



NEWS RELEASE

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FOR IMMEDIATE RELEASE
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Vireo Health and Green Ivy Capital Agree to Proposed U.S. \$46.0 Million Senior Secured Non-Convertible Credit Facility

– First tranche of U.S. \$10.0 million net expected to close in December –

– Facility demonstrates confidence of capital markets with continued access to financing –

– Improved liquidity would provide flexibility to pursue high-return growth opportunities –

MINNEAPOLIS – November 5, 2020 – Vireo Health International, Inc. ("Vireo" or the "Company") (CNSX: VREO, OTCQX: VREOF), the science-focused, multi-state cannabis company with active operations in exclusively medical-only markets and licenses in seven states and the Commonwealth of Puerto Rico, today announced that it entered into a non-binding term sheet with Green Ivy Capital and its affiliates (the "Lenders") on a senior secured, delayed draw term loan (the "Credit Facility") with an aggregate principal amount of up to \$46,000,000. The Lenders are not obligated to fund unless and until definitive loan documents are executed, which is anticipated in December.

The Credit Facility is non-convertible, has a three-year term, and loans issued under the facility will bear interest at a fixed annual rate of 13.25%. For all advances under the facility, the term sheet specifies that the Lenders shall receive warrants at a rate of 30% warrant coverage based on the gross amount of each tranche advanced, with a warrant strike price equal to a 15% premium to the closing price on the trading day immediately preceding each funding date. A first tranche of U.S. \$10.0 million, net of fees and closing costs is expected to close in December, subject to execution of definitive documents, with additional tranches subject to certain performance metrics or regulatory developments. Vireo intends to use proceeds of the loan to support working capital, organic growth, and acquisition opportunities.

"We're very pleased at the prospect of additional non-dilutive financing to help fund our growth, especially considering our concerns about the potential dilutive impacts of equity offerings at current prices and the considerable upside we continue to foresee in each of our core markets," said Chairman and Chief Executive Officer, Dr. Kyle Kingsley. "Most importantly, this facility would allow Vireo to continue pursuing first-mover's advantages in our five core markets, most of which are anticipated to transition to adult use sometime in 2021. We remain committed to being strong stewards of capital for our shareholders while executing against our growth and profitability initiatives."

John Mazarakis, Principal of Green Ivy, commented, “Vireo has leadership positions in several of the most attractive cannabis markets in the United States, and the Company’s improving operations and potential to benefit from an regulatory catalysts attracted us to this opportunity. We are looking forward to partnering with Vireo’s management team and providing them the necessary support to execute their growth strategy.”

Other Information

The Canadian Securities Exchange (CSE) has neither approved nor disapproved the contents of this news release and does not accept responsibility for the adequacy or accuracy of this release. This news release does not constitute an offer to sell or a solicitation of an offer to sell any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

Caution Regarding Forward-Looking Statements

This press release contains statements that Vireo believes are, or may be considered to be, “forward-looking statements” as defined in applicable securities laws. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based on current beliefs, expectations or assumptions regarding the future of the business, future plans and strategies, operational results and other future conditions of the Company. All statements other than statements of historical fact included in this release regarding the prospects our prospects, plans, financial position or business strategy, including statements expressing the expectation that Vireo will enter into the “Credit Facility,” or the date any transaction is expected to close and/or fund, may constitute forward-looking statements. In addition, forward-looking statements generally can be identified by the use of forward-looking words such as “plans,” “expects” or “does not expect,” “is expected,” “look forward to,” “budget,” “scheduled,” “estimates,” “forecasts,” “will continue,” “intends,” “the intent of,” “have the potential,” “anticipates,” “does not anticipate,” “believes,” “should,” “should not,” or variations of such words and phrases that indicate that certain actions, events or results “may,” “could,” “would,” “might,” or “will,” “be taken,” “occur,” or “be achieved,” or the negative of these terms or variations of them or similar terms. Furthermore, forward-looking statements may be included in various filings that we make with the SEC or on SEDAR, or may be contained in press releases or oral statements made by or with the approval of one of Vireo’s authorized executive officers. Although Vireo believes that the expectations reflected in these forward-looking statements are reasonable, the Company cannot provide assurances these expectations will prove to be correct. These forward-looking statements are subject to certain known and unknown risks and uncertainties, as well as assumptions that could cause actual results to differ materially from those reflected in these forward-looking statements.

By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that predictions, forecasts, projections and other forward-looking statements will not be achieved. The reader should not place undue reliance on these statements as a number of important factors could cause the actual results to differ materially from the beliefs, plans, objectives, expectations, anticipations, estimates and intentions expressed in such forward-looking statements. Risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company, as applicable, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information.

Readers are cautioned not to place undue reliance on any forward-looking statements contained in this press release, which reflect management’s opinions only as of the date hereof. Except as required by law, Vireo undertakes no obligation to revise or publicly release the results of any revision to any forward-looking statements. The reader is advised, however, to consult any additional disclosures Vireo makes in its reports filed on SEDAR or to the SEC, or in future press releases. All subsequent written and oral forward-looking statements attributable to Vireo or persons acting on its behalf are expressly qualified in their entirety by the cautionary statements contained in this cautionary statement.

About Vireo Health International, Inc.

Vireo Health International, Inc. (“Vireo” or the “Company”) is a physician-led cannabis company focused on bringing the best of technology, science, and engineering to the cannabis industry. Vireo manufactures proprietary, branded cannabis products in environmentally-friendly, state-of-the-art greenhouses and distributes its products through its growing network of Green Goods™ retail dispensaries and through hundreds of third-party dispensaries in seven states. Vireo’s team of more than 300 employees, led by scientists, engineers, and cultivation experts, is focused on efficiency and the creation of best-in-class products, while driving scientific innovation within the cannabis industry and developing meaningful intellectual property. Today, Vireo is licensed to grow and/or process cannabis in eight markets. The Company is operational in seven of those eight markets – including the core markets of Arizona, Maryland, Minnesota, New Mexico, New York, Pennsylvania. The Company holds 32 total retail dispensary licenses, of which 13 are currently open for business. For more information about Vireo Health, please visit www.vireohealth.com.

About Green Ivy Capital / Chicago Atlantic

Green Ivy Capital, LLC (“Green Ivy”) manages a diversified portfolio of credit investments in the cannabis space and is actively investing across the value chain. Green Ivy is an affiliate of Chicago Atlantic Group, LLC (“Chicago Atlantic”), an asset management firm specializing in direct lending and opportunistic private credit investing. Founded in 2018 by Tony Cappell, John Mazarakis, and Andreas Bodmeier, Chicago Atlantic seeks to capitalize on North American investment opportunities that are time-sensitive, complex, or in dislocated markets, where risk is fundamentally mispriced.