



AYURCANN

Ayurcann Signs New Manufacturing and Distribution Agreement with Innocan Pharma

Company set to manufacture and distribute Innocan's CBD Topicals

TORONTO August 11, 2021: Ayurcann Holdings Corp. (CSE: AYUR) (the “**Company**” or “**Ayurcann**”) a Canadian extraction company specializing in the processing of cannabis and hemp to produce oils and various derivative products, is pleased to announce that it has entered into a manufacturing and distribution agreement with Innocan Pharma Corporation (“**Innocan**”), an Israel-based, pharmaceutical tech company focused on the development of several drug delivery platforms combining CBD.

The agreement will see Ayurcann will manufacture Innocan's CBD Topical products consisting of its Relief and Go and SHIR™ Beauty skin care collections. Ayurcann will also act as the exclusive Canadian distributor for the products, and will pay royalties to Innocan based on net sales of the products sold by Ayurcann into the Canadian recreational and medical cannabis markets. The agreement is subject to Health Canada approval.

“Ayurcann is excited for the opportunity to manufacture and introduce Innocan's SHIR Beauty and skin care line as well their Relief & Go topical products in Canada. We believe that Innocan's patent-pending, CBD-integrated products will be some of the highest quality CBD products to enter the market to date. The pharmaceutical expertise of Innocan together with Ayurcann's large extraction capacity and manufacturing capabilities will be combined to bring top of the line products to market at scale and price points that will allow for wide market access. This Agreement also positions both companies for CBD deregulation, allowing Ayurcann and Innocan's CBD products to be further scaled through national retailers at such time.” says CEO of Ayurcann, Igal Sudman.

"InnoCan is looking forward to selling its unique line of products in Canada in collaboration with Ayurcann", said Iris Bincovich, InnoCan's CEO and a member of Ayurcann's advisory board. "The market opportunity in Canada is unique as Canada was one of the early adaptors of CBD usage and potential customers in Canada are knowledgeable about the benefits offered by CBD. We expect InnoCan's product to be accepted by the market, as it appreciates the high efficacy of CBD products."

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About Ayurcann Holdings Corp.

Ayurcann is a leading post-harvest solution provider with a focus on providing and creating custom processes and pharma grade products for the adult use and medical cannabis industry in Canada. Ayurcann is focused on becoming the partner of choice for leading Canadian cannabis brands by providing best-in-class, proprietary services including ethanol extraction, formulation, product development and custom manufacturing.

About Innocan

The Company, through its wholly owned subsidiary, Innocan Pharma Ltd., is a pharmaceutical tech company that focuses on the development of several drug delivery platforms combining cannabidiol ("CBD"). Innocan and Ramot at Tel Aviv University are collaborating on a new, revolutionary exosome-based technology that targets both central nervous system (CNS) indications and the Covid-19 Corona Virus using CBD. CBD-Loaded Exosomes hold the potential to help in the recovery of infected lung cells. This product, which is expected to be administered by inhalation, will be tested against a variety of lung infections.

Neither the Canadian Securities Exchange nor its Regulation Services Provider have reviewed or accept responsibility for the adequacy or accuracy of this release.

Certain statements included in this press release constitute forward-looking information or statements (collectively, "forward-looking statements"), including those identified by the expressions "anticipate", "believe", "plan", "estimate", "expect", "intend", "may", "should" and similar expressions to the extent they relate to the Company or its management. The forward-looking statements are not historical facts but reflect current expectations regarding future results or events. This press release contains forward looking statements, including but not limited to statements relating to the Company's expansion plans and future production capacity. These forward-looking statements are based on current expectations and various estimates, factors and assumptions and involve known and unknown risks, uncertainties and other factors.

Forward-looking statements are not guarantees of future performance and involve risks, uncertainties and assumptions which are difficult to predict. Factors that could cause the actual results to differ materially from those in forward-looking statements include, but are not limited to, failure to obtain regulatory approval, ability to increase production at the Company's facilities, the continued availability of capital and financing, and general economic, market or business conditions. Forward-looking statements contained in this press release are expressly qualified by this cautionary statement. These statements should not be read as guarantees of future performance or results. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by such statements. Although such statements are based on management's reasonable assumptions, there can be no assurance that the statements will prove to be accurate or that management's expectations or estimates of future developments, circumstances or results will materialize. Although the Company has attempted to identify

important risks, uncertainties and factors which could cause actual results to differ materially, Further, there may be others that cause results not to be as anticipated, estimated or intended and such changes could be material. Public health crises, including the ongoing novel coronavirus (COVID-19) pandemic, could have significant economic and geopolitical impacts that may adversely affect the Company's business, financial condition and/or results of operations. The Company assumes no responsibility to update or revise forward-looking information to reflect new events or circumstances unless required by law. Readers should not place undue reliance on the Company's forward-looking statements.