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WeedMD Announces \$10 Million Bought Short Form Prospectus Offering of Convertible Debenture Units

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Toronto, Canada – September 4, 2019 – WeedMD Inc. (“**WeedMD**” or the “**Company**”) (TSXV:WMD) is pleased to announce that it has entered into an agreement with Mackie Research Capital Corporation as the lead underwriter and sole bookrunner (the “**Lead Underwriter**”), on its own behalf and on behalf of a syndicate of underwriters, including Haywood Securities Inc. (together with the Lead Underwriter, the “**Underwriters**”), pursuant to which the Underwriters have agreed to purchase, on a bought-deal basis, 10,000 convertible debenture units (the “**Debenture Units**”) for gross proceeds to the Company of \$10,000,000 (the “**Offering**”) at a price of \$1,000 per Debenture Unit.

Each Convertible Debenture Unit will consist of one 8.5% unsecured convertible debenture (the “**Convertible Debentures**”) and 625 common share purchase warrants of the Company (the “**Warrants**”). Each Warrant shall entitle the holder thereof to purchase one common share in the capital of the Company (a “**Common Share**”) at an exercise price of \$1.80 (the “**Exercise Price**”) at any time up to 36 months following Closing of the Offering. Provided that if, at any time prior to the expiry date of the Warrants, the volume weighted average trading price of the Common Shares on the TSX Venture Exchange (the “**Exchange**”), or other principal exchange on which the Common Shares are listed, is greater than \$3.60 for 20 consecutive trading days, the Company may, within 15 days of the occurrence of such event, deliver a notice to the holders of Warrants accelerating the expiry date of the Warrants to the date that is 30 days following the date of such notice (the “**Accelerated Exercise Period**”). Any unexercised Warrants shall automatically expire at the end of the Accelerated Exercise Period.

The Convertible Debentures shall bear interest at a rate of 8.5% per annum from the date of issue, payable semi-annually in arrears on the last day of June and December in each year and will mature 36 months from the date of issuance (the “**Maturity Date**”).

The principal amount of each Convertible Debenture (the “**Principal Amount**”) shall be convertible, for no additional consideration, into Common Shares at the option of the holder at any time prior to the earlier of: (i) the close of business on the Maturity Date, and (ii) the business day immediately preceding the date specified by the Company for redemption of the Convertible Debentures upon a change of control at a conversion price equal to \$1.60 (the “**Conversion Price**”). The Company may force the conversion of the principal amount of the then outstanding Convertible Debentures at the Conversion Price on not more than 60 days’ and not less than 30 days’ notice should the daily volume weighted average trading price of the Common Shares on the Exchange be greater than \$3.20 for the consecutive 20 trading days of the Common Shares on the Exchange preceding the notice.

The net proceeds from the Offering will be used for working capital and general corporate purposes.

The Debenture Units will be offered by way of a short form prospectus to be filed in those provinces of Canada other than Quebec as the Underwriters may designate pursuant to National Instrument 44-101 – Short Form Prospectus Distributions and may be offered in the United States on a private placement basis pursuant to an appropriate exemption from the registration requirements under

applicable U.S. law. The Company will use commercially reasonable efforts to obtain the necessary approvals to list the Convertible Debentures, the Warrants, Compensation Option Shares, and the Common Shares issuable upon conversion of the Convertible Debentures, Warrants and Compensation Option Warrants on the TSX Venture Exchange.

The closing of the Offering is expected to occur on or about the week of September 25, 2019 (the “**Closing**”) and is subject to the Company receiving all necessary regulatory approvals, including the approval of the TSX Venture Exchange.

About WeedMD Inc.

WeedMD Inc. is the publicly-traded parent company of WeedMD Rx Inc., a federally-licensed producer of cannabis products for both the medical and adult-use markets. The Company owns and operates a 158-acre state-of-the-art greenhouse and outdoor facility located in Strathroy, ON. The Company also operates CX Industries, a wholly-owned subsidiary of WeedMD Inc. CX operates out of the Company’s fully-licensed 26,000 sq. ft. Aylmer, Ontario production facility which specializes in cannabis extraction and processing. WeedMD has a multi-channelled distribution strategy that includes selling directly to medical patients, strategic relationships across the seniors’ market and supply agreements with Shoppers Drug Mart as well as six provincial distribution agencies where WeedMD’s adult-use brand Color Cannabis is sold.

Follow WeedMD On:



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Cautionary Statement on Forward Looking Information:

This press release contains "forward-looking information" within the meaning of applicable Canadian securities legislation which are based upon WeedMD's current internal expectations, estimates, projections, assumptions and beliefs and views of future events. Forward-looking information can be identified by the use of forward-

looking terminology such as "expect", "likely", "may", "will", "should", "intend", "anticipate", "potential", "proposed", "estimate" and other similar words, including negative and grammatical variations thereof, or statements that certain events or conditions "may", "would" or "will" happen, or by discussions of strategy.

The forward-looking information in this news release is based upon the expectations, estimates, projections, assumptions and views of future events which management believes to be reasonable in the circumstances. Forward-looking information includes estimates, plans, expectations, opinions, forecasts, projections, targets, guidance or other statements that are not statements of fact. Forward-looking information in this news release include, but are not limited to, statements with respect to internal expectations, expectations with respect to actual production volumes, expectations for future growing capacity and the completion of any capital project or expansions. Forward-looking information necessarily involve known and unknown risks, including, without limitation, risks associated with general economic conditions; adverse industry events; loss of markets; future legislative and regulatory developments; inability to access sufficient capital from internal and external sources, and/or inability to access sufficient capital on favourable terms; the cannabis industry in Canada generally; the ability of WeedMD to implement its business strategies; competition; crop failure; and other risks.

Any forward-looking information speaks only as of the date on which it is made, and, except as required by law, WeedMD does not undertake any obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise. New factors emerge from time to time, and it is not possible for WeedMD to predict all such factors. When considering this forward-looking information, readers should keep in mind the risk factors and other cautionary statements in WeedMD's Annual Information Form dated June 21, 2019 (the "AIF") and other disclosure documents of WeedMD filed with the applicable Canadian securities regulatory authorities on SEDAR at www.sedar.com. The risk factors and other factors noted in the AIF and other disclosure documents could cause actual events or results to differ materially from those described in any forward-looking information.

NEITHER THE TSX VENTURE EXCHANGE NOR ITS REGULATION SERVICES PROVIDER (AS THAT TERM IS DEFINED IN THE POLICIES OF THE TSX VENTURE EXCHANGE) ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE