Charlotte's Web Holdings, Inc.

Initial Public Offering of Common Shares

July 13, 2018

An amended and restated preliminary prospectus containing important information relating to the securities described in this document has been filed with the securities regulatory authorities in each of the provinces of Canada, except Quebec. A copy of the amended and restated preliminary prospectus, and any amendment, is required to be delivered to any investor that has received this document. The amended and restated prospectus is still subject to completion. Copies of the amended and restated prospectus may be obtained from ecm@canaccordgenuity.com. There will not be any sale or any acceptance of an offer to buy any securities until a receipt for the final prospectus has been issued. This document does not provide full disclosure of all material facts relating to the securities offered. Investors should read the amended and restated preliminary prospectus, the final prospectus and any amendment for disclosure of those facts, especially risk factors relating to the securities offered, before making an investment decision.

The securities offered hereby have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any securities laws of any state of the United States and may not be offered or sold in the United States except in compliance with the registration requirements of the U.S. Securities Act and any applicable state securities laws or pursuant to an applicable exemption therefrom. Neither this document nor the amended and restated preliminary prospectus constitutes an offer to sell or a solicitation of an offer to buy any of the securities offered hereby within the United States.

Capitalized terms used but not otherwise defined herein shall have the respective meaning ascribed thereto in the amended and restated preliminary prospectus.

Issuer: Charlotte's Web Holdings, Inc. ("Company").

Offering: 9,393,571 – 10,959,167 common shares from treasury (the "Common Shares").

Offering Price: C$6.00 and C$7.00 per Common Share (the "Offering Price").

Offering Size: C$65.8 million (C$75.6 million assuming the Over-Allotment Option is exercised in full).

Over-Allotment Option: The Company and the Selling Shareholders have agreed to grant to the Underwriters an Over-Allotment Option, exercisable in whole or in part at any time and from time to time for a period of 30 days following the Closing to purchase up to an additional 1,409,036 - 1,643,875 Offered Shares from the Selling Shareholders (representing 15% of the Offered Shares offered pursuant to the Offering), on the same terms as set forth above solely to cover over-allotments, if any, and for market stabilization purposes.

Use of Proceeds: For expansion of production capacity, cultivation infrastructure, research and product development and working capital and general corporate purposes.

Description of Share Capital: Upon completion of the Offering, the Company's authorized share capital will consist of (i) an unlimited number of Common Shares; (ii) an unlimited number of proportionate voting shares ("Proportionate Voting Shares"); and (iii) an unlimited number of preferred shares, issuable in series.

Generally, the Common Shares and Proportionate Voting Shares have the same rights, are equal in all respects and are treated by the Company as if they were shares of one class only.

Shares Outstanding: Based on the mid-point of the Offering Price range, immediately after the completion of the Offering and the Reorganization, assuming no exercise of the Over-Allotment Option, an equivalent of 88,775,389 Common Shares (assuming the conversion of all Proportionate Voting Shares to Common Shares on the basis of 400 Common Shares for one Proportionate Voting Share) will be issued and outstanding on a non-diluted basis.

Shared held by the Selling Shareholders: Based on the mid-point of the Offering Price range, in the event that the Over-Allotment Option is exercised in full, the Selling Shareholders will, collectively, own an equivalent of 47,329,633 Common Shares (assuming the conversion of all Proportionate Voting Shares to Common Shares on the basis of 400 Common Shares for one Proportionate Voting Share), representing a 53.3%

equity and voting interest in the Company (46.8% on a fully-diluted basis).

Lock-up Agreements:	The Company and each of its senior officers, directors and certain shareholders, and each such person's associates and affiliates, has agreed, subject to certain limited exceptions, not to directly or indirectly offer, issue, sell, grant, secure, pledge, or otherwise transfer, dispose of or monetize, or engage in any hedging transaction, or enter into any form of agreement or arrangement the consequence of which is to alter economic exposure to, or announce any intention to do so, in any manner whatsoever, any Common Shares or securities convertible into, exchangeable for, or otherwise exercisable to acquire Common Shares or other equity securities of the Company for a period of 180 days after the Closing Date, without the prior written consent of the Lead Underwriter, such consent not to be unreasonably withheld, subject to certain limited exceptions.
Offering Jurisdictions:	Initial public offering in all provinces of Canada, other than the Province of Quebec, by long form prospectus and into the U.S. via Rule 144A.
Exchange:	Canadian Securities Exchange under the symbol "CWEB".
Eligibility:	Eligible for RDSPs, RRSPs, RRIFs, RESPs, TFSAs and DPSPs.
Underwriter's Fee:	6.0% of the aggregate gross proceeds of the Offering and warrants exercisable to acquire an aggregate number of Common Shares equal to 3.0% of the number of Offered Shares sold under the Offering, including the Over-Allotment Option.
Pricing Date:	Expected week of July 30, 2018.
Closing Date:	Expected week of August 6, 2018.
Lead Underwriter:	Canaccord Genuity Corp.