



Ayr Strategies Moves to Definitive Merger Agreement with CannTech PA, LLC

Expected Closing in December 2020

Toronto, Ontario, November 27, 2020 – Ayr Strategies (CSE: AYR.A, OTCQX: AYRSF, “Ayr” or “the Company”), a leading vertically integrated cannabis multi-state operator, has moved to a Definitive Merger Agreement from Letter of Intent with CannTech PA, LLC (“CannTech”).

As previously announced on August 26, 2020, Ayr intends to purchase 100% of the membership interests of CannTech PA for total purchase consideration of US\$57 million, which will be paid as to US\$27 million in cash, US\$15 million in exchangeable shares, each of which would be exchangeable for a subordinate voting share, and US\$15 million in seller’s notes.

Speaking on the CannTech acquisition, Ayr’s CEO Jonathan Sandelman commented, “Our entry into Pennsylvania will build on the successful operational foundation we have established over the past year. Pennsylvania is a rapidly growing, but under-supplied medical market and we look forward to bringing our cultivation, processing and retail expertise to the Commonwealth to improve patients’ access to quality cannabis.”

CannTech is a licensed operator in the Commonwealth of Pennsylvania including a 143,000 ft² cultivation and processing facility under development, with the initial construction phase comprising 45,000 ft² recently approved for cultivation and with an expected first harvest in March 2021. The 13-acre site provides ample room for further expansion beyond the existing 143,000 ft² facility. The licensed operator also has the right to operate six dispensaries poised to open in excellent retail locations, most of which are clustered in the Pittsburgh and Philadelphia regions. The first dispensary opened last month in New Castle, PA, with two more expected to open in early 2021. The licensed operator also has a strong research program in collaboration with a local medical school. The transaction is expected to close by year-end, subject to customary conditions including required regulatory approvals.

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 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.



Assumptions

Forward-looking information in this subject to the assumptions and risks as described in our MD&A for September 30, 2020. For more information about the Company's 2020 operations and outlook, please view Ayr's corporate presentation posted in the Investors section of the Company's website at www.ayrstrategies.com. As well, we remind you that adjusted EBITDA is a non-IFRS measure. Additional reconciliations and other disclosures concerning non-IFRS measures will be provided in our MD&A for the three and nine months ended September 30, 2020.

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.

Company Contact:

Megan Kulick, Head of Investor Relations
T: (646) 977-7914
Email: IR@ayrstrategies.com

Investor Relations Contact:

Sean Mansouri, CFA or Cody Slach
Gateway Investor Relations
T: (949) 574-3860
Email: IR@ayrstrategies.com