

Verano Holdings Launched to Consolidate National Cannabis Assets with \$120 Million Financing and Acquisition of Florida Licenses



- Large M&A pipeline, talent and capital aligned for aggressive expansion
- Consolidates ownership/management of Ataraxia, Zen Leaf, Verano, 3 Boys Farms, and other cannabis licenses, operations, management, and assets encompassing 45+ operating facilities and licenses across 6 states and Puerto Rico
- 150+ SKUs of branded products in market including some of the highest margin products in the industry
- Attracts industry leading investors with Scythian Biosciences and Serruya Private Equity SPE
- Actively pursuing public markets listing and financing to further fund national growth

CHICAGO ? October 29, 2018 /[Canna Newswire](#)/ ?][Verano Holdings](#)?, LLC Co-founders George Archos and Sam Dorf today announced a \$120 million financing comprised of \$88 million equity investment by Toronto-based [Scythian Biosciences](#) Corp. (TSXV:SCYB) (Frankfurt:9SB) (OTC ? Nasdaq Intl:SCCYF), an additional private financing of \$32 million, as well as acquisitions, transactions and executive hires that bring together numerous successful cannabis enterprises under the newly created Verano Holdings, LLC, and verano? master brand. Headquartered in Chicago, Verano Holdings launches as one of the United States' preeminent, privately owned, vertically integrated cannabis companies with an aggressive expansion strategy underway to become one of the largest and most profitable cannabis companies in the U.S. in 2019.

As part of the financing and acquisition of 3 Boys Farms LLC in Florida, Verano is pleased to have the [Serruya Private Equity](#) SPE as shareholders. SPE is a global power-house with over 5000 retail concepts including restaurants and most recently cannabis operations across the US and Canada. This strategic shareholder will provide access to novel products, people and experience unmatched in this industry. This is a tremendous opportunity to be fully funded with experienced partners to grow and operate in Florida, one of the best US states to serve a fast growing patient population over the coming years.

?This transformative investment will fast-track our long-term goal to dominate the most important growth industry in the United States,? stated George Archos, Verano's Chairman and CEO. ?Even with our accelerated growth, we will remain focused on our core values of operational excellence with an unwavering commitment to producing safe, quality cannabis products for a consistent experience.?

Key aspects of Verano Holdings include:

- \$120 million financing to fund new expansion initiatives including additional facilities in numerous states.
- Tens of millions of dollars invested over the past five years in developing and operating facilities, creating precision dosed branded products, and acquiring licenses that have increased assets exponentially;
- Operating Facilities - Consolidates ownership and/or management of 10 profitable operating licensed cannabis facilities developed by Verano management, 3 Boys Farms, and others into Verano Holdings, reaching a population exceeding 42 million:

of Operating Facilities

State Cultivation/Production Dispensaries

Illinois

1
3

Florida

1
-

Maryland

1
2

Nevada

1
1

- Licenses Under Development - Consolidates ownership and/or management of 35+ additional provisional/pre-operational licenses in active development to reach an additional 25 million people in Florida, Michigan, Ohio, Maryland, and Puerto Rico
- Cultivation and production facilities will operate under the verano? master brand, with most dispensaries branded and operated as Zen Leaf?.
- The Illinois, Nevada and Maryland facilities are on track to more than double revenue in 2018 over 2017;
- Virtually 100% distribution penetration of branded products in Illinois and Maryland;
- Current operating facilities managed locally, with 225+ local employees trained and empowered to build and lead their teams;
- All divisions will operate under Verano Holdings' corporate mastheads.

?We have quietly applied our operating expertise and exceptional customer service to build a trustworthy brand that is scalable across multiple states and has attracted serious interest from the investment community,? explained Archos. ?With our operating concepts and business strategies proven through solid revenue growth, market penetration, and profitability across all of our facilities, we are now replicating our approach throughout the U.S. and beyond. America's next great industry is cannabis. Verano

Holdings' ability to scale efficiently is providing endless opportunities to capture a significant share of the expanding legal market and raise capital to quickly execute our expansion strategy.?

Clarus Securities Inc. acted as the sole agent in the financing. Closing of the offering is expected to occur on or about October 26, 2018.

Successful Entrepreneurial Management Team

Verano Holdings' management team of successful executives with diverse backgrounds in cannabis and other businesses supports the dynamics necessary to navigate the complex U.S. cannabis environment.

- Co-founder, Chairman and CEO George Archos is a logistics and operations guru and highly successful founder and operator of award-winning Chicago restaurants. His vision, operations acumen and relentless commitment to quality enabled his original cannabis venture, [Ataraxia](#) Grow & Labs, to be the first of the 21 Illinois cannabis licensees to complete construction and open for business. He has an enviable record of opening facilities within 6-8 months from receipt of license and quickly bringing them to profitability ? a testament to his operations and business prowess in this complex, highly regulated industry.]

- Co-founder and Chief Strategy Officer Sam Dorf, Esq., one of cannabis' most successful merit-based application and merger strategists, is adept at building and managing local talent, coordinating funding and real estate assets and working with local municipalities to build strong applications teams. He was instrumental in raising tens of millions of dollars in funding and spearheading application wins and acquisitions in seven states. His masterful coordination of strategic M&A has dramatically increased Verano's market penetration and fuels future expansion plans.

?In an industry where so many companies are drowning operationally, Verano Holdings excels in its ability to scale because of its people,? stated Archos. ?We pride ourselves on our consistency in simultaneously managing buildout, hiring, training and operations. Our seasoned launch teams hit the ground running with SOPs, training programs and a meticulous launch plan. The result: doors opening for business in record time with locally hired and managed teams providing efficient, reliable production and supply of pure, highest quality genetics, effective precision-dosed branded products and superior service.?

Scythian Biosciences Investment

Verano Holdings becomes the latest U.S. cannabis industry investment by Scythian after its initial U.S. investment in Florida-based Cannabis Cures Investments LLC, also known as CannCure, announced in July 2018. Scythian is an international cannabis company with a focus on legal U.S. states.

As part of the transaction, Scythian will contribute to Verano Holdings ownership of CannCure's recently acquired 3 Boys Farms LLC, subject to required government consents and approvals. 3 Boys Farms is an established Florida-based agricultural company with innovative, state-of-the-art facilities and a license to cultivate, process and dispense cannabis, and operate as a Medical Marijuana Treatment Center in Florida.

?Verano Holdings has a seasoned leadership team that has expertly navigated the cannabis operations, legal, and regulatory environments to build a fundamentally solid company that is evolving into a powerhouse in the fastest growing industry in the world,? said Brady Cobb, Scythian CEO. ?We pride ourselves on identifying emerging leaders in nascent markets. We've picked a winner in Verano Holdings as we continue to deliver on our promise to investors by investing in the most impressive emerging cannabis company in the U.S. marketplace.?

Verano expands its medical and research capabilities with the addition of the 3 Boys Farms' team, anchored by Chief Scientific Officer Greg Gerdeman, Ph.D., an expert in cannabinoid research, and Medical Director Juan Sanchez-Ramos, M.D., Ph.D., a nationally-recognized neurologist and professor at the University of South Florida. Scythian's investment in Verano and contribution of certain of its assets is and will be subject to the receipt of all required governmental approvals, including any approvals mandated by the Florida Department of Health and/or the Office of Medical Marijuana Use, and stock exchange approval.

Who is Verano Holdings?

Verano Holdings is a national, vertically integrated operator of licensed cannabis cultivation, manufacturing and retail facilities dedicated to improving lives by providing safe access to effective pesticide-free cannabis products that profoundly impact the communities it serves. Verano develops and produces a well-rounded suite of limited edition, fashion-forward cannabis products, which offer superior medicinal therapies and inspirational product options. It designs, builds and operates unique Zen Leaf? branded dispensary environments that ensure an exceptional shopping experience with unparalleled customer service and satisfaction in both medical and adult-use markets. Verano Holdings distributes cannabis concentrates, edibles, extracts, flower and topicals, many in precision-dosed THC and CBD formulations, under its trusted premium brands: GoldLeaf?, Menta?, Sweet Sins?, Encore Company?, Avexia? and verano?.

?Verano is a life-changing organization,? Dorf noted. ?We train and empower our local employees to run the facilities that enhance customer health and wellness through trusted, proven cannabis therapies they produce. There is a tangible pride among our workforce as their lives and the communities around them are transformed through professional work environments and partnership programs that give back to the communities we serve. These fruitful relationships lay the groundwork for a bright future as we accelerate our expansion into new legal cannabis markets throughout the U.S. and beyond.?

Archos concluded, ?It is rare to be part of a revolutionary change that can have a profound impact on human health, wellness and happiness. We believe Verano Holdings is in a unique position to forge a brighter way forward ? a brighter way for cultivating cannabis, producing better medicine, and delivering shareholder value -- as it continues to expand its already significant share of this market.?

About Scythian Biosciences Corp.

Scythian is an international cannabis company with a focus on legal U.S. states. Its strategic investments and partnerships across cultivation, distribution and retail complement the company's R&D program with the University of Miami. It is this comprehensive approach that is positioning Scythian as a future frontrunner in the United States medical cannabis industry.

EDITORS NOTE: See related press release from Scythian Biosciences.

Verano Holdings

Verano Holdings is a national, vertically integrated operator of licensed cannabis cultivation, manufacturing and retail facilities dedicated to improving lives by providing safe access to effective pesticide-free cannabis products that profoundly impact the communities it serves. Verano develops and produces a well-rounded suite of limited edition, fashion-forward cannabis products, which offer superior medicinal therapies and inspirational product options. It designs, builds and operates unique Zen Leaf? branded dispensary environments that ensure an exceptional shopping experience with unparalleled customer service and satisfaction in both medical and adult-use markets. Verano Holdings distributes cannabis concentrates, edibles, extracts, flower and topicals, many in precision-dosed THC and CBD formulations, under its trusted premium brands: GoldLeaf?, Menta?, Sweet Sins?, Encore Company?, Avexia? and verano?.

For more information, visit <http://verano.holdings/>.

Follow Verano Holdings on social media:

Twitter: [@veranobrands](#) | LinkedIn: [verano-holdings](#)

###

CONTACTS

For Verano Holdings

Corporate Office

312-624-8709

Media

julie@verano.holdings

847-275-3643

For Scythian Biosciences Corp.

Rob Reid, Director

Phone: (212) 729-9208

Email: info@scythianbio.com

For media inquiries, please contact:

David Schull or Nic Johnson

Russo Partners

(858) 717-2310

david.schull@russopartnersllc.com

nic.johnson@russopartnersllc.com