



Avicanna (TSX: AVCN) Enters an Exclusive Research Agreement with the University of Guelph for Proprietary Cannabinoid-based Products and Formulations to Treat Psychiatric Disorders

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Toronto, Ontario – September 13, 2019 – Avicanna Inc. ("**Avicanna**" or the "**Company**") (TSX: AVCN), a biopharmaceutical company focused on the development, manufacturing and commercialization of plant-derived cannabinoid-based products, is pleased to announce that it will further the research and development and pre-clinical analysis of its proprietary prescription and over-the-counter ("**OTC**") cannabinoid products and formulations through an exclusive research agreement with the University of Guelph in Canada for a project to be performed by Dr. Jibrán Khokhar, Assistant Professor at the University of Guelph, Ontario Veterinary College, Department of Biomedical Sciences, as principal investigator.

"We believe the studies that we have designed with Dr. Khokhar, which will be performed by his team at the University of Guelph, will provide a unique opportunity to evaluate disorders of brain health and are an essential step in a committed research program for evaluating the role of cannabinoids as therapies for several human neurological disorders," said Dr. Amza Ali, the Company's Chief Medical Officer.

The collaboration with the University of Guelph will focus on evaluating a variety of dosage forms on preclinical models of several human psychiatric conditions, including depression, anxiety, schizophrenia, PTSD and substance abuse. A unique aspect of this collaboration is to determine brain cannabinoid levels and cerebral activity function using electrophysiology and behavioral methods with various Avicanna formulations and common to rare cannabinoids.

Additional studies include research in the treatment of nicotine and alcohol addiction with the use of various cannabinoid formulations provided by Avicanna. Analysis of vaporizer formulations amongst others will be tested on preclinical models of neuropsychiatric disorders to potentially reduce/replace doses of THC with CBD.

"Avicanna is focused on elevating the scientific research related to cannabinoid products through its collaborations with world-class research institutions in order to provide patients and physicians with products that offer a well understood mechanism of action, efficacy, and safety profile. We are excited to advance our research and development program for psychiatric disorders and substance dependency, building on our data and expertise within the cannabinoid market," stated Aras Azadian, Chief Executive Officer.

The services to be performed under the research agreement will be provided on an exclusive basis and Dr. Khokhar's laboratory has agreed to not conduct testing on any formulations or products similar to the Company's products during the term of the agreement. All research data and research reports created under the research agreement will remain the sole property of Avicanna, however, Avicanna has granted a license to the University of Guelph to use such reports and data for research and academic purposes. The studies under this agreement are expected to take two (2) years and the cost of the studies are expected



to be approximately \$300,000.

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 intended outcomes of the studies to be conducted under the research agreement, the disorders to be studied and the expected term and cost of the studies. 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.