

- Selling price per gram - a decrease in the selling price per gram by 5% would result in the biological asset value decreasing by $196,436 (2017 - $414,937) and inventory decreasing by $113,498 (2017 - $93,029).
- Harvest yield per plant - a decrease in the harvest yield per plant of 5% would result in the biological asset value decreasing by $94,686 (2017 - $293,365).

These inputs are level 3 on the fair value hierarchy, and are subject to volatility and several uncontrollable factors, which could significantly affect the fair value of biological assets in future periods.

As of March 31, 2018, the biological assets were on average, 35% complete (2017 – 45%), and the estimated fair value less costs to sell of dry cannabis was $6.75 per gram.

As of March 31, 2018, it is expected that the Company's biological assets will ultimately yield approximately 621kg of cannabis (2017 - 512kg).

5. PROPERTY AND EQUIPMENT

At March 31, 2018 and December 31, 2017, property and equipment consists of:

	2018	2017
Land	$ 1,687,489	$ 1,626,989
Buildings and Improvements	14,262,599	13,999,703
Furniture and Fixtures	779,882	505,268
Computer Equipment and Software	409,074	381,029
Leasehold Improvements	2,924,985	2,350,287
Manufacturing Equipment	1,440,621	1,128,835
Assets Under Construction	18,079,225	12,762,563
Total Property and Equipment, Gross	39,583,875	32,754,674
Less: Accumulated Depreciation	(1,497,062)	(1,196,317)
Property and Equipment, Net	$ 38,086,813	$ 31,558,357

Assets under construction represent construction in progress related to both cultivation and dispensary facilities not yet completed or otherwise not placed in service.

A reconciliation of the beginning and ending balances of property and equipment is as follows:

	Property and Equipment, Gross	**Accumulated Depreciation**	**Property and Equipment, Net**
Balance as of January 1, 2018	**$ 32,754,674**	**$ (1,196,317)**	**$ 31,558,357**
Additions	6,878,823	-	6,878,823
Disposals	(49,622)	-	(49,622)
Depreciation	-	(300,745)	(300,745)
Balance as of March 31, 2018	**$ 39,583,875**	**(1,497,062)**	**$ 38,086,813**

Depreciation expense for the periods ended March 31, 2018 and 2017, totaled $300,745 and $136,933, respectively, of which $110,676 and $112,822, respectively, is included in cost of goods sold.

6. ACQUISITION

There were no acquisitions completed during each of the three month periods ending March 31, 2018 and 2017.

7. INTANGIBLE ASSETS

At March 31, 2018 and December 31, 2017, intangible assets consisted of the following:

	Balance at January 1, 2018	Purchases	Additions from Acquisitions	Accumulated Amortization	Balance at March 31, 2018
Indefinite Lives					
Licenses and Permits	$ 13,004,575	$ 49,999	$ -	$ -	$ 13,054,574
Tradename	360,000	-	-	-	360,000
Total	13,364,575	49,999	-	-	13,414,574
Finite Lives					
Patient Relationships	779,500	-	-	(41,000)	738,500
Non-competition Agreements	17,920	-	-	(2,560)	15,360
Total	797,420	-	-	(43,560)	753,860
Total Intangible Assets	**$ 14,161,995**	**$ 49,999**	**$ -**	**$ (43,560)**	**$ 14,168,434**

Intangible assets with finite lives are amortized over their estimated useful lives. The Company recorded amortization expense of $43,560 and $0 for the periods ended March 31, 2018 and 2017, respectively. Amortization periods of assets with finite lives are based on management's estimates at the date of acquisition.

Based solely on the amortizable intangible assets recorded at March 31, 2018, estimated amortization expense for the years ended December 31, 018 through 2022 is as follows:

Year Ending December 31	Estimated Amortization
2018 (nine months)	$ 130,680
2019	171,680
2020	164,000
2021	164,000
2022	123,500
	$ 753,860

8. NOTES PAYABLE

At March 31, 2018 and December 31, 2017, notes payable consisted of the following:

	2018	2017
Promissory note dated October 2, 2017, in the original amount of $2,500,000 issued to accredited investors, which matures October 1, 2022; monthly payments of $55,611 including interest at 12.5% per annum.	$ 2,343,853	$ 2,438,472
Promissory note dated October 2, 2017, in the original amount of $5,000,000 issued to accredited investors, which matures October 1, 2022; monthly payments of $112,490 including interest at 12.5% per annum.	4,687,705	4,876,943
In connection with an acquisition completed in 2018, the Company is required to make quarterly charitable contributions of $50,000 through October 2024. The net present value of these required payments has been recorded as a liability with an interest rate of 2.17%. (See Note 6)	1,209,430	1,252,634
Convertible note dated October 31, 2017, in the original amount of $3,000,000 issued to accredited investors, which matures January 31, 2019, and bears interest at a rate of 8.00% per annum. The note and unpaid accrued interest were converted on April 1, 2018, to an 11% member interest in GTI Pennsylvania, LLC.	3,330,000	3,000,000
Convertible note dated September 22, 2017, in the original amount of $4,500,000 issued to accredited investors, which matures December 22, 2018, and bears interest at a rate of 8.00% per annum. The note and unpaid accrued interest were converted on April 1, 2018, to a 16.5% member interest in GTI Pennsylvania, LLC.	4,995,000	4,500,000
Total Notes Payable	16,565,988	16,068,049
Less: Current Portion of Notes Payable	(8,899,261)	(8,861,376)
Notes Payable, Net of Current Portion	**$ 7,666,727**	**$ 7,206,673**

Stated maturities of debt obligations are as follows:

Year Ending December 31,	
2018 (nine months)	$ 8,899,261
2019	888,412
2020	831,815
2021	768,041
2022	585,513
Thereafter	4,592,947
	$ 16,565,988

8. NOTES PAYABLE *(Continued)*

The promissory notes with outstanding balances at March 31, 2018 of $2,343,853 and $4,687,705 are collateralized by substantially all of the assets of GTI Clinic Illinois Holdings LLC and affiliates and certain real estate.

In connection with the notes dated October 2, 2017, the Company is required to comply with financial covenants, including minimum fixed charge coverage and funded debt to EBITDA ratios. At March 31, 2018, the Company was in compliance with these covenants.

9. GENERAL AND ADMINISTRATIVE

For the periods ended March 31, 2018 and 2017, general and administrative expenses were comprised of:

	2018	2017
Salaries & Benefits	$ 3,332,347	$ 596,948
Professional Fees	1,020,859	1,020,459
Rent	466,036	98,186
Other	328,393	198,884
Travel	253,594	115,969
Office Equipment and Supplies	136,649	11,802
Utilities	110,448	17,428
Licenses & Permits	94,350	12,342
Insurance	47,744	9,634
Bank fees	40,120	9,482
Charitable Donations	10,650	33,111
Computer, Telephone, and Internet	10,706	5,506
Total General and Administrative Expenses	$ 5,851,896	$ 2,129,751

10. MEMBERS' EQUITY

On January 1, 2018, GTI-Clinic Illinois Holdings, LLC (representing the Company's Illinois operations and ownership) and RCP23, LLC (representing the Company's non-Illinois operations that included Nevada, Pennsylvania, Massachusetts, and Maryland ownership) closed on a restructuring, which consolidated all of Company's operational and ownership structure within VCP23, LLC. Prior to January 1, 2018, these businesses were managed by the Company's senior management but had a slightly different shareholder base.

As part of the restructuring, the owners of the GTI-Clinic Illinois Holdings, LLC received 50,688,000 Preferred Units and 55,434,783 Common Units in VCP23, LLC and RCP23, LLC received 68,578,258 Preferred Units and 75,000,000 Common Units in VCP23, LLC. There was no change in the amount or allocation of Preferred Units and Common Units as of March 31, 2018.

At March 31, 2018 certain members owed the company $1,001,000 for capital contributions. These amounts were collected prior to May 6, 2018 and accordingly, are included in members' equity without offset in the accompanying consolidated financial statements.

11. NON-CONTROLLING INTEREST

In February 2017, an unrelated third party converted its note and accrued interest for an approximate 42.5% interest in GTI Nevada LLC. This entity is included in the unaudited interim consolidated financial statements with a resulting non-controlling interest reflected therein.

In connection with an operating agreement reached in August 2017, GTI Core, LLC effectively assumed control over the operations of an entity which holds multiple Maryland licenses. This entity also contributed assets in exchange for an ownership interest in a GTI subsidiary. Both entities are included in the consolidated financial statements with a resulting non-controlling interest reflected therein.

12. COMMITMENTS AND CONTINGENCIES

(a) Office and Operating Leases

The Company leases certain business facilities from third parties under operating lease agreements that specify minimum rentals. The leases expire through 2028 and contain renewal provisions. Additionally, certain leases provide for rent abatement, and rent expense is calculated on straight-line basis over the terms of the leases with the incentives reported as deferred rent. The Company's net rent expense for the periods ended March 31, 2018 and 2017, was approximately $356,000 and $98,000, respectively.

Certain facilities are occupied under the terms of lease agreements with related parties. The leases expire through 2024 and contain certain renewal provisions. Rent expense under these leases totaled $110,000 and $0 for the periods ended March 31, 2018, and 2017, respectively.

Future minimum lease payments under non-cancelable operating leases having an initial or remaining term of more than one year are as follows:

Year Ending December 31	Third Parties	Related Parties	Total
2018 (9 months)	$ 723,233	$ 335,496	$ 1,058,729
2019	742,287	342,206	1,084,493
2020	693,865	349,050	1,042,915
2021	686,788	356,031	1,042,819
2022	545,068	284,113	829,181
2023 and Thereafter	1,203,257	261,993	1,465,250
Total Future Minimum Lease Payments	**$ 4,594,498**	**$ 1,928,889**	**$ 6,523,387**

(b) Contingencies

The Company's operations are subject to a variety of local and state regulation. Failure to comply with one or more of those regulations could result in fines, restrictions on its operations, or losses of permits that could result in the Company ceasing operations. While management of the Company believes that the Company is in compliance with applicable local and state regulation at March 31, 2018, medical cannabis regulations continue to evolve and are subject to differing interpretations. As a result, the Company may be subject to regulatory fines, penalties, or restrictions in the future.

12. COMMITMENTS AND CONTINGENCIES *(Continued)*

(c) Claims and Litigation

From time to time, the Company may be involved in litigation relating to claims arising out of operations in the normal course of business. At March 31, 2018, there were no pending or threatened lawsuits that could reasonably be expected to have a material effect on the results of the Company's consolidated operations. There are also no proceedings in which any of the Company's directors, officers or affiliates is an adverse party or has a material interest adverse to the Company's interest.

13. RELATED PARTIES TRANSACTIONS

(a) Due from Related Parties

At March 31, 2018 and December 31, 2017, amounts due from related parties consisted of:

	2018	2017
Note receivable dated December 15, 2017, principal due by December 31, 2018, plus interest at 1.52%.	$ -	$ 605,000
Note receivable from Firefly Dispensaries dated February 14, 2018, principal due the 6 months after the date of termination of the Services Agreement or the one year anniversiary of the Note; plus interest at 10%.	2,000,000	-
Note receivable dated July 20, 2017, principal due the earlier of July 19, 2018 or upon the achievement of defined capital raising activities; plus interest at 2%; note repaid on February 13, 2018.	-	575,000
Other	141,007	8,686
Total Due from Related Party	$ 2,141,007	$ 1,188,686

14. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

Financial Instruments

The Company's financial instruments consist of cash and cash equivalents, restricted cash, accounts payable and accrued liabilities, short-term note payable, and long-term debt. The carrying values of these financial instruments approximate their fair values at March 31, 2018 and December 31, 2017.

Financial instruments recorded at fair value are classified using a fair value hierarchy that reflects the significance of the inputs to fair value measurements. The three levels of hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 – Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly; and
Level 3 – Inputs for the asset or liability that are not based on observable market data.

14. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT *(Continued)*

There have been no transfers between fair value levels during the periods ended March 31, 2018 and 2017.

The following table summarizes the Company's financial instruments as of March 31, 2018:

	Loans and Receivables	Other Financial Liabilities	Total
Financial Assets:			
Cash and Cash Equivalents	$ 18,920,337	$ -	$ 18,920,337
Investments	$ 20,000,000	$ -	$ 20,000,000
Financial Liabilities			
Accounts Payable and Accrued Liabilities	$ -	$ 5,099,024	$ 5,099,024
Income Tax Payable	$ -	$ 718,000	$ 718,000
Current Portion of Notes Payable	$ -	$ 8,899,261	$ 8,899,261
Distributions Payable to Members	$ -	$ 279,750	$ 279,750
Notes Payable, Net of Current Portion	$ -	$ 7,666,727	$ 7,666,727

The following table summarizes the Company's financial instruments as of December 31, 2017:

	Loans and Receivables	Other Financial Liabilities	Total
Financial Assets:			
Cash and Cash Equivalents	$ 29,565,497	$ -	$ 29,565,497
Financial Liabilities			
Accounts Payable and Accrued Liabilities	$ -	$ 4,925,531	$ 4,925,531
Income Tax Payable	$ -	$ 214,000	$ 214,000
Current Portion of Notes Payable	$ -	$ 8,861,376	$ 8,861,376
Distributions Payable to Members	$ -	$ 279,750	$ 279,750
Notes Payable, Net of Current Portion	$ -	$ 7,206,673	$ 7,206,673

Financial Risk Management

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board mitigates these risks by assessing, monitoring and approving the Company's risk management processes:

14. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT *(Continued)*

(a) Credit Risk

Credit risk is the risk of a potential loss to the Company if a customer or third party to a financial instrument fails to meet its contractual obligations. The maximum credit exposure at March 31, 2018 is the carrying amount of cash and cash equivalents. The Company does not have significant credit risk with respect to its customers. All cash and cash equivalents are placed with major U.S. financial institutions.

The Company provides credit to its customers in the normal course of business and has established credit evaluation and monitoring processes to mitigate credit risk, but has limited risk as the majority of its sales are transacted with cash.

On January 17, 2018, GTI entered into a Debenture Purchase Agreement with iAnthus Capital Holdings, Inc. whereby GTI loaned $20 million to iAnthus for the purchase of a Florida medical cannabis business. As part of the Debenture Purchase Agreement, GTI received (i) an Unsecured Debenture with a principal amount of $20 million accruing interest at the rate of 15% per annum, and (ii) a Warrant Certificate providing GTI with 10,040,000 iAnthus warrants at a price of $1.9928 per common share. The Unsecured Debenture had a maturity of 12 months but had certain early repayment provisions in the event of subsequent capital offerings made by iAnthus. At March 31, 2018 the Company recorded accrued interest of $600,000 pertaining to this note.

(b) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations associated with financial liabilities. The Company manages liquidity risk through the management of its capital structure. The Company's approach to managing liquidity is to ensure that it will have sufficient liquidity to settle obligations and liabilities when due.

In addition to the commitments outlined in Note 12, the Company has the following contractual obligations:

	<1 Year	1 to 3 Years	3 to 5 Years	Total
Accounts Payable and Accrued Liabilities	$ 5,099,024	$ -	$ -	$ 5,099,024
Income Tax Payable	$ 718,000	$ -	$ -	$ 718,000

(c) Market Risk

(i) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Cash and cash equivalents bear interest at market rates. The Company's financial debts have fixed rates of interest and therefore expose the Company to a limited interest rate fair value risk.

(ii) Price Risk

Price risk is the risk of variability in fair value due to movements in equity or market prices. See Note 4 for the Company's assessment of certain changes in the fair value assumption used in the calculation of biological asset values.

15. SUBSEQUENT EVENTS

The Company has evaluated subsequent events through July 26, 2018, which is the date these consolidated financial statements were issued.

(a) iAnthus Debenture Investment (also see note 14)

On May 16, 2018, iAnthus completed a capital raise and subsequently repaid the outstanding principal of $20 million and accrued interest of $978,082 on the Unsecured Debenture. As of July 26, 2018, the 10,040,000 warrants associated with this investment remain outstanding and fully un-exercised.

(b) Transaction with Firefly Dispensaries (also see note 13(a))

On February 14, 2018, GTI executed several agreements with KW Ventures Holdings, LLC, d/b/a/ Firefly Dispensaries, which received a medical cannabis dispensary license from the Pennsylvania Department of Health in 2017. The executed agreements include a Contribution Agreement for the future acquisition of the equity in Firefly Dispensaries, subject to applicable regulatory approvals, in exchange for a 9.9% direct membership interest in GTI Pennsylvania, LLC. The Contribution Agreement provided for a $3,000,000 working capital line of credit and a management services agreement for GTI to support dispensary build out and pre-operating activities. Both parties intend to execute this transaction and close in the 4th quarter of 2018.

(c) Letters of Intent (Florida)

VCP has 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 of KSGNF, LLC in exchange for a combination of cash and VCP equity. VCP also entered into (i) a credit agreement and promissory note with KSGNF, LLC to lend up to $1 million in working capital for the Florida business, and (ii) a consulting agreement pursuant to which VCP would provide certain discrete advisory services to KSGNF, LLC in exchange for a nominal consulting fee. It is anticipated that the closing of the acquisition will occur in the fourth quarter of 2018.

(d) VCP Convertible Debt Offering

On April 30, 2018, VCP23, LLC completed a $45 million private placement of 3-year unsecured convertible promissory notes to accredited investors. An initial $25 million offering was 2x oversubscribed and the Company limited the final amount to $45 million. The cash proceeds of the offering will be used for working capital and acquisition purposes. Terms of the offering include, but are not limited to, (i) an interest rate of 8% per annum simple interest, which will be paid “in kind” and added to the principal, (ii) if converted, a 20% discount on the valuation of a subsequent capital offering, public exchange offering, or a change of control event and (iii) if converted, subject to a specified valuation cap, exclusive of the convertible debt offering.

(e) Pennsylvania Legislative Expansion

The Pennsylvania Department of Health and Governor Tom Wolfe announced on April 17, 2018 that dry flower would be included in the regulations as an approved product form for sale and consumption (in addition to the already approved forms). VCP was awarded one of only three permits to provide wholesale dry flower to all licensed dispensaries for an initial pilot period. Simultaneously, it was announced that the list of qualifying conditions would expand from 17 to 21, including additions of cancer remission therapy and opioid-addiction therapy.

15. SUBSEQUENT EVENTS (*Continued)*

(f) Receipt of Maryland Cultivation License

On April 9, 2018, Maryland Governor Larry Hogan signed House Bill 2 into law. Among other things, HB2 Section 9(a)(1) requires the Maryland Medical Cannabis Commission — on or before June 1, 2018 — to grant a Stage One preapproval for a medical cannabis grower license to GTI Maryland, LLC. Upon receipt of the Stage One preapproval, and the subsequent successful completion of Stage Two of the application process, GTI will be authorized to cultivate medical cannabis in Maryland. At that time GTI will achieve full supply chain integration. GTI will work in partnership with the state and the Maryland Medical Cannabis Commission to determine the location for its grow facility, with particular attention paid to areas that would most benefit from newly created jobs. GTI's Maryland cultivation operations are expected to begin in the 4th quarter of 2018.

(g) Reverse Takeover

On June 12, 2018, the Green Thumb Industries, Inc. ("the Corporation"), 1165318 B.C. Ltd. (a wholly-owned subsidiary of Bayswater) ("Subco"), VCP23, LLC ("VCP"), GTI23, Inc. ("GTI23") and GTI Finco Inc. ("GTI Finco") entered into a Business Combination Agreement whereby the Corporation, Subco, VCP, GTI23 and GTI Finco combined their respective businesses (the "Transaction"). The Transaction was structured as a series of transactions, including a Canadian three-cornered amalgamation transaction and a series of U.S. reorganization steps.

At a meeting of shareholders on June 11, 2018, the Corporation's shareholders approved a resolution to restructure the Corporation's share capital to, among other things, re-designate its existing common shares as subordinate voting shares ("Subordinate Voting Shares") and create a class of multiple voting shares ("Multiple Voting Shares") and super voting shares ("Super Voting Shares").

In connection with the Transaction completed on June 12, 2018, the Corporation changed its name from "Bayswater Uranium Corporation" to "Green Thumb Industries Inc." and consolidated its existing common shares on the basis of one Subordinate Voting Share for each 368 existing common shares of the Corporation.

The Corporation, Subco and GTI Finco were parties to a three-cornered amalgamation ("Amalgamation") whereby GTI Finco shareholders received Subordinate Voting Shares of the Corporation on a one-for-one basis and members of VCP contributed their membership interests to GTI23 for shares of GTI23 and then contributed their shares of GTI23 to GTI in exchange for Super Voting Shares and Multiple Voting Shares of GTI.

(h) Definitive Agreement

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.