



AVICANNA™

Avicanna Announces Results of Annual General and Special Meeting and Provides Corporate Update

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TORONTO, May 17, 2023 (GLOBE NEWSWIRE) — Avicanna Inc. (“**Avicanna**” or the “**Company**”) (TSX: AVCN) (OTCQX: AVCNF) (FSE: ONN), a commercial stage, international biopharmaceutical company focused on the development advancement, and commercialization of evidence-based, cannabinoid-based products, is pleased to announce that all of management’s nominees listed in the Company’s management information circular dated April 14, 2023 (the “**Circular**”) were elected as directors of the Company at Avicanna’s annual general and special meeting of shareholders held on May 17, 2023 (the “**Meeting**”).

The detailed results of the vote for the election of directors held at the Meeting are set out below.

Name of Nominee	Votes cast FOR	% votes cast FOR	Votes WITHHELD	% votes WITHHELD
Dr. Chandrakant Panchal	21,211,596	92.74	1,661,188	7.26
Aras Azadian	22,699,137	99.24	173,647	0.76
Giancarlo Davila Char	22,706,191	99.27	166,593	0.73
Eileen McCormack	22,826,079	99.80	46,705	0.20
John McVicar	22,702,791	99.26	169,993	0.74

At the Meeting, the Company’s shareholders also approved:

(i) fixing the number of directors for the ensuing year at five and empowering the board of directors of the Company to adjust such number between shareholder meetings by way of resolution in accordance with the Company’s constating documents;

(ii) the reappointment of Kingston Ross Pasnak LLP as the Company’s auditors for the ensuing year and authorized the board of directors to fix the auditors’ remuneration;

(iii) on a disinterested basis, the amendment of 136,250 common share purchase warrants held by ThreeD Capital Inc. (the “**Insider Warrants**”) to reprice the Insider Warrants from the previous exercise price of \$1.10 per Common Share to \$0.55 per Common Share, and extend the expiry date of the Insider Warrants from January 28, 2025 to January 28, 2026;

(iv) the name change of the Company to such name as the board of directors, in its discretion, may resolve and as may be acceptable to regulatory authorities, if required; and

(v) on a disinterested basis, the Company’s proposed early warrant exercise incentive program and participation of certain insiders of the Company therein, as more particularly described in the Circular (the “**Incentive Program**”).

Early Warrant Exercise Incentive Program

The Incentive Program is applicable to all of the issued and outstanding common share purchase warrants having an exercise price of \$0.40 (the “**Warrants**”). The Incentive Program is designed to encourage the early exercise of the Warrants during a 7-day period (the “**Program Period**”) which will commence on May 18, 2023.

Under the Incentive Program, holders of the Warrants (the “**Warrantholders**”) will be entitled to receive one-half (0.5) of one new warrant (each whole warrant, an “**Incentive Warrant**”) upon the exercise of each Warrant during the Incentive Period. Each Incentive Warrant will be exercisable into one common share of Avicanna at a price of \$0.50 per share for a period of three years from the date of issuance.

The Company intends to use the proceeds from the Incentive Program for general working capital purposes.

The Company anticipates that certain Warrantholders who are insiders of the Company may wish to participate in the Incentive Program. Pursuant to the policies of the Toronto Stock Exchange, disinterested shareholder approval was required for insiders to participate in the Incentive Program. The board of directors of Avicanna approved the terms of the Incentive Program and the disinterested shareholders of the Company approved the Incentive Program and participation of insiders therein at the Meeting. The Incentive Program is subject to the receipt of all required regulatory approvals and consents, including approval of the Toronto Stock Exchange.

Avicanna has determined that while the Incentive Program may be a related party transaction pursuant to Multilateral Instrument 61-101 – *Special Transactions* (“**MI 61-101**”), Avicanna is not required to obtain a formal valuation under subsection 5.4(1) of MI 61-101 or minority approval under subsection 5.7(1)(a) of MI 61-101 because pursuant to the exemptions set forth in MI 61-101, neither the fair market value nor the fair market value of the consideration paid for the Warrants exceeds 25% of the Company’s market capitalization.

About Avicanna Inc.

Avicanna is a commercial-stage international biopharmaceutical company focused on the advancement and commercialization of evidence-based cannabinoid-based products for the global medical and pharmaceutical market segments. Avicanna has an established scientific platform including R&D and clinical development that has led to the commercialization of more than thirty products across various market segments:

Medical Cannabis & Wellness Products: Marketed under the RHO Phyto™ brand these medical and wellness products are a line of pharmaceutical-grade cannabinoid products containing varying ratios of cannabidiol (“CBD”) and tetrahydrocannabinol (“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. The formulary is marketed with consumer, patient and medical-community education and training.

Pharmaceutical Pipeline: Leveraging Avicanna’s scientific platform, vertical integration, and real-world evidence, Avicanna has created a pipeline of patent-pending drug candidates that are indication-specific and in various stages of clinical development and commercialization. These cannabinoid-based drug candidates look to address unmet medical needs in the areas of dermatology, chronic pain, and various neurological disorders. Avicanna’s first pharmaceutical preparation (Trunerox™) is in the drug registration stage in South America.

[Click to watch Avicanna’s Corporate Video 2022](#)

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For more information about Avicanna, visit www.avicanna.com, contact Ivana Maric by email at info@avicanna.com or follow us on social media on [LinkedIn](#), [Twitter](#), [Facebook](#) or [Instagram](#).

If you are a Healthcare Professional and would like to learn more about using medical cannabis in your practice, please visit [Avicenna Academy](#).

The Company posts updates through videos from the official Company [YouTube](#) channel.

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 news 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. Forward-looking information contained in this news release includes, without limitation, statements related to the Incentive Program, including the timing and commencement thereof, the participation of insiders therein, the use of proceeds of the Incentive Program, the receipt of all approvals of the Toronto Stock Exchange in connection with the Incentive Program, statements with respect to the Company's future business operations, the opinions or beliefs of management and future business goals. 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 March 31, 2023 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 news 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.