

DionyMed Announces Close of Acquisition with Innovative Industrial Properties for MMAC's 1.83 acre Los Angeles Campus

TORONTO--(BUSINESS WIRE)--July 24, 2019--DionyMed Brands Inc. (*"DionyMed" or "Company"*) (CSE: DYME) (OTCQB: DYMEF), a multi-state cannabis brands platform, today confirmed the official close of its previously announced acquisition of select assets from MM Esperanza 2 LLC, doing business as "MMAC," and MMAC's 1.83 acre Los Angeles cannabis campus, including retail, distribution, manufacturing and cultivation licenses, for the purchase price of US\$13,067,000 in cash and US\$6 million in DionyMed Series A Multiple Voting Shares to MMAC.

In conjunction with the close of the MMAC transaction, DionyMed has completed its sale-leaseback agreement with Innovative Industrial Properties, Inc. (NYSE: IIPR, "IIPR"), to purchase the Los Angeles cannabis campus for US\$13 million and to enter into a long-term lease back of 15 years with two optional 5-year extensions. IIPR is also providing DionyMed up to US\$2 million of capital to make improvements at the property.

The Los Angeles cannabis campus provides DionyMed:

- A market leading, Southern California direct-to-consumer fulfillment center capable of supporting up to 600 cannabis delivery drivers
- A dispensary storefront, distribution facility and manufacturing hub
- Premium indoor cultivation
- All property, leaseholds, equipment and licenses

DionyMed paid MMAC US\$13,067,000 in cash and issued 55,374 (US\$6 million) in DionyMed Series A Multiple Voting Shares. The shares issued to MMAC will be subject to a 120-day holding period and DionyMed has the right, but not the obligation, to repurchase the shares over the next 12 months for a 10% premium over the share price at closing of the transaction with MMAC.

Edward Fields, CEO of DionyMed, commented, "This acquisition strategically positions DionyMed as a leader in California's cannabis market. By incorporating MMAC's Southern California direct-to-consumer fulfillment center, distribution facility, manufacturing hub, cultivation facility and dispensary storefront, with our existing operational base in Northern California, DionyMed is positioned for long-term growth to serve the largest cannabis market in the country."

To be added to the DionyMed e-mail distribution list, please e-mail DionyMed@kcsa.com with DionyMed in the subject line.

About DionyMed

Founded in 2017, DionyMed is a multi-state cannabis brands platform, supporting cultivators, manufacturers and award-winning brands in the medical and adult-use cannabis markets. DionyMed sells branded products in every category from flower to vape cartridges, concentrates

and edibles. DionyMed serves cannabis consumers through retail dispensary distribution and direct-to-consumer fulfillment with its growing portfolio of award-winning brands. Learn more at dionymed.com and follow @DYME_Inc on Twitter and LinkedIn.

Forward-Looking Information and Statements

This news release contains certain "forward-looking information" within the meaning of applicable Canadian securities legislation and may also contain statements that may constitute "forward-looking statements" within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995. Such forward-looking information and forward-looking statements are not representative of historical facts or information or current condition, but instead represent only the Company's beliefs regarding future events, plans or objectives, many of which, by their nature, are inherently uncertain and outside of the Company's control. Generally, such forward-looking information or forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or may contain statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "will continue", "will occur" or "will be achieved" and include, without limitation, statements related to the structure of the acquisition, the ability of DionyMed and MMAC to complete the acquisition and the satisfaction or waiver of the conditions precedent, the anticipated closing date of the MMAC transaction, the method of payment of consideration for the assets of MMAC and the impact of the acquisition on DionyMed and MMAC.

In connection with the forward-looking information and forward-looking statements contained in this press release, the Company has made certain assumptions, including but not limited to: the Company being able to complete the acquisition in the matter set out herein, the Company and MMAC being able to execute and deliver definitive documentation, there being no material issues in the due diligence on MMAC, the Company and MMAC being able to obtain all board, shareholder, regulatory and third-party approvals, there being no material impact on the businesses of DionyMed or MMAC, the ability of the Company or MMAC to complete the transaction and obtain the necessary approvals.

By identifying such information and statements in this manner, the Company is alerting the reader that such information and statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such information and statements, including but not limited to: the Company or MMAC not being able to complete the acquisition on the terms described herein or at all, the acquisition not having the desired impact or there being a material adverse change in the business of MMAC, material changes in the Company's business plan that would affect the use of proceeds as set out herein, there being material fluctuations in the Company's share price and certain other risk factors set out in the Listing Statement of the Company available on the Company's profile on SEDAR at www.sedar.com.

Although the Company believes that the assumptions and factors used in preparing, and the expectations contained in, the forward-looking information and statements are reasonable, undue reliance should not be placed on such information and statements, and no assurance or guarantee can be given that such forward-looking information and statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information and statements. The forward-looking information and forward-looking statements contained in this press release are made as of the date of this press release, and the Company does not undertake to update any forward-looking information and/or forward-looking statements that are contained or referenced herein, except in accordance with applicable securities laws. All subsequent written and oral forward- looking information and statements attributable to the Company or persons acting on its behalf is expressly qualified in its entirety by this notice.

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