



Avicanna Announces Voluntary Lock-Up Agreements for Key Insiders and Separation of CEO and Chairman Roles

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Toronto, Ontario – October 29, 2019 – Avicanna Inc. ("**Avicanna**" or the "**Company**") (TSX: AVCN) (OTCQX: AVCNF), a biopharmaceutical company focused on the development, manufacturing and commercialization of organic and sustainable plant-derived cannabinoid-based products, today announces that its executive officers and directors have entered into voluntary lock-up agreements to extend the term of their lock-up periods, affecting approximately 7.7 million shares. The Company also announces that Kyle Langstaff has stepped down as Vice President (Operations) and has concurrently entered into a lock-up agreement to restrict the disposition of his common shares. In addition, the Company's board of directors has separated the roles of Chairman and Chief Executive Officer.

Extended Lock-Up Agreements

Each member of the Company's board of directors has entered into voluntary lock-up agreements pursuant to which they will not sell, transfer or pledge any of their Avicanna securities prior to July 1, 2020. On July 1, 2020, the Company will release 10% of such securities to the respective directors, with the remaining securities released in six equal tranches of 15% every six months following the first release, subject to customary exceptions. The members of the board of directors hold an aggregate of 7,176,850 common shares of the Company.

The executive officers of the Company have entered into voluntary lock-up agreements pursuant to which they will not sell, transfer or pledge any of their Avicanna securities prior to January 1, 2020. On January 1, 2020, the Company will release 10% of such securities to the respective executives, with the remaining securities released in six equal tranches of 15% every six months following the first release, subject to customary exceptions. The executive officers hold an aggregate of 540,743 common shares of the Company.

In addition, each director and officer entering into one of the voluntary lock-up agreements described above will not sell more than 5,000 common shares of the Company in any one week period during the first year following the initial release date under such agreement, without the consent of the Company.

Upon release of the securities subject to the extended lock-up agreements, the executive officers and directors will remain subject to all applicable black-out periods under the Company's insider trading policy, which is available on Avicanna's website.

Additionally, Kyle Langstaff, non-management founder of Avicanna, has resigned as Vice President (Operations) for personal reasons, effective immediately. Mr. Langstaff holds an aggregate of 2,418,333 shares of the Company's common stock. As a demonstration of his confidence in the Company, Mr. Langstaff has entered into a voluntary lock-up agreement, pursuant to which he will not sell more than 10,000 common shares of the Company in any one week period prior to April 18, 2020, without the consent



of the Company. Under Mr. Langstaff's lock-up agreement, 10% of his securities were released on October 18, 2019, and the remaining securities are to be released in six equal tranches of 15% every six months following the first release, subject to customary exceptions. As of the date hereof, Mr. Langstaff has not disposed of any of his securities of the Company.

Aras Azadian, the Company's Chief Executive Officer, stated, "These extended lock-up agreements demonstrate the confidence that the management team and the board of directors have in the Company's long-term potential. We believe these agreements will further strengthen the commitment of all stakeholders to achieving our goal of becoming an industry leader in organic and sustainable plant-derived cannabinoid-based products."

Separation of Chairman and CEO Roles

The Company's board of directors also decided to separate the roles of Chairman and Chief Executive Officer. Mr. Azadian will continue as the Company's Chief Executive Officer. Avicanna's board of directors appointed Dr. Chandrakant Panchal, current independent Lead Director, as the Company's Non-Executive Chairman, effective immediately.

Mr. Azadian, stated, "Avicanna's commitment to best practices extends to all areas of the Company. The separation of the Chairman and CEO roles is an important feature in an independent board and its duties to oversee the Company's operations. We are happy to appoint Dr. Panchal, who is an experienced director and biotechnology industry veteran, as Avicanna's Non-Executive Chairman."

"I am delighted and honored to be elected as non-executive Chairman of Avicanna. It is imperative that corporate governance is a priority for the Company. The separation of the roles of Chairman and CEO reflect the board and the Company's commitment to good corporate governance," said Dr. Chandrakant Panchal, the Company's Non-Executive Chairman.

About Avicanna

Avicanna is an Ontario corporation focused on the development, manufacturing and commercialization of plant-derived cannabinoid-based products through its two main business segments, cultivation and research and development.

Avicanna's two majority-owned subsidiaries, Sativa Nativa S.A.S. and Santa Marta Golden Hemp S.A.S., both located in Santa Marta, Colombia are the base for Avicanna's cultivation activities. These two companies are licensed to cultivate and process cannabis for the production of cannabis extracts and purified cannabinoids including cannabidiol (CBD) and tetrahydrocannabinol (THC).

Avicanna's research and development business is primarily conducted out of Canada at its headquarters in the Johnson & Johnson Innovation Centre, JLABS @ Toronto. Avicanna's scientific team develops products, and Avicanna has also engaged the services of researchers at the Leslie Dan Faculty of Pharmacy at the University of Toronto for the purpose of optimizing and improving upon its products.

Avicanna's research and development and cultivation activities are focused on the development of its key



products, including plant-derived cannabinoid pharmaceuticals, phyto-therapeutics, derma-cosmetics and Extracts (defined as plant-derived cannabinoid extracts and purified cannabinoids, including distillates and isolates), with a goal of eventually having these products manufactured and distributed through various markets.

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For more information about Avicanna, visit www.avicanna.com, call 1-647-243-5283, or contact Setu Purohit, President by email info@avicanna.com.

Cautionary Note Regarding Forward-Looking Information and Statements

Certain information in this press release contains forward-looking statements. Such statements include but are not limited to the timing of securities releases, the maximum number of shares that will be sold by persons subject to the lock-up agreements in any one week period and the additional restrictions the securities will be subject to upon release from the lock-up agreements. This information is based on current expectations that are subject to significant risks and uncertainties that are difficult to predict, including the risk factors set out under the heading "Risk Factors" in the Company's long form final prospectus dated July 8, 2019. Actual results might differ materially from results suggested in any forward-looking statements. The Company assumes no obligation to update the forward-looking statements, or to update the reasons why actual results could differ from those reflected in the forward-looking statements, unless and until required by securities laws applicable to the Company.