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Avicanna's Evidence-Based and Dermatologist Tested CBD Derma-Cosmetic Brand Pura Earth™ to be Launched in Adult-Use and Medical Channels Across Canada in Q2 2021.

- *The THC-Free, CBD derma-cosmetic brand is the first known CBD skincare line to be clinically tested and commercialized across cannabis channels nationwide in Canada.*
- *The initial launch of Pura Earth will include 3 products that will be available through Medical Cannabis by Shoppers™ online platform and across adult-use channels in Ontario and Saskatchewan.*
- *The line has been successfully launched in Latin America with planned launches in the United Kingdom, United States, and Ecuador in 2021.*

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TORONTO, May 26, 2021 (GLOBE NEWSWIRE) -- Avicanna Inc. (the “**Company**” or “**Avicanna**”) (TSX: AVCN) (OTCQX: AVCNF) (FSE: 0NN), a biopharmaceutical company focused on the development, manufacturing, and commercialization of plant-derived cannabinoid-based products is pleased to announce that three (3) Pura Earth products are to be launched in Canada in Q2 2021 through the Medical Cannabis by Shoppers™ online portal, and in adult-use channels including the provincials retailers and storefronts in Ontario and Saskatchewan.



Pura Earth and the Potential of CBD Skincare

The Pura Earth product formulations have been developed and optimized to deliver purified, THC-free cannabidiol (“**CBD**”) in synergistic combinations with other natural ingredients known to provide specific functional benefits in skincare¹⁻². CBD has been shown to promote skin health by inducing antioxidant, anti-inflammatory, and anti-apoptotic responses that could be beneficial for a variety of dermatological



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conditions as eczema or atopic dermatitis¹⁻³. In addition, CBD can down-regulate the activity of cells that are critical in the production of skin oils and therefore may dampen the production in acne-prone skin⁴.

The three (3) Pura Earth products are dermatologist tested to ensure there are no occurrences of skin irritation or sensitization; and demonstrated to have physical and chemical stability and have shelf life of at least 2 years. The formulations have been optimized over the last three (3) years through Avicanna's R&D infrastructure, to increase CBD uptake into the skin and address various consumer needs. In addition to the completed clinical trials all Pura Earth products are not tested on animals and are vegan.

"We are thrilled to announce Pura Earth's initial entrance into the Canadian market through various cannabis channels where we are optimistic about its market potential as an industry leading cannabinoid-based skin care line. We have been pleasantly surprised by the initial interest from consumers, retailers and our partners in Canada for these products and believe the line will help set the standard for cannabinoid-based skin care as the first pre-clinically backed, dermatologist tested product offering". States Aras Azadian, CEO Avicanna Inc.

The Canadian Market Opportunity and Global Market Potential

Pura Earth branded products are positioned to become a leading international CBD skincare brand including its successful initial product launch in Colombia, prior to the Canadian this quarter and expected launches planned for 2021 in the United States, the United Kingdom and Ecuador.

Pura Earth will launch in Canada through the Medical Cannabis by Shoppers™ online platform and adult-use channels including initial listings in Ontario and Saskatchewan. In addition to providing the first pre-clinically backed skincare products to the Canadian cannabis market, Pura Earth is poised to be a top choice among new consumers entering the cannabis space in search of topical products. In a 2021 report on Canadian cannabis consumers, Deloitte noted that nearly half of new users are more likely to prefer CBD-only products with 34% of existing consumers citing general health & wellness as drivers of CBD consumption.

Additionally, the Canadian launch of Pura Earth is potentially the first step in a long-term national strategy which may include the regulatory pathway to commercialize CBD topical products across cosmetic, over the counter and natural health product designations.

About the Initial 3 Pura Earth Products and the Clinical Studies

The 3 cosmetic clinical studies were completed on Avicanna's formulations targeting cosmetic factors associated with aging, acne-prone skin, and eczema-prone skin. The successfully completed studies involved 156 patients that were tested for safety and specific derma-cosmetic endpoints, including hydration and excess oil production. All three studies achieved positive results in the endpoints with no adverse effects, making Pura Earth one of the only cannabinoid consumer lines with human safety and efficacy data. For more information please see [Clinicaltrials.gov Registry](https://clinicaltrials.gov).

- **Rosemary and Tea Tree Gel:** Water-based gel contains beta-caryophyllene and tea tree extract that are known to have antibacterial and anti-inflammatory properties⁵⁻⁷. In addition, rosemary oil extract has demonstrated actions against the symptomatic treatment of acne^{8,9}. In Avicanna's clinical study, the Rosemary and Tea Tree Gel was investigated for its short- and long-term effects on skin hydration and sebum (oil) production on acne-prone or oily skin. The results showed significant increase in skin hydration and a significant decrease in oiliness in 93% of participants who had oily skin.
- **Colloidal Oatmeal Cream:** Oil-based formula uniquely marries CBD, colloidal oatmeal and hemp seed oil aimed at relieving skin redness^{2,10}. Colloidal oatmeal has been shown to improve skin dryness, roughness, and itch intensity¹⁰. Avicanna's clinical study of Colloidal Oatmeal Cream



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evaluated its effect on skin hydration and erythema and found that 86% of participants had decreased skin redness after 3 hours and increased skin hydration.

- **Japanese Cedar Bud Face Cream:** Rich, lightly scented white cream with a unique amalgamation of purified CBD, Japanese cedar bud, tocopherol and hemp seed oil. This formula targets aging skin and is aimed at enhancing skin texture and skin renewal¹¹.

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About Avicanna Inc.

Avicanna is a diversified and vertically integrated Canadian biopharmaceutical company focused on the research, development, and commercialization of plant-derived, cannabinoid-based products for the global consumer, medical, and pharmaceutical market segments.

Avicanna is an established leader in cannabinoid research and development, which it primarily conducts at its R&D headquarters in the Johnson & Johnson Innovation Centre, JLABS @ Toronto, Canada and in collaboration with leading Canadian academic and medical institutions. In addition to its developing pharmaceutical pipeline, Avicanna’s team of experts have developed and commercialized several industry leading product lines, including:

- Pura Earth™ or Pura H&W™: an advanced and clinically tested line of CBD consumer dermocosmetic products; and,



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- RHO Phyto™: an advanced line of medical cannabis products containing varying ratios of CBD and THC currently available nation-wide across Canada in partnership with Medical Cannabis by Shoppers™. RHO Phyto is the first strictly medical formulary of advanced “Cannabis 2.0” products, containing oils, sprays, capsules, creams, and gels, all developed with scientific rigour, manufactured under GMP standards and supported by pre-clinical data.

With ongoing clinical trials on its derma-cosmetic (branded as Pura Earth or Pura H&W), medical cannabis (branded as RHO Phyto) and a pipeline of pharmaceutical products, Avicanna’s dedication to researching the important role that cannabinoids play in an increasingly wider scope of products has been at the core of the Company’s vision since its inception. Furthermore, Avicanna’s commitment to education is demonstrated through its annual medical symposium, the Avicanna Academy educational platform, and the My Cannabis Clinic patient program through its subsidiary company.

Avicanna manages its own supply chain including cultivation and extraction through its two majority-owned subsidiaries, Sativa Nativa S.A.S. and Santa Marta Golden Hemp S.A.S., both located in Santa Marta, Colombia. Through these sustainable, economical, and industrial scale subsidiaries, Avicanna cultivates, processes, and commercializes a range of cannabis and hemp cultivars dominant in CBD, CBG, THC, and other cannabinoids for use as active pharmaceutical ingredients. Avicanna’s Avesta Genetica program specializes in the development and optimization of rare cultivars for commercial production along with feminized seeds for global export. In June 2020, Avicanna made history with a shipment of hemp seeds to the United States of America by completing the first ever export of hemp seeds from Colombia.

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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 at info@avicanna.com.

The company posts updates through videos from the official company YouTube channel https://www.youtube.com/channel/UCFXPBGdKSxOUOf_VZoSFSUA

Cautionary Note Regarding Forward-Looking Information and Statements

This news release contains "forward-looking information" within the meaning of applicable securities laws. Forward-looking information contained in this press release may be identified by the use of words such as, "may", "would", "could", "will", "likely", "expect", "anticipate", "believe", "intend", "plan", "forecast", "project", "estimate", "outlook" and other similar expressions, and includes statements with respect to the ability of CBD to promote skin health by inducing antioxidant, anti-inflammatory, and anti-apoptotic responses that could be beneficial for a variety of dermatological conditions such as eczema or atopic dermatitis, the ability of CBD to down-regulate the activity of cells that are critical in the production of skin oils and therefore may dampen the production in acne-prone skin, the Company’s ability to ensure that the Pura Earth products will not cause skin irritation or sensitization, the Pura Earth products being industry leading cannabinoid-based skin care line, the Pura Earth products being the first pre-clinically backed, dermatologist tested product offering, Pura Earth branded products being positioned to become an international CBD skincare brand leveraging the initial product launch in Colombia, and Pura Earth being poised to be a top choice among new consumers entering the cannabis space in search of topical products. Forward-looking information is not a guarantee of future performance and is based upon a number of estimates and assumptions of management in light of management’s experience and perception of trends, current conditions and expected developments, as well as other factors relevant in the circumstances, including



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assumptions in respect of current and future market conditions, the current and future regulatory environment; and the availability of licenses, approvals and permits.

Although the Company believes that the expectations and assumptions on which such forward-looking information is based are reasonable, undue reliance should not be placed on the forward-looking information because the Company can give no assurance that they will prove to be correct. Actual results and developments may differ materially from those contemplated by these statements. Forward-looking information is subject to a variety of risks and uncertainties that could cause actual events or results to differ materially from those projected in the forward-looking information. Such risks and uncertainties include, but are not limited to current and future market conditions, including the market price of the common shares of the Company, and the risk factors set out in the Company's annual information form dated April 15, 2020 and final short form prospectus dated November 27, 2020, filed with the Canadian securities regulators and available under the Company's profile on SEDAR at www.sedar.com.

The statements in this press release are made as of the date of this release. The Company disclaims any intent or obligation to update any forward-looking information, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.