



## **Avicanna (TSX: AVCN) Announces Receipt of the First Colombian USDA Organic Certification for its Hemp Cultivation and Registration of 15 Additional Genetics**

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**Toronto, Ontario – October 18, 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, is pleased to announce that Santa Marta Golden Hemp S.A.S. ("**SMGH**"), a majority owned subsidiary of the Company, has obtained a United States Department of Agriculture ("**USDA**") National Organic Program ("**NOP**") certification from Control Union Certifications, for its hemp cultivar, and has obtained registration for an additional 15 genetic strains of cannabis.

### **USDA Organic Certification**

Receipt of a NOP certification from the USDA for the cultivation of hemp (non-psychoactive cannabis) makes SMGH the first producer to receive this certification in Colombia. As a result, SMGH's organic cultivation practices are now validated by the USDA, which positions the Company to provide certified organic hemp derivatives for use in supplements and food products produced or shipped to the United States. The USDA protects consumers by allowing certified growers to use the USDA organic logo on products that are grown without the use of synthetic fertilizers, pesticides or herbicides. Any products intended for medical purposes coming from this organic cultivated hemp are outside of the scope of this certificate and cannot be commercialized as "organic".

Aras Azadian, the Company's Chief Executive Officer, stated, "Receiving the USDA NOP certification marks a significant milestone in our commitment to help set the highest quality standards in organic and sustainable cannabis cultivation, as we take another step forward towards becoming a global leader in the CBD industry. We expect this achievement to facilitate our growth strategy, which includes the expansion of both our plant-derived active pharmaceutical ingredients ("**APIs**") and bulk CBD formulations, as well as our branded lines of finished derma-cosmetics and phyto-therapeutic products into the U.S. and European markets where the USDA certification is a premium differentiator for those product categories that allow hemp to be certified as organic."

### **About Organic Cultivation**

Dedicated to environmental preservation, SMGH will cultivate 100% sun-grown USDA certified organic hemp. Implementing Good Agricultural and Collection Practices and promoting a living soil system, SMGH's plants will grow healthy. The use of chemical pesticides and herbicides is harmful for the consumer, the plant, and mostly the environment. Plants grown under the pressure of conventional practices don't develop to produce their full potential of nutrients and benefits. Chemicals used in conventional agriculture are responsible for poisoning water sources, damaging the soil and diminishing its ability to sequester carbon dioxide which is a major cause for global warming. SMGH strives to maintain its soils free from synthetic compounds as a compromise to our planet.



## **Registration of Additional Genetics**

On October 18, 2019, Avicanna received confirmation that SMGH has obtained registrations for 11 strains of psychoactive cannabis and 4 strains of non-psychoactive cannabis. Following such registration, SMGH has a total of 14 registered strains of psychoactive cannabis and 5 registered strains of non-psychoactive cannabis. SMGH, can commence production of products containing each strain of non-psychoactive cannabis that has been registered and, upon receipt of a quota with respect to each registered psychoactive strain, SMGH will be able to commence production of products containing each strain of its registered psychoactive cannabis strains. In addition, such registration enables SMGH to market seeds of such registered genetics and export propagation material (upon receipt of necessary approvals).

"Achieving this additional registration not only expands Avicanna's genetic bank for commercial purposes but also reflects our commitment to work with a wide range of varieties that provide a new range of cannabinoids for our research and development projects. This registration will also enhance our capacity to continue improving and stabilizing high performance genetics as part of our breeding program," said Avicanna's Chief Agricultural Officer, Lucas Nosiglia.

## **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](http://www.avicanna.com), call 1-647-243-5283, or contact Setu Purohit, President by email [info@avicanna.com](mailto: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 ability of the Company to use its organic hemp in supplements and food products, the expectation that the receipt of the NOP certification will allow the Company to accelerate growth, that SMGH will cultivate 100% sun-grown USDA organic hemp and that SMGH will be able to commence production of its registered psychoactive strains of cannabis. 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.*