

Tilray® Strengthens Presence in Latin America with Acquisition of Alef Biotechnology

NANAIMO, British Columbia & SANTIAGO, Chile--(BUSINESS WIRE)--October 9, 2018--Tilray, Inc. (NASDAQ: TLRY), a global leader in cannabis research and production, today announced that it has completed an acquisition of its existing import and distribution partner Alef Biotechnology SpA ("Alef"). The acquisition will allow Tilray to import, produce and distribute Tilray branded medical cannabis products in Chile and to create a hub to distribute Tilray products throughout Latin America.

Tilray purchased all the outstanding equity of Alef for approximately C\$5,000,000 (Canadian dollars). The purchase was comprised of approximately C\$250,000 in cash paid at closing, and C\$4,750,000 in Tilray Class 2 common stock, subject to a standard working capital adjustment and Alef achieving certain business milestones within a twelve-month period after closing.

"Today's announcement marks another milestone for Tilray as we expand our global footprint and solidify our presence in Latin America by officially welcoming Alef to the Tilray team," said Brendan Kennedy, President and Chief Executive Officer of Tilray. "The Chilean government has been a pioneer legitimizing and regulating medical cannabis in Latin America, and we are thrilled to be investing in one of the region's most exciting markets for biopharmaceutical development."

Tilray previously announced a partnership with Alef in February 2017 to import and distribute Tilray products in Chile and Brazil. Alef is currently licensed by the Chilean government to commercially produce medical cannabis and is developing a state-of-the-art facility to domestically produce and process medical cannabis products. Chilean law permits patients to access medical cannabis products under the supervision of a recommending physician.

As a part of the acquisition, Tilray will retain current Alef employees Alan Nudman as Chief Executive Officer, and Ariel Nudman, as Chief Sales Officer. Alan and Ariel will oversee the strategic growth of Alef Biotechnology under the global leadership of Tilray.

"The agreement with Tilray is an incredibly exciting moment for Alef and the entire medical cannabis community in Latin America," says Alan Nudman, Chief Executive Officer of Alef. "In partnership with Tilray, Alef was the first company to offer medical cannabis products through pharmacies anywhere in the Americas and we are looking forward to increasing access for patients throughout Latin America through this acquisition."

About Tilray®

Tilray is a global pioneer in the research, cultivation, production and distribution of medical cannabis and cannabinoids currently serving tens of thousands of patients in twelve countries spanning five continents.

About Alef Biotechnology

Alef Biotechnology is licensed by the Chilean government to commercially produce medical cannabis. The company is focused on medical cannabis research and development for the treatment of various medical conditions. Its purpose is to increase the quality of life of those in pain, bringing dignity by developing innovative drugs and novel drug delivery systems to the market.

Cautionary Note Regarding Forward-looking Statements

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 related to Tilray's ability to import, produce and distribute Tilray branded products in Chile and throughout Latin America. 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 Tilray's Quarterly Report on Form 10-Q for the quarter ended June 30, 2018 and the risks discussed in Tilray's other filings with the Securities and Exchange Commission 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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