



## **Vireo Health Expands into Puerto Rico's Rapidly Growing Medical Cannabis Market**

*Company plans cultivation and processing facility in San Juan area and six dispensaries throughout island*

**MINNEAPOLIS – June 20, 2019** – Vireo Health International, Inc. ("Vireo" or the "Company") (CSE: VREO), a leading physician-led, science-focused multi-state cannabis company, today announced the acquisition of medical cannabis licenses in the Commonwealth of Puerto Rico. The acquisition is comprised of pre-approvals for licenses to cultivate, process, and sell cannabis products and operate up to six dispensaries. This transaction marks the eleventh market in which Vireo is licensed to grow, manufacture, or sell cannabis products.

“Vireo continues to seek unique opportunities to drive our science-focused approach into larger markets. We are thrilled to expand into the Commonwealth of Puerto Rico, one of the largest pharmaceutical hubs in the world,” said Chief Executive Officer, Kyle Kingsley, M.D. “This expansion will give us access to the island’s deep pool of talented professionals, create a wide variety of jobs, and allow us to help many more patients.”

Vireo has leased a 40,000 square-foot former Pfizer facility in the Cruce Dávila Business Park, located in Barceloneta, Puerto Rico to house its cultivation and processing operations. The Company also plans to launch six “Green Goods” dispensaries throughout the island in Arecibo, Bayamón, Caguas, Guaynabo, Guayama, and Hormigueros.

Vireo Health of Puerto Rico will be led by Christian Gonzalez, a native of the island with a degree in mechanical engineering from the University of Puerto Rico Mayagüez, who brings more than 15 years of experience in cannabis, medical device, pharmaceutical, and aerospace/defense manufacturing. Gonzalez currently serves as the general manager of Vireo Health of Pennsylvania, where he oversees the company’s state-of-the art cultivation and processing facility.

“It is an honor to lead Vireo’s efforts here in Puerto Rico,” said Mr. Gonzalez. “The island has faced many challenges since Hurricane Maria. I am humbled by the opportunity to return home and contribute to rebuilding the local economy.”

On July 9, 2017, Puerto Rico passed the MEDICINAL Act, which created the Medical Cannabis Regulatory Board and allowed for only medical use of cannabis. In Puerto Rico’s medical cannabis program there are 27 qualifying conditions for which an authorized physician can prescribe cannabis. They are currently 72,000 patients enrolled in the program and the Department of Health set a goal of adding 100,000 more new patients by the end of the year.

This transaction, the agreement for which was previously disclosed in the Company’s CSE listing statement, was financed through a combination of cash and stock and represents Vireo Health’s fifth acquisition since it began trading on the Canadian Securities Exchange under the ticker symbol “VREO.” Vireo Health now has more than 300 employees in Puerto Rico and ten U.S. states: Arizona, Maryland, Massachusetts, Minnesota, Nevada, New Mexico, New York, Ohio, Pennsylvania, and Rhode Island.

## **About Vireo Health International, Inc.**

Vireo Health International, Inc.'s mission is to build the cannabis company of the future by bringing the best of medicine, engineering and science to the cannabis industry. Vireo's physician-led team of more than 300 employees provides best-in-class cannabis products and customer experience. Vireo cultivates cannabis in environmentally friendly greenhouses, manufactures pharmaceutical-grade cannabis extracts, and sells its products at both company-owned and third-party dispensaries. The Company currently is licensed in eleven markets including Arizona, Maryland, Massachusetts, Minnesota, New Mexico, New York, Ohio, Pennsylvania, Puerto Rico, and Rhode Island. For more information about the company, please visit [www.vireohealth.com](http://www.vireohealth.com).

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## **Forward-Looking Statement Disclosure**

This news release contains forward-looking information within the meaning of applicable securities laws, based on current expectations. Generally, any statements that are not historical facts may contain forward-looking information, and forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "look forward to", "budget" "scheduled", "estimates", "forecasts", "will continue", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or indicates that certain actions, events or results "may", "could", "would", "might" or "will be" taken, "occur" or "be achieved." Forward looking information may include, without limitation, statements regarding the operations, business, financial condition, expected financial results, performance, prospects, opportunities, priorities, targets, goals, ongoing objectives, milestones, strategies and outlook of Vireo, and includes statements about, among other things, future developments, the future operations, potential market opportunities, strengths and strategy of the Company. Forward-looking information is provided for the purpose of presenting information about management's current expectations and plans relating to the future and readers are cautioned that such statements may not be appropriate for other purposes. These statements should not be read as guarantees of future performance or results. These statements are based upon certain material factors, assumptions and analyses that were applied in drawing a

conclusion or making a forecast or projection, including Vireo's experience and perceptions of historical trends, current conditions and expected future developments, as well as other factors that are believed to be reasonable in the circumstances.

Examples of the assumptions underlying the forward-looking statements contained herein include, but are not limited to those related to: the achievement of goals, the closing of acquisitions, obtaining of necessary permits and governmental approvals, future market positioning, as well as expectations regarding availability of equipment, skilled labor and services needed for cannabis operations, intellectual property rights, development, operating or regulatory risks, trends and developments in the cannabis industry, business strategy and outlook, expansion and growth of business and operations, the timing and amount of capital expenditures; future exchange rates; the impact of increasing competition; conditions in general economic and financial markets; access to capital; future operating costs; government regulations, including future legislative and regulatory developments involving medical and recreational marijuana and the timing thereto; receipt of appropriate and necessary licenses in a timely manner; the effects of regulation by governmental agencies; the anticipated changes to laws regarding the recreational use of cannabis; the demand for cannabis products and corresponding forecasted increase in revenues; and the size of the medical marijuana market and the recreational marijuana market.

Although such statements are based on management's reasonable assumptions at the date such statements are made, there can be no assurance that it will be completed on the terms described above and that such forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such forward-looking information. Accordingly, readers should not place undue reliance on the forward-looking information. Vireo assumes no responsibility to update or revise forward-looking information to reflect new events or circumstances unless required by applicable law.

By its nature, forward-looking information is subject to risks and uncertainties, and there are a variety of material factors, many of which are beyond the control of the Company and that may cause actual outcomes to differ materially from those discussed in the forward-looking statements. These factors include, but are not limited to: denial or delayed receipt of all necessary consents and approvals; need for additional capital expenditures; increased costs and timing of operations; unexpected costs associated with environmental liabilities; requirements for additional capital; reduced future prices of cannabis; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the cannabis industry; delays in obtaining governmental approvals, permits or financing or in the completion of development or construction activities; title disputes; claims limitations on insurance coverage; risks related to the integration of acquisitions; fluctuations in the spot and forward price of certain commodities (such as diesel fuel and electricity); changes in national and local government legislation, taxation, controls, regulations and political or economic developments in the countries where the Company may carry on business in the future; liabilities inherent in cannabis operations; risks relating to medical and recreational cannabis; cultivation, extraction and distribution problems; competition for, among other things, capital, licences and skilled personnel; risks relating to the timing of legalization of recreational cannabis; changes in laws relating to the cannabis industry; and management's success in anticipating and managing the foregoing factors.