



Shoppers Drug Mart and Avicanna Execute Definitive Asset Purchase Agreement for Avicanna's Acquisition of the Medical Cannabis by Shoppers Business

TORONTO, May 29, 2023 -- 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 the execution of the definitive Asset Purchase Agreement ("**Agreement**") between Shoppers Drug Mart® ("**Shoppers**") and Avicanna for Avicanna's acquisition of assets of the Medical Cannabis by Shoppers business ("**Business**") with a final closing date set for July 31, 2023.



"Since the initial announcement in March 2023, we have worked diligently and collaboratively to develop and execute a seamless process for transitioning patients, and address various patient, product and operations matters through the buildout of MyMedi.ca. We wish to express our thanks to everyone involved, and in particular to the Shoppers Drug Mart team, for getting us to this exciting milestone," stated Aras Azadian, CEO of Avicanna Inc.

As part of the Agreement's terms, Avicanna will acquire specific assets of the Business, including inventory and equipment, for approximately \$2.6M and will pay Shoppers an earn out, based on net revenues, for a period of two years. During the transition period, patients of Medical Cannabis by Shoppers are still able to purchase products on the Medical Cannabis by Shoppers platform until the closing of the transaction at the end of July. The MyMedi.ca platform will be launched on the closing date of the transaction, at which point, patients may make purchases through MyMedi.ca.

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 (RHO Phyto™):** The formulary offers a diverse range of proprietary formulations including oral, sublingual, topical, and transdermal deliveries with varying ratios of cannabinoids and is supported with ongoing patient, and medical community education. RHO Phyto has been established as a leading medical brand in Canada and is currently available nationwide to patients across several medical channels and continues to expand into new international markets.
- **Pharmaceutical Preparations and Pipeline:** Leveraging Avicanna's scientific platform, vertical integration, and real-world evidence, Avicanna has developed an extensive 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.

- **[MyMedi.ca Medical Cannabis Care Portal](#)**: MyMedi.ca is Avicanna's medical cannabis care platform that is formed with the aim to better serve medical cannabis patients' needs and enhance the patient journey. MyMedi.ca will feature diverse and scientifically curated products from leading Canadian licensed producers in addition to pharmacist led patient support programs and educational resources to facilitate the incorporation of medical cannabis into health care regimens. MyMedi.ca is also providing specialty services to distinct patient groups such as veterans and collaborating with public and private providers for adjudication and reimbursement.

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

SOURCE Avicanna Inc.

Stay Connected

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

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 using words such as, "may", "would", "could", "will", "likely", "expect", "anticipate", "believe", "intend", "plan", "forecast", "project", "estimate", "outlook" and other similar expressions. 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, 2022, 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.

A photo accompanying this announcement is available at

<https://www.globenewswire.com/NewsRoom/AttachmentNg/c1a2b6f7-4475-486c-a9c5-3eedbc166ad4>