

AVICANNA ANNOUNCES RECEIPT FOR FINAL PROSPECTUS AND CONDITIONAL APPROVAL FOR LISTING ON THE TSX

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Toronto, Ontario – July 10, 2019 – Avicanna Inc. ("**Avicanna**" or the "**Company**") a company focused on the development, manufacturing and commercialization of plant-derived cannabinoid-based products, is pleased to announce that it has obtained a receipt for its final long form prospectus (the "**Prospectus**") filed in connection with its completed special warrant offering for gross proceeds of approximately \$22.1 million (the "**Offering**"). The Offering was led by Sprott Capital Partners LP and included Paradigm Capital Inc.

The Prospectus qualified the distribution of 2,228,328 common shares of the Company (the "**Common Shares**") and 1,114,164 common share purchase warrants (the "**Warrants**") issuable for no additional consideration upon the exercise or deemed exercise of special warrants of the Company (the "**Special Warrants**") issued under the Offering. Each Warrant entitles the holder thereof to acquire one Common Share until April 15, 2021 at a price of \$10 per Common Share, subject to acceleration in certain circumstances.

As a result of obtaining the receipt for the Prospectus, all unexercised Special Warrants will be automatically exercised on July 15, 2019 without any further action on the part of the holders.

A copy of the Prospectus is available on SEDAR at www.sedar.com.

The Company has received conditional approval from the Toronto Stock Exchange (the "**TSX**"), one of Canada's senior stock exchanges, for the listing of the Common Shares on the TSX as an Industrial (Research & Development) issuer, subject to the completion of customary requirements of the TSX, including the receipt of all required documentation. Following receipt of final approval from the TSX, the Common Shares are expected to commence trading on the TSX under the symbol "AVCN".

No securities regulatory authority has either approved or disapproved the contents of this news release. The Common Shares and Warrants have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**") or any state securities laws. Accordingly, the Common Shares and Warrants may not be offered or sold within the United States unless registered under the U.S. Securities Act and applicable state securities laws or pursuant to exemptions from the registration requirements of the U.S. Securities Act and applicable state securities laws. This news release does not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of any securities of the Company in any jurisdiction in which such offer, solicitation, or sale would be unlawful.

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 Company's intention to list the Common Shares on the TSX, the expected trading symbol for the Company, the conversion of the Special Warrants and Avicanna's business plan regarding the development, manufacturing and commercialization of plant-derived cannabinoid-based products. This information is based on current expectations that are subject to significant risks and uncertainties that are difficult to predict, including the risk that the Company may not be able to secure a listing on the TSX and certain other risk factors set out under the heading "Risk Factors" in the Prospectus. 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.