



FOR IMMEDIATE RELEASE

Inner Spirit Holdings Announces First Tranche Closing of Investment Agreement with Tilray and High Park

CALGARY, Alberta (December 10, 2018) – Inner Spirit Holdings Ltd. (“Inner Spirit” or “the Company”) (CSE:ISH) today announced it has closed the first tranche of its previously announced investment agreement (the “Investment Agreement”) with Tilray, Inc. (“Tilray”) (NASDAQ:TLRY) and its wholly owned subsidiary High Park Holdings Ltd. (“High Park”).

Pursuant to the closing, Inner Spirit received \$2.25 million in consideration for the issuance of 11,335,013 common shares of Inner Spirit at a deemed price of approximately \$0.1985 per share.

This is the first tranche of a total investment of \$4.5 million by Tilray into Inner Spirit. Pursuant to the terms of the Investment Agreement, on the third business day following the date which is six months after closing of the first tranche, subject to certain conditions in favour of each party, Tilray and Inner Spirit will exchange common shares valued at an additional \$2.25 million based on the 10 day volume-weighted average price of each company’s shares at the time of issuance.

“Partnerships and cross investments are key strategies we’re using at Inner Spirit to grow our Spiritleaf retail brand and create value for investors in the cannabis market. We see Tilray’s investment as an endorsement of the Spiritleaf store concept by a leading industry player as we prepare to further extend the Spiritleaf brand throughout Canada with High Park’s product portfolio highlighted in our retail locations. We look forward to a long and mutually rewarding relationship with Tilray and High Park,” said Darren Bondar, President and CEO of Inner Spirit.

Inner Spirit has extensive franchise, marketing, real-estate and retail experience that it is leveraging to establish a chain of branded cannabis retail outlets across Canada under the Spiritleaf banner (www.spiritleaf.ca). To date, Spiritleaf has five corporate stores and more than 100 franchises in various stages of development with four franchise stores currently selling cannabis to consumers in Alberta and Saskatchewan.

About Inner Spirit

Inner Spirit is establishing a chain of recreational cannabis dispensaries under its Spiritleaf brand. Supporting local entrepreneurs by applying its award-winning franchise and retail models, Inner Spirit has four dispensaries in operation in Alberta and Saskatchewan, with more than 100 franchise agreements in place for potential Spiritleaf locations and plans to operate corporate dispensaries in certain jurisdictions. Developing a diverse portfolio of quality and curated lifestyle cannabis products – including Spiritleaf’s own locally sourced lines – Inner Spirit’s Spiritleaf brand is positioned to be an iconic Canadian brand and the most trusted source for recreational cannabis. More information can be found on Inner Spirit’s website at www.innerspiritholdings.com.



Forward-looking statements

This press release contains statements and information that, to the extent that they are not historical fact, may constitute “forward-looking information” within the meaning of applicable securities legislation. Forward-looking information may include statements regarding future plans, objectives or economic performance, or the assumption underlying any of the foregoing. In some cases, forward-looking statements can be identified by terms such as “may”, “would”, “could”, “will”, “likely”, “except”, “anticipate”, “believe”, “intend”, “plan”, “forecast”, “project”, “estimate”, “outlook”, “potential”, or the negative thereof or other similar expressions concerning matters that are not historical facts. Actual results could differ materially from those currently anticipated due to a number of factors and risks, including the risks that the expected benefits of the Investment Agreement and/or Collaboration Agreement are not realized for any reason and the risk that the second tranche closing under the Investment Agreement is delayed or is not completed for any reason. Readers are cautioned that the foregoing list of factors is not exhaustive. The forward-looking statements contained in this news release are made as of the date of this release and, accordingly, are subject to change after such date.

For further information

Investor Relations

Email: invest@spiritleaf.ca

Phone: 1 (403) 930-9300

www.innerspiritholdings.com