



AYURCANN

## **AYURCANN ACQUIRES 'JOINTS' AND 'HUSTLE & SHAKE' BRANDS THROUGH ACQUISITION OF JOINTS AND HUSTLE & SHAKE INC.**

Toronto, Ontario, June 22, 2022 - Ayurcann Holdings Corp. (CSE: AYUR, OTCQB: AYURF, FSE: 3ZQ0) ("Ayurcann" or the "Company"), an established cannabis extraction and manufacturing company, is pleased to announce, in furtherance to their press release dated April 6, 2022, that the Company is taking another step towards solidifying itself as a major player in the post-harvest solution space within the Canadian Cannabis industry, by entering into a share purchase agreement ("**Share Purchase Agreement**"), pursuant to which the Company will acquire 100% of Joints and Hustle & Shake Inc. ("**Joints and Hustle**") for \$5,500,000 (the "**Acquisition**").

### **About Joints and Hustle**

Joints and Hustle holds assets comprising the 'Joints' and 'Hustle and Shake' brands (the "**Brands**"). Currently, the Brands are being sold various provinces across the country. Prior to the Acquisition, Ayurcann was the supplier of choice for the input materials required to produce products sold under the Brands. The 'Joints' brand offers market leading high potency CBD oils products. The 'Hustle & Shake' brand focuses on the true to flower cannabis experience with high potency vapes.

### **Transaction Details**

The Acquisition, which is an arm's length transaction, is subject to customary conditions of closing and is expected to close in the coming weeks. The consideration for the Acquisition is comprised of \$5,500,000 in common shares of Ayurcann ("**Ayurcann Shares**") on the basis of a deemed price of \$0.17 per Ayurcann Share (the "**Consideration Shares**"). The Consideration Shares are subject to a statutory hold period of four months and one day and, pursuant to the terms of the Share Purchase Agreement, (i) shall be deposited into escrow and be released every six months in 25% allotments; and (ii) are subject to post-closing downward adjustments pursuant to the terms and conditions of the escrow agreement.

As a condition of the Acquisition, Tetra Oils Inc. ("**Tetra**") entered into a support and voting agreement (the "**Voting Agreement**") with respect to the Consideration Shares received by Tetra in connection with the Acquisition. Pursuant to the Voting Agreement, the Company will provide written notice to Tetra on how the Considerations Shares must be voted. The Voting Agreement will automatically terminate two years after the date of the closing of the Acquisition.

Igal Sudman, Chief Executive Officer of Ayurcann commented: "We are excited about the ability to participate in new M&A deals and strategically invest in and acquire opportunities that enhance our Company and our ability to expand and grow our offerings across the country. Growing our business and market share is a top priority."

### **About Ayurcann**

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 striving to become a partner of choice for leading Canadian and international cannabis brands

by providing best-in-class, proprietary services including extraction, formulation, product development and custom manufacturing.

**For additional information, please contact:**

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

**Forward-Looking Statements**

*This news release contains “forward-looking statements” within the meaning of applicable securities laws. All statements contained herein that are not clearly historical in nature may constitute forward-looking statements. Generally, such forward-looking information or forward-looking statements can be identified by the use of forward-looking terminology such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or may contain statements that certain actions, events or results “may”, “could”, “would”, “might” or “will be taken”, “will continue”, “will occur” or “will be achieved”. The forward-looking information and forward-looking statements contained herein include, but are not limited to, statements regarding: the Company completing the Acquisition upon the terms and timelines disclosed herein; the Company’s future business plans and ability to expand and grow its business and gain market share; and the ability of the Company to become the partner of choice for leading Canadian cannabis brands.*

*Forward-looking information in this news release are based on certain assumptions and expected future events, namely: the Company will expand and be able to maintain production capacity; the Company’s ability to continue as a going concern; continued approval of the Company’s activities by the relevant governmental and/or regulatory authorities; the continued growth of the Company; the Company’s successful implementation of its strategy to expand market share; the Company’s continuing ability to meet the requirements necessary to remain listed on the Canadian Securities Exchange and alternative exchanges; the Company completing the Acquisition upon the terms and timelines disclosed herein; the Company meeting its future business plan targets; the Company expanding and growing its business and gaining market share; and the Company becoming the partner of choice for leading Canadian cannabis brands.*

*These statements involve known and unknown risks, uncertainties and other factors, which may cause actual results, performance or achievements to differ materially from those expressed or implied by such statements, including but not limited to: the Company’s inability to expand and/or maintain production capacity; the potential inability of the Company to continue as a going concern; the risks associated with the cannabis industry in general; increased competition in the cannabis extraction market; the potential future unviability of the cannabis market; risks associated with potential governmental and/or regulatory action with respect to the cannabis industry; the Company’s inability to obtain continued regulatory approvals; the Company’s inability to successfully implement its strategy to expand market share and/or meet future business plan targets; the Company’s inability to meet the requirements necessary to remain listed on the Canadian Securities Exchange and alternative exchange; the Company will not complete the Acquisition upon the terms and timelines disclosed herein or at all; the inability of the company to expand*

*and/or grow its business and/or gain market share; and the inability of the Company to become the partner of choice for leading Canadian cannabis brands.*

*Readers are cautioned that the foregoing list is not exhaustive. Readers are further cautioned not to place undue reliance on forward-looking statements, as there can be no assurance that the plans, intentions, or expectations upon which they are placed will occur. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated.*

*Forward-looking statements contained in this news release are expressly qualified by this cautionary statement and reflect the Company's expectations as of the date hereof and are subject to change thereafter. The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, estimates or opinions, future events, or results or otherwise or to explain any material difference between subsequent actual events and such forward-looking information, except as required by applicable law.*

*This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any state in which such offer, solicitation or sale would be unlawful. The securities being offered have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the United States Securities Act of 1933, as amended, and applicable state securities laws.*