Tilray Announces Pricing of Initial Public Offering

Jul 18, 2018

NANAIMO, British Columbia--(BUSINESS WIRE)--Tilray, Inc., a vertically-integrated and federally-licensed cannabis cultivator, processor and distributor, today announced the pricing of its initial public offering of 9,000,000 shares of Class 2 common stock. 6,524,000 shares of Class 2 common stock will be offered in the United States and certain other countries except Canada at a price to the public of US$17.00 per share for a total offering size of US$110,908,000 and 2,476,000 shares of Class 2 common stock, which we refer to as Subordinate Voting Shares, will be offered in Canada and certain other countries except the United States at a price to the public of CAD$22.45[1] per share for a total offering size of CAD$55,586,200. Based on current exchange rate[1], the total combined offering size is approximately US$153,000,000.00. The shares are expected to begin trading on the Nasdaq Global Select Market tomorrow, July 19, 2018, under the symbol “TLRY.”

In addition, Tilray has granted the U.S. underwriters a 30-day over-allotment option to purchase up to 978,600 additional shares of Class 2 common stock and the Canadian underwriters a 30-day over-allotment option to purchase up to 371,400 additional Subordinate Voting Shares at the initial public offering price, less underwriting discounts. Closing of the offering is expected to occur on July 23, 2018, subject to the fulfillment of customary closing conditions.

A registration statement on Form S-1 relating to the offering has been filed with and declared effective by the United States Securities and Exchange Commission (the “SEC”). Tilray has also filed a prospectus with the securities regulatory authorities in each province of Canada other than the Province of Quebec to qualify the distribution in those provinces. Tilray does not intend to list on any stock exchange in Canada.

Cowen and BMO Capital Markets are acting jointly as book-runners for the IPO. Cowen is acting as the sole book-running manager for the IPO in the United States, and BMO Capital Markets is acting as the sole book-running manager for the IPO in Canada. Eight Capital is acting as lead manager for the IPO in Canada. In the United States, Roth Capital Partners is acting as lead manager and Northland Capital Markets is acting as a co-manager for the IPO.

The offering will be made only by means of a prospectus. Copies of the U.S. prospectus may be obtained from the SEC’s website or from Cowen by contacting Cowen c/o Broadridge Financial Services, 1155 Long Island Avenue, Edgewood, NY, 11717, Attn: Prospectus Department or by telephone at (631) 592-5973 or by email at PostSaleManualRequests@broadridge.com.

Copies of the Canadian prospectus may be obtained from www.sedar.com or from BMO Capital Markets by contacting BMO Capital Markets, Brampton Distribution Centre c/o The Data Group of Companies, 9195 Torbram Road, Brampton, Ontario, L6S 6H2 or by telephone at (905) 791-3151 Ext 4312 or by email at torbramwarehouse@datagroup.ca.

This press release does not constitute an offer to sell or a solicitation of an offer to buy, nor will there be any sale of these securities in any state or jurisdiction in which such offer, solicitation, or sale would be unlawful before registration or qualification under the securities laws of that state or jurisdiction.

[1]Based approximately on the Bank of Canada daily exchange rate on July 18, 2018 of C$1.3204 = US$1.00

This press release contains “forward-looking statements”, which may be identified by the use of words such as, “may”, “would”, “could”, “will”, “likely”, “expect”, “anticipate”, “believe, “intend”, “plan”, “forecast”, “project”, “estimate”, “outlook” and other similar expressions, including statements in respect of the over-allotment option, Tilray`s intentions with respect to stock exchange listings and the expected closing of the offering. Forward-looking statements are not a guarantee of future performance and are based upon a number of estimates and assumptions of management in light of management’s experience and perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances, including assumptions in respect of current and future market conditions. Actual results, performance or achievement could differ materially from that expressed in, or implied by, any forward-looking statements in this press release, and, accordingly, you should not place undue reliance on any such forward-looking statements and they are not guarantees of future results. Forward-looking statements involve significant risks, assumptions, uncertainties and other factors that may cause actual future results or anticipated events to differ materially from those expressed or implied in any forward-looking statements. Please see the heading “Risk Factors” in the registration statement and the prospectus for a discussion of the material risk factors that could cause actual results to differ materially from the forward-looking information. Tilray does not undertake to update any forward-looking statements that are included herein, except in accordance with applicable securities laws.

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