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Avicanna Completes Registration and Commercial Export of its Evidence-Based CBD Dermocosmetics Brand, Pura Earth, in Ecuador

- *Four SKUs of Pura Earth branded dermocosmetics have been successfully registered with ARCSA, imported into Ecuador, and will be distributed and commercialized through previously announced partnership with Spenta S.A.*
- *This marks the 12th country and market opening of Avicanna's product offerings.*

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TORONTO, September 16, 2021 (GLOBE NEWSWIRE) -- Avicanna Inc. ("**Avicanna**" or the "**Company**") (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 it has completed product registration and its first commercial export of its Pura Earth branded dermocosmetics products in Ecuador.

The initial export includes four SKUs of the Pura Earth branded products that have been manufactured in Colombia under GMP conditions and will be commercialized and distributed through a partnership with Spenta S.A. through retail and e-commerce channels. The CBD dermocosmetics have also been registered and approved for sales as consumer cosmetics products by the Ecuadorian health authorities, Agencia Nacional de Regulación, Control y Vigilancia Sanitaria ("ARCSA").

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 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.

Three (3) out of the four (4) Pura Earth products are dermatologist tested to ensure there are no occurrences of skin irritation or sensitization, they are demonstrated to have physical and chemical stability and each have a shelf life of at least two (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.

"After years of R&D and clinical development of what we believe is the most advanced line of CBD skin care products, we are thrilled to expand our distribution capabilities into Ecuador. Although this is an early stage for the Latin American market, we believe this shows the potential of Pura Earth as a leading skin care brand in the region," stated Lucas Nosiglia, President of Avicanna LATAM.

About the Initial 3 Pura H&W 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 dermacosmetic 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/registry).

- **Clear Skin 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.
- **Intensive Moisturizing 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 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.
- **Anti-Aging 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

Avicanna is a commercial stage Canadian biopharmaceutical company and an established leader in cannabinoid research, development, and evidence-based products for the global consumer, medical, and pharmaceutical market segments. Avicanna conducts its research in Canada including its R&D headquarters in the Johnson & Johnson Innovation Centre, JLABS @ Toronto, Canada, located in the MaRS Discovery District, and in collaboration with leading Canadian academic and medical institutions. Avicanna has established an industry leading scientific platform including advanced R&D and clinical development which has led to the commercialization of over twenty products across four main market segments:

- **RHO Phyto™**: these medical and wellness products are an advanced line of pharmaceutical-grade cannabis products containing varying ratios of CBD and THC. The product portfolio contains a full formulary of products including oral, sublingual, topical, and transdermal deliveries that have controlled dosing, enhanced absorption and stability studies supported by pre-clinical data. These products are developed using pharmaceutical drug development processes and are supported with pre-clinical data. The advanced formulary is marketed with consumer, patient and medical community education and training.
- **Pura H&W™/Pura Earth™**: these registered, clinically tested, cosmetic products include a portfolio of functional CBD consumer derma-cosmetic and topical products.
- **Aureus™**: as a part of Avicanna's vertical integration based out of Santa Marta, Colombia its supply chain business units are primarily dedicated to providing consistent source of cannabinoid raw materials for Avicanna and its global partner's food, cosmetic, medical and pharmaceutical needs. Aureus branded products are cultivated, extracted, and manufactured by Avicanna's subsidiaries in Colombia where they benefit from optimal environmental conditions to produce cannabinoid active pharmaceutical ingredients economically, organically, and sustainably and include a range of CBD, THC and rare cannabinoids such as CBG extracts and standardized seeds. Company is well positioned to be a global supplier of cannabinoid raw materials demand and has already successfully exported its products to over 10 countries in 4 continents.
- **Pharmaceutical pipeline**: leveraging from the company's scientific platform, vertical integration, and real-world evidence, Avicanna has established a pipeline of indication specific cannabinoid-based drug candidates that are in various stages of clinical development and commercialization. Avicanna's drug candidates are in pre-clinical stage and are dedicated to providing solutions for unmet medical needs in the areas of dermatology, chronic pain and various neurological disorders.

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For more information about Avicanna, visit www.avicanna.com, call 1-647-243-5283, or contact IR representative, Iryna Zheliasko, by email at iryna@chfir.com or by phone at 416-868-1079 x 229.

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 Company's ability to continue to supply the market in Ecuador with any Pura Earth products, the Company's ability to continue to manufacture Pura Earth products, and Pura Earth being a leading skincare brand. 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 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 September 3, 2021 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.

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