



Columbia Care Announces Execution of Definitive Agreement for Sale-Leaseback with NewLake Capital Increasing Liquidity By \$35 Million

December 12, 2019

First sale-leaseback initiated by Columbia Care will close before year end 2019 and includes six of 15 properties

Inaugural program sets precedent for subsequent sale-leasebacks involving additional properties expected to be announced over the next several quarters

With \$85 million of cash on balance sheet at end of 3Q 2019 and no debt, non-dilutive financings will materially enhance liquidity in advance of Columbia Care turning adjusted EBITDA positive in 2020

NEW YORK--(BUSINESS WIRE)-- Columbia Care Inc. (NEO: CCHW) (OTCQX: CCHWF) (FSE: 3LP) ("Columbia Care" or the "Company"), one of the largest fully integrated operators in the global medical cannabis industry with licenses across the US and EU, today announced the signing of a definitive binding agreement for its first sale-leaseback with NewLake Capital ("NewLake") valued at \$35 million. The transaction involves six properties totaling 127,000 square feet in California, Illinois and Massachusetts. This first agreement will close by the end of 2019 with subsequent programs to be announced in 2020 as Columbia Care continues to evaluate similar non-dilutive financing opportunities to maintain strategic and financial flexibility.

Real estate assets sold under the terms of the agreement include a dispensary in San Diego, California, a dispensary in Chicago, Illinois, dispensaries in Greenfield and Lowell, Massachusetts, as well as cultivation and manufacturing facilities in Lowell, Massachusetts and Aurora, Illinois. The incremental \$35 million in liquidity, together with Columbia Care's existing cash position, will allow the Company to accelerate its pathway to profitability in 2020 by continuing to optimize its operations to drive revenue, target cost savings and improve efficiencies and margins across all licensed markets. In addition, this capital will allow Columbia Care to solidify its long-term market share advantage by facilitating product innovation and enabling the expansion of its differentiated services, as well as opportunistically take advantage of market-driven dislocations through targeted M&A and consolidation of distressed assets.

"With no debt and a substantial cash position, Columbia Care possesses one of the strongest balance sheets in the industry. Reflecting the high quality of our assets, locations and operations, this attractively priced financing option affirms the premium reputation institutional investors ascribe to Columbia Care," said Nicholas Vita, chief executive officer of Columbia Care. "As our markets come on-line and mature, we intend to demonstrate the power and scale of our economic model by generating positive cashflow at the individual product, facility and market levels, as well as on a consolidated basis. Following the completion of our 2019 capital expenditure and market development plan, with a diverse suite of financing options at our disposal, strong balance sheet and disciplined execution strategy, we look forward to continuing our triple-digit annual growth rates into 2020 and beyond. Columbia Care plans on emerging from the current market environment as the global industry leader with a consolidated, scaled platform capable of driving best-in-class profitability."

Anthony Coniglio, chief executive officer of NewLake, added, "We are excited to partner with one of the leading cannabis companies in the US and are proud to support Columbia Care's mission to improve lives by providing innovative, high-quality health and wellness products tailored to meet the evolving needs of its consumers."

About Columbia Care Inc.

Columbia Care Inc. is one of the largest fully integrated operators in the global medical cannabis industry with licenses in 15 jurisdictions in the US and the EU. With over 1.4 million sales transactions since its inception, Columbia Care is a patient-centered organization setting the standard for compassion, professionalism, quality, caring and innovation in cannabis, working in collaboration with some of the most renowned and innovative teaching hospitals and medical centers in the world. The Company is committed to providing the type of education and transparency patients deserve and quality of product that clinicians expect. For more information on Columbia Care, please visit www.col-care.com.

About NewLake Capital Partners, Inc.

NewLake is an internally managed, Maryland corporation focused on acquiring specialized industrial and retail properties to be leased to state-licensed cannabis operators. NewLake intends to elect to be taxed as a real estate investment trust for U.S. federal income tax purposes once it meets all applicable criteria.

Caution Concerning Forward-Looking Statements

This press release contains certain statements that constitute forward-looking information within the meaning of applicable securities laws ("forward-looking statements"). Statements concerning Columbia Care's objectives, goals, strategies, priorities, intentions, plans, beliefs, expectations and estimates, and the business, operations, financial performance (including adjusted EBITDA, growth rate, cashflow and profitability targets) and condition of Columbia Care are forward-looking statements. The words "believe", "expect", "anticipate", "estimate", "intend", "may", "will", "would", "could", "should", "continue", "plan", "goal", "objective", and similar expressions and the negative of such expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words.

Certain material factors and assumptions were applied in providing these forward-looking statements. Forward-looking information involves numerous

assumptions, including the ability of the Company to meet its adj. EBITDA, growth rate and cashflow and profitability targets, to obtain certain third party consents, permits and approvals; the ability of Columbia Care to meet its dispensary targets, including the ability to negotiate additional lease arrangements satisfactory to the Company; the ability of the Company to complete all planned construction in a timely manner; and the ability of the Company to identify and attract qualified staff. Projections may be impacted by macroeconomic factors, in addition to other factors not controllable by the Company. Columbia Care has also made certain general industry assumptions in the preparation of such forward-looking statements. Management believes that the expectations reflected in forward-looking statements are based upon reasonable assumptions; however, Management can give no assurance that actual results will be consistent with these forward-looking statements. Not all factors which affect the forward-looking information are known, and actual results may vary from the projected results in a material respect and may be above or below the forward-looking information presented in a material respect.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause Columbia Care's actual results, performance or achievements, or developments in its industry, to differ materially from the anticipated results, performance, achievements or developments expressed or implied by such forward-looking statements. Given these uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. When considering these forward-looking statements, readers should keep in mind the risk factors and other cautionary statements in Columbia Care's final prospectus dated March 21, 2019 (the "Prospectus") and filed with the applicable Canadian securities regulatory authorities on SEDAR at www.sedar.com. The risk factors and other factors noted in the Prospectus could cause actual events or results to differ materially from those described in any forward-looking information. Forward-looking statements are based on management's current plans, estimates, projections, beliefs and opinions, and Columbia Care does not undertake any obligation to update forward-looking statements should assumptions related to these plans, estimates, projections, beliefs and opinions change except as required by applicable securities laws. All of the forward-looking statements made in this press release are qualified by these cautionary statements and other cautionary statements or factors contained herein, and there can be no assurance that the actual results or developments will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, Columbia Care.

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