



AYURCANN

AYURCANN ANNOUNCES AGSM RESULTS

Toronto, Ontario, December 22, 2023 – 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 provide the following corporate updates.

Annual General and Special Meeting

The Company is pleased to announce that its voting results from its annual general and special meeting of shareholders of the Company (the “Shareholders”) held on December 20, 2023 (the “Meeting”). Shareholders voted in favour of each resolution put forward at the Meeting at a passing rate of over 96%, including approval of each of the Future Share Issuance Resolution and Equity Incentive Plan Resolution (each as defined herein) by a majority of minority Shareholders.

At the Meeting, there were 25 Shareholders represented in person or by proxy holding 67,336,133 common shares in the capital stock of the Company (the “Common Shares”), representing 41.50% of the issued and outstanding Common Shares as at the record date for the Meeting. Each nominee listed in the Company’s management information circular dated November 29, 2023 (the “Circular”), was elected as a director of the Company, the results of which were as follows:

Nominee	Votes For:		Votes Withheld:	
	Number	%	Number	Percentage
Igal Sudman	66,298,680	98.85%	769,146	1.15%
Roman Buzaker	67,009,240	99.91%	58,586	0.09%
Maor Shayit	67,011,990	99.92%	55,836	0.08%
David Hackett	67,011,990	99.92%	55,836	0.08%
Alison Gordon	67,011,990	99.92%	55,836	0.08%

In addition, at the Meeting, Shareholders reappointed Clearhouse LLP as the Company’s auditor the ensuing year and authorized the board of directors to fix their compensation, and disinterested Shareholders: (i) authorized and approved the future issuance of Common Share to Messrs. Sudman and Buzaker, which would result in them becoming new Control Persons of the Company, therefore Materially Affecting Control (as such terms are defined in the policies of the Canadian Securities Exchange (the “CSE”) of the Company, as required pursuant to the policies of the CSE (the “Future Shares Issuance Resolution”), as more particularly set forth in the Circular; and (ii) ratified the repeal and replacement the Company’s current stock option plan and restricted share unit plan with the adoption of the proposed equity incentive plan for the Company (the “Equity Incentive Plan Resolution”), as more particularly set forth in the Circular. The results of such votes were as follows:

Resolution	Votes For:		Votes Against:		Votes Withheld:	
	Number	Percentage	Number	Percentage	Number	Percentage
Reappointment of Auditor	67,280,297	99.92%	Nil	N/A	55,836	0.08%
Future Share Issuance Resolution ⁽¹⁾	20,838,309	96.44%	769,146	3.56%	Nil	N/A
Equity Incentive Plan Resolution ⁽²⁾	18,901,183	96.09%	789,146	3.91%	Nil	N/A

Note:

1. Approved by a majority of minority Shareholders. 45,460,371 Common Shares held by interested parties were ineligible to vote.
2. Approved by a majority of minority Shareholders. 47,397,497 Common Shares held by interested parties were ineligible to vote.

Corporate Update

Debt Settlement

On October 30, 2023, the board of directors of the Company (the “**Board**”), on recommendation from the compensation committee of the Board, authorized and approved bonuses (together, the “**Management Bonuses**”) in the amount of \$756,000 to each of 2388765 Ontario Inc. a company controlled by Igal Sudman (“**238 Ontario**”) and 1000677847 Ontario Inc. a company controlled by Roman Buzaker (“**100 Ontario**”) pursuant to the terms and conditions of certain executive agreements entered into between the Company and each of 238 Ontario and 100 Ontario, respectively, (together, the “**Executive Agreements**”). Pursuant to the terms and conditions of the respective Executive Agreements, the Company engaged: (x) Igal Sudman, through 238 to perform Chief Executive Officer services for the Company and (y) Roman Buzaker through 100 Ontario to perform Chief Financial Officer services for the Company.

The Debt has accrued over multiple years pursuant to (compensation agreements) approved by the Company’s board of directors, In issuing the Common Shares, The Company and officers have determined that to preserve the Company’s cash, they intend to settle the transaction in Common Shares at a deemed price of \$0.05 per Common Share (the “**Debt Settlement**”). The Common Shares would be subject to a four month and one day hold period pursuant to the policies of the Canadian Securities Exchange (the “**CSE**”) and applicable securities laws.

Pursuant to the policies of the CSE, completion of the Debt Settlement was subject to prior approval from the disinterested Shareholders and at the Meeting the Company received the requisite disinterested Shareholder approval. The Company intends to complete the Debt Settlement in or around the first week of January 2024, and will disseminate a subsequent press release once completed.

Related Party Transaction

The Debt Settlement constitutes a “related party transaction”, as such term is defined in Multilateral Instrument 61-101 – *Protection of Minority Shareholders in Special Transactions* (“**MI 61-101**”) due to the involvement of each of Messrs. Sudman and Buzaker (together, the “**Officers**”), who are directors and officers of the Company and direct and control, 238 Ontario and 100 Ontario, respectively, and would require the Company to receive minority shareholder approval for, and obtain a formal valuation for the subject matter of, the transaction in accordance with MI 61-101, prior to the completion of such transaction. However, in completing the Debt Settlement, the Company intends to rely on exemptions from: (x) the formal valuation requirements of MI 61-101, on the basis that the Company is not listed on Specified Markets (as defined in MI 61-101), as determined in accordance with MI 61-101; and (y) the minority shareholder approval requirements of MI 61-101, on the basis that the fair market value of the Officers’ participation in the Debt Settlement does not and will not exceed \$2,500,000, as determined in accordance with MI 61-101.

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

For Further information, please contact:

Igal Sudman, Co-Founder & CEO

Ayurcann Holdings Corp.

Tel: 905-492-3322 x 301

Email: igal@ayurcann.com

For more information about Ayurcann, please visit www.ayurcann.com and its profile page on SEDAR+ at www.sedarplus.ca.

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

Cautionary Note Regarding Forward-Looking Statements

This press 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”, “strategy”, “expects” or “does not expect”, “intends”, “continues”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or may contain statements that certain actions, events or results “will be taken”, “will launch” or “will be launching”, “will include”, “will allow”, “will be made” “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’s intention to complete the Debt Settlement; the Company’s becoming the partner of choice for leading Canadian and international cannabis brands; and the Company’s plans to produce various derivative cannabis products.

Forward-looking information in this news release are based on certain assumptions and expected future events, namely: the Company will complete the Debt Settlement; the Company has the ability to produce various derivative cannabis products; the Company’s assessment of market conditions, its ability to gain market share, and its potential competitive edge are accurate; the Company has the ability to carry out its plans with respect to its new innovation and offerings; the Company has the ability to enhance its product development capabilities; the Company will seek new Canadian business opportunities; the Company will increase efficiency in its processes and partnerships; and the Company has the ability to carry out its goals and objectives.

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 complete the Debt Settlement; the Company’s inability to become the partner of choice for leading Canadian and international cannabis brands; the Company’s inability to produce various derivative cannabis products; the Company’s inability to carry out its plans with respect to its new innovation and offerings; and the Company’s inability to enhance its product development capabilities.

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.