



---

1 Hershey Dr.  
Smiths Falls, ON  
K7A 0A8

(855) 558 9333 x 122  
invest@canopygrowth.com  
www.canopygrowth.com

---



## **CANOPY GROWTH CORPORATION UPSIZES AND PRICES OFFERING OF CONVERTIBLE SENIOR NOTES**

**THIS NEWS RELEASE IS INTENDED FOR DISTRIBUTION IN CANADA ONLY AND IS NOT INTENDED FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR DISSEMINATION IN THE UNITED STATES.**

**June 14, 2018**

Smiths Falls, Ontario – Canopy Growth Corporation (TSX: WEED) (NYSE:CGC) (“Canopy Growth” or the “Company”) announced today that it has priced its previously announced offering of convertible senior notes due 2023 (the “notes”). The Company will issue C\$500 million aggregate principal amount of the notes. Canopy Growth has granted the initial purchasers of the notes an option to purchase up to an additional C\$100 million aggregate principal amount of notes. The offering was upsized from the previously announced C\$400 million aggregate principal amount.

Cowen and Company, LLC and BMO Nesbitt Burns Inc. are acting as joint book-running managers and Eight Capital and Bryan, Garnier & Co. are acting as co-managers for this offering. Canopy Growth has been advised by Greenstar Canada Investment Limited Partnership, an affiliate of Constellation Brands, Inc., that it intends to participate in the offering. The remainder of the offering will be widely allocated to institutions, primarily in the United States, Europe, as well as Canada.

The notes will be offered and sold to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended (the “Act”), and outside the United States to non-U.S. persons in compliance with Regulation S under the Act. The notes will be sold to accredited investors in Canada pursuant to an exemption from the prospectus requirements of Canadian securities laws.

Canopy Growth expects to use the net proceeds from the offering of the notes for supporting expansion initiatives and general corporate purposes, including working capital requirements.

The notes will be general unsecured, senior obligations of Canopy Growth and interest will be payable semi-annually in arrears at a rate of 4.25% annually. The initial conversion rate for the notes will be 20.7577 common shares of the Company per C\$1,000 principal amount of notes, subject to potential adjustments. The initial conversion rate is equivalent to an initial conversion

price of approximately C\$48.18 per Company common share. The initial conversion price represents a premium of approximately 25% relative to the last reported closing sale price of the Company common shares on the TSX on June 14, 2018.

The notes will mature on July 15, 2023, unless earlier converted, redeemed or repurchased in accordance with their terms prior to such date. Prior to January 15, 2023, the notes will be convertible at the option of holders only upon satisfaction of certain conditions and during certain periods, and thereafter, at any time until the close of business on the business day immediately preceding the maturity date. Upon conversion, the notes may be settled in cash, common shares of Canopy Growth or a combination of cash and common shares of Canopy Growth, at the election of Canopy Growth.

Canopy Growth may not redeem the notes prior to July 20, 2021, except in the event of certain changes in Canadian tax law. Canopy Growth may redeem for cash all or any portion of the notes, at its option, on or after July 20, 2021 if the last reported sale price of Canopy Growth's common shares for at least 20 trading days (whether or not consecutive) during any 30 consecutive trading day period ending on the trading day immediately preceding the date on which Canopy Growth provides notice of redemption has been at least 130% of the conversion price then in effect on each such trading day. Redemptions of notes in either case shall be at a redemption price equal to 100% of the principal amount of the notes to be redeemed, plus accrued and unpaid interest to, but excluding, the redemption date.

If Canopy Growth undergoes a fundamental change, holders of the notes will have the right to require Canopy Growth to repurchase for cash all or a portion of their notes at 100% of their principal amount, plus any accrued and unpaid interest to, but excluding, the fundamental change repurchase date. Canopy Growth will also be required, in certain circumstances, to increase the conversion rate for a holder who elects to convert its notes in connection with certain corporate events or during the related redemption period.

The offering of the notes is expected to close on or about June 20, 2018.

This news release is neither an offer to sell nor a solicitation of an offer to buy any of these securities (including any common shares of Canopy Growth into which the notes are convertible) and shall not constitute an offer, solicitation or sale in any jurisdiction in which such offer, solicitation or sale is unlawful. Any offers of the notes will be made only by means of a private offering memorandum.

The notes and any common shares of Canopy Growth issuable upon conversion of the notes have not been registered under the Act or any state securities laws, or qualified for distribution by prospectus in Canada, and may not be offered or sold in the United States absent registration or an applicable exemption from such registration requirements, or sold in Canada absent an exemption from the prospectus requirements of Canadian securities laws.

Here's to Future Growth.



**Contact:**

Caitlin O'Hara  
Media Relations  
Caitlin.ohara@canopygrowth.com  
613-291-3239

Investor Relations  
Tyler Burns  
Tyler.burns@canopygrowth.com  
855-558-9333 ex 122

Director  
Bruce Linton  
tmx@tweed.com

**About Canopy Growth Corporation**

Canopy Growth is a world-leading diversified cannabis and hemp company, offering distinct brands and curated cannabis varieties in dried, oil and Softgel capsule forms. From product and process innovation to market execution, Canopy Growth is driven by a passion for leadership and a commitment to building a world-class cannabis company one product, site and country at a time.

Canopy Growth has established partnerships with leading sector names including cannabis icon Snoop Dogg, breeding legends DNA Genetics and Green House seeds, and Fortune 500 alcohol leader Constellation Brands, to name but a few. Canopy Growth operates ten cannabis production sites with over 2.4 million square feet of production capacity, including over 500,000 square feet of GMP-certified production space. The Company has operations in eight countries across five continents. The Company is proudly dedicated to educating healthcare practitioners, conducting robust clinical research, and furthering the public's understanding of cannabis, and through its partly owned subsidiary, Canopy Health Innovations, has devoted millions of dollars toward cutting edge, commercializable research and IP development. Through partly owned subsidiary Canopy Rivers Corporation, the Company is providing resources and investment to new market entrants and building a portfolio of stable investments in the sector. From our historic public listing to our continued international expansion, pride in advancing shareholder value through leadership is engrained in all we do at Canopy Growth. **For more information visit [www.canopygrowth.com](http://www.canopygrowth.com)**

**Notice Regarding Forward Looking Statements**

This news release contains "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 and "forward-looking information" within the meaning of applicable Canadian securities legislation. Often, but not always, forward-looking statements and information can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "estimates", "intends", "anticipates" or "does not anticipate", or



“believes”, or variations of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. Forward-looking statements or information involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Canopy Growth or its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements or information contained in this news release.

Examples of such statements include statements with respect to the completion of the notes offering; timing for closing of the notes offering; the planned use of proceeds from the notes offering; and the final terms of the notes offering. Risks, uncertainties and other factors involved with forward-looking information could cause actual events, results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking information, including the final terms of the offering, prevailing market conditions, the anticipated use of the proceeds of the offering, which could change as a result of market conditions or for other reasons, the impact of general economic, industry or political conditions in Canada, the United States or internationally as well as such risks contained in the Company’s annual information form dated June 28, 2017 and filed with Canadian securities regulators available on the Company’s issuer profile on SEDAR at [www.sedar.com](http://www.sedar.com). Although the Company believes that the assumptions and factors used in preparing the forward-looking information or forward-looking statements in this news release are reasonable, undue reliance should not be placed on such information and no assurance can be given that such events will occur in the disclosed time frames or at all. The forward-looking information and forward-looking statements included in this news release are made as of the date of this news release and the Company does not undertake an obligation to publicly update such forward-looking information or forward-looking information to reflect new information, subsequent events or otherwise unless required by applicable securities laws.