

Ayurcann Closes Acquisition of Joints and Hustle & Shake Inc.

Toronto, Ontario--(Newsfile Corp. - September 7, 2022) - **Ayurcann Holdings Corp. (CSE: AYUR) (OTCQB: AYURF) (FSE: 3ZQ0)** ("**Ayurcann**" or the "**Company**"), a leading Canadian cannabis extraction company specializing in the processing and co-manufacturing of pharma grade cannabis and hemp to produce various derivative cannabis 2.0 and 3.0 products in the medical and recreational market, is pleased to announce that, further to its press release dated June 22, 2022, the Company has closed its acquisition of Joints and Hustle & Shake Inc. ("**Joints and Hustle**") for \$5,500,000 (the "**Acquisition**"), pursuant to the terms and conditions of a share purchase agreement dated June 21, 2022 (the "**Share Purchase Agreement**") entered into between the Company, Joints and Hustle and Tetra Oils Inc. ("**Tetra**").

In connection with closing the Acquisition, the Company has issued 32,352,941 common shares in the capital of the Company ("**Common Shares**") to Tetra. Each Common Share was issued on the basis of a deemed price of \$0.17 per Common 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) have been deposited into escrow and are to 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.

Early Warning Disclosure

In connection with the Acquisition, Tetra, a company located in Mississauga, Ontario, has acquired 32,352,941 Common Shares. Immediately before the closing of the Acquisition, Tetra beneficially owned, or exercised control or direction over, 3,224,696 Common Shares, representing approximately 2.64% of the issued and outstanding Common Shares on a non-diluted and partially-diluted basis. Immediately following the closing of the Acquisition, Tetra beneficially owns, or exercises control or direction over, 35,577,637 Common Shares, representing approximately 23.06% of the issued and outstanding Common Shares on a non-diluted and partially-diluted basis. Tetra acquired these securities for investment purposes and may, from time to time, acquire additional securities of the Company or dispose of such securities as Tetra may deem appropriate.

For the purpose of National Instrument 62-103 - *The Early Warning System and Related Take-Over Bid and Insider Reporting Issues*, a copy of Tetra's early warning report may be obtained on the Company's SEDAR profile or by contacting Maria Behnam at maria@tetraoils.com. Tetra's address is 295 Matheson Blvd East Mississauga, Ontario L4Z 1X8.

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.

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:

Ayurcann Holdings Corp.
Igal Sudman, Chief Executive Officer
905.492.3322
info@ayurcann.com

Investor Relations:

Email: ir@ayurcann.com

Neither the Canadian Securities Exchange (the "**CSE**") 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: Ayurcann growing its exposure and market share throughout the country; Ayurcann maintaining a continuous path of profitability and growth; 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 in extract and extract derivatives while providing exceptional products to consumers; the Company's continuing ability to meet the requirements necessary to remain listed on the CSE and alternative exchanges; Ayurcann growing its exposure and market share throughout the country; Ayurcann maintaining a continuous path of profitability and growth; 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 in extract and extract derivatives while providing exceptional products to consumers; the Company's inability to meet the requirements necessary to remain listed on the CSE and alternative exchanges; the Company's inability to grow its exposure and market share; the Company being unable to maintain a continuous path of profitability and growth; 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.

To view the source version of this press release, please visit
<https://www.newsfilecorp.com/release/136326>