



## Ayr Strategies Inc. Offers Short-Term Incentive for Cash Exercise of up to 3 Million Warrants

**Toronto, Ontario, November 23, 2020** – Ayr Strategies (CSE: AYR.A, OTCQX: AYRSF, “Ayr” or “the Company”), a leading vertically integrated cannabis multi-state operator, announced today incentive exercise rights available on a short-term basis to the holders of the Company’s share purchase warrants (the “**Warrants**”) who exercise them for cash. The Warrants were issued pursuant to a Warrant Agency Agreement dated December 21, 2017, between the Company and Odyssey Trust Company, as warrant agent (the “**Warrant Agent**”), as amended (the “**Warrant Agency Agreement**”).

Ayr will be offering a C\$0.50 incentive for the cash-only exercise of up to 3 million Warrants, resulting in gross proceeds to the Company of approximately US\$25 million if 3 million Warrants are exercised.

“We are pleased to be able to offer our warrant holders this opportunity at a very exciting time for both our Company and our industry. Ayr has incredible growth ahead driven by the great progress our team has made operationally in Massachusetts and Nevada, as well as our exciting expansions into Pennsylvania, Arizona and Ohio. The continued mainstreaming of cannabis is expected to provide new opportunities for growth, and we expect our business to continue to expand, solidly funded based on projected cash proceeds from our warrant holders and the anticipated debt financing we have previously mentioned in our investor calls. We appreciate the support of all our stakeholders immensely,” said Jonathan Sandelman, Ayr Chairman and CEO.

Pursuant to the incentive exercise rights (the “**Warrant Incentive Program**”), the Warrants are exercisable at any time commencing on November 24, 2020 until 5:00 p.m. (Toronto time) on December 8, 2020 (the “**Incentive Exercise Period**”) (each, an “**Incentive Exercise**”). In order to participate in the Warrant Incentive Program, the holders will be required to withdraw their Warrants from CDS Clearing and Depository Services Inc. (“CDS”) which may take several business days, so Warrant holders are advised to begin this process as soon as possible.

Cashless exercises are not available for Incentive Exercises. Upon exercise, a holder is entitled to receive one (1) subordinate voting share of the Company (each, a “**Subordinate Voting Share**”), at an exercise price of C\$11.50 per Subordinate Voting Share, for each whole Warrant, subject to adjustment in certain circumstances in accordance with the terms and conditions of the Warrant Agency Agreement. For each Warrant duly exercised during the Incentive Exercise Period, the Company will make an incentive payment of C\$0.50, which shall be set off against payment of the applicable exercise price, resulting in an effective exercise price of C\$11.00 to exercise a Warrant during the Incentive Exercise Period.

Any such Incentive Exercises during the Incentive Exercise Period shall be subject to a maximum of 3 million Warrants (representing approximately 20% of the issued and outstanding Warrants of the Company as at November 20, 2020) (the “**Incentive Maximum**”), and any Incentive Exercises in excess of the Incentive Maximum as at the end of the Incentive Exercise Period shall be pro-rated amongst all exercising holders (and rounded up to the next nearest whole number) based on the number of Incentive Exercises by each applicable holder, with the resulting unexercised Warrants returned to the exercising holder. The Subordinate Voting Shares issuable pursuant to the Incentive Exercises will only be issued at the end of the Incentive Exercise Period. In addition, if Warrants are registered in the name of CDS, they

will be required to be withdrawn from CDS and exercised through the Warrant Agent in order to be exercised under the Warrant Incentive Program. Warrants may not be exercised through CDS to participate in the Warrant Incentive Program.

In order to participate in the Warrant Incentive Program, holders must complete the Notice of Incentive Warrant Exercise posted under Ayr's profile on [www.sedar.com](http://www.sedar.com) and on the investor section of the Company's website [www.ayrstrategies.com](http://www.ayrstrategies.com) and provide any applicable documentation to the Warrant Agent at [corptrust@odysseytrust.com](mailto:corptrust@odysseytrust.com). Enquiries to the Warrant Agent may be directed to [corptrust@odysseytrust.com](mailto:corptrust@odysseytrust.com) (by email) or 587.885.0960 (by phone).

There can be no assurance as to the proceeds to be received from the Warrant Incentive Program or that Ayr will be able to complete a debt financing or, if it does, as to the terms thereof.

### **Forward-Looking Statements**

Certain information contained in this news release may be forward-looking statements within the meaning of applicable securities laws. Forward-looking statements are often, but not always, identified by the use of words such as "target", "expect", "anticipate", "believe", "foresee", "could", "would", "estimate", "goal", "outlook", "intend", "plan", "seek", "will", "may", "tracking", "pacing" and "should" and similar expressions or words suggesting future outcomes. This news release includes forward-looking information and statements pertaining to, among other things, Ayr's future growth and expansion plans. Numerous risks and uncertainties could cause the actual events and results to differ materially from the estimates, beliefs and assumptions expressed or implied in the forward-looking statements, including, but not limited to: anticipated strategic, operational and competitive benefits may not be realized; events or series of events, including in connection with COVID-19, may cause business interruptions; required regulatory approvals may not be obtained; acquisitions may not be able to be completed on satisfactory terms or at all; and Ayr may not be able to raise additional debt or equity capital. Among other things, Ayr has assumed that its businesses will operate as anticipated, that it will be able to complete acquisitions on reasonable terms, and that all required regulatory approvals will be obtained on satisfactory terms and within expected time frames. In particular, there can be no assurance that we will complete the pending acquisitions in or enter into agreements with respect to other acquisitions.

This press release does not constitute an offer to sell or a solicitation of an offer to buy 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 of the United States ("**State**") securities laws and may not be offered or sold within the United States or to U.S. Persons (as such term is defined in Regulation S under the U.S. Securities Act) unless registered under the U.S. Securities Act and applicable State securities laws or an exemption from such registration is available.

### **About Ayr Strategies Inc.**

Ayr Strategies ("Ayr") is an expanding vertically integrated, U.S. multi-state cannabis operator, focusing on high-growth markets. The Company cultivates and manufactures branded cannabis products for distribution through its network of retail outlets and through third-party stores. Ayr strives to enrich consumers' experience every day – helping them to live their best lives, elevated.



Ayr's leadership team brings proven expertise in growing successful businesses through disciplined operational and financial management, and is committed to driving positive impact for customers, employees and the communities they touch. For more information, please visit [www.ayrstrategies.com](http://www.ayrstrategies.com).

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