CannTrust - Sale and Investment Solicitation Process

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CannTrust Holdings Inc. →
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VAUGHAN, ON, May 15, 2020 /CNW/ - On March 31, 2020, CannTrust Holdings Inc. (the "Company") announced that the Company and certain of its subsidiaries (collectively, "CannTrust") were granted protection pursuant to an order issued under the *Companies' Creditors Arrangement Act* by the Ontario Superior Court of Justice (the "Court") and that Ernst & Young Inc. was appointed monitor (in such capacity, the "Monitor"). In addition, the Court approved CannTrust's agreement engaging Greenhill & Co. Canada Ltd (the "Financial Advisor") as financial advisor. On May 8, 2020, the Court issued an order (the "SISP Order") authorizing and directing CannTrust to undertake a sale and investment solicitation process (the "SISP"). The SISP Order requires the Company to issue this press release to announce the initiation of the SISP.

The SISP is intended to solicit interest in, and opportunities for, a sale of or investment in all or part of CannTrust's assets and business operations (the "Opportunity"). The Opportunity may include one or more of a recapitalization, arrangement or other form of investment in, or reorganization of, the business and affairs of CannTrust as a going concern or a sale of all, substantially all or one or more components of CannTrust's assets (including, without limitation, the shares of CannTrust Inc.) and its business operations as a going concern or otherwise. The SISP is a two-phased process with the Phase 1 bid deadline set for June 22, 2020.

Those interested in participating in this SISP can contact the Financial Advisor to receive additional information at:

Greenhill & Co. Canada LTD.
79 Wellington West
Suite 3403, P.O. Box 333
Toronto, ON M5K 1K7
Attn: Michael Nessim and Usman Masood
Email: michael.nessim@greenhill.com and usman.masood@greenhill.com

Copies of the SISP Order and the SISP may be obtained from the website of the Monitor at www.ey.com/ca/CannTrust.

Forward-Looking Statements

This press release contains "forward-looking information" within the meaning of Canadian Securities laws and "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 and other applicable United States safe harbor laws, and such statements are based upon CannTrust's current internal expectations, estimates, projections, assumptions and beliefs and views of future events. Forward-looking information and forward-looking statements can be identified by the use of forward-looking terminology such as "believes", "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 and statements in this news release include statements relating to the corrective actions being taken by the Company, and Health Canada's pending determinations. Forward-looking information and statements necessarily involve known and unknown risks, including, without limitation: actions taken in respect of the Company's products by its customers and regulators; results of Health Canada's investigation, including orders and compliance measures required by Health Canada and their impact on the operations, inventory, assets and financial condition of the Company; the Company's implementation of remediation plans and related actions; regulatory approval; the outcome of the Company's contingent liabilities; the impact of potential regulatory investigations; the Company's review of strategic alternatives; risks associated with general economic conditions; adverse industry events; loss of markets; future legislative and regulatory developments in Canada, the United States and elsewhere; the cannabis industry in Canada generally; and, the ability of CannTrust to implement its business strategies. The Company is subject to a cease-trade order issued by the Ontario Securities Commission and trading in its common shares has been suspended by the Toronto and New York exchanges, each of which has initiated formal delisting procedures.

Any forward-looking information and statements speak only as of the date on which they are made, and, except as required by law, CannTrust does not undertake any obligation to update or revise any forward-looking information or statements, whether as a result of new information, future events or otherwise. New factors emerge from time to time, and it is not possible for CannTrust to predict all such factors. When considering these forward-looking information and statements, readers should keep in mind the risk factors and other cautionary statements in CannTrust's Annual Information Form dated March 28, 2019 (the "AIF") and filed with the applicable Canadian securities regulatory authorities on SEDAR at www.sedar.com and filed as an exhibit CannTrust's Form 40-F annual report under the United States Securities Exchange Act of 1934, as amended, with the United States Securities and Exchange Commission on EDGAR at www.sec.gov (the "March 2019 Form 40-F"). The risk factors and other factors noted in the AIF could cause actual events or results to differ materially from those described in any forward-looking information or statements. Readers are also reminded that CannTrust remains in default of its periodic disclosure requirements under applicable securities laws and stock exchange requirements, that its most recent AIF, Form 40-F and other disclosures do not reflect all risk factors that currently face the Company, and that the Company has not completed or filed the restatements of the financial statements included in the AIF or the March 2019 Form 40-F or otherwise filed an amendment to such Form 40-F, that the Company has determined not to correct its prior filings or make any further filings in respect of periodic disclosure requirements under applicable securities laws and stock exchange requirements and that the Company's securities do not trade on any stock exchange.

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For further information: Media Relations: media@canntrust.ca; Investor Relations: investor@canntrust.ca

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