



MCCN Executes Extraction Agreement with International Cannabis Company

Bogota, Colombia, Jun. 1 2021:

Medcolcanna Organics Inc. (“**Medcolcanna**”, “**MCCN**” or the “**Company**”) (NEO: MCCN), a leading Canadian and globally integrated medicinal cannabis company with operations in Colombia, is pleased to announce the execution of an extraction service agreement with an International Cannabis Company, a company with formulations for health and wellness applications, for depression, anxiety and PTSD, which also has cultivation operations in Colombia.

The execution of this commercial extraction agreement is a significant milestone for MCCN. This is the first commercial third-party extraction services agreement that has been executed after MCCN began offering extraction services to third parties in May 2021. MCCN is offering commercial third-party extraction services through its wholly owned subsidiary, Extralia Labs. To perform on this agreement, MCCN will utilize its different extraction lines and will transform biomass into CBD isolates. MCCN has demonstrated its extraction expertise and ability to deliver the desired quality of refined cannabis products.

MCCN’s extraction facilities have the capacity to process up to 800 tons of dried biomass per year. MCCN has two extraction facility locations, the first is located near Bogota, the capital of Colombia, the second is located near the city of Neiva, Colombia.

This facility will also begin extraction operations within the next 60 days for MCCN’s own cultivation in Neiva, and hopefully service third parties that are in negotiations for final terms. MCCN currently offers extraction, distillation, and crystallizations; all three processes are available to Colombian cultivators.

The counterparty to the Commercial extraction services agreement is an International Cannabis Company with formulations for health and wellness applications, for depression, anxiety and PTSD, and with cultivation operations in Colombia. The International Cannabis Company will be delivering between 2,500 to 4,500 kilograms of dried cannabis biomass to MCCN extraction facilities every three months.

The deliveries will occur monthly and scheduled with a program that will be revised for the quantity every three months. The International Cannabis Company has also announced recently that they wish to rapidly scale their Colombian production, which would also rapidly increase the amount of biomass that would require extraction.

The payment has been agreed in a percentage of the production that will be calculated based on the final potency of the biomass.

MCCN expects to generate revenue through selling the product that it receives through extraction services by exporting the product to its operating trading arm based in Switzerland. Recently, all

products that have been supplied to MCCN Switzerland have been sold to third parties in different European countries.

The first 1,200kg of biomass was immediately delivered to the MCCN Extraction facilities, upon the execution of the agreement. MCCN will begin the extraction process upon the receipt of the dried biomass. It is expected that this first delivery will generate a revenue of approximately USD \$20,000 after completion of extraction processes and the selling of product produced, and, with current negotiations, MCCN expects that its extraction subsidiary will become self-sustainable and profitable during the third quarter of 2021.

About Medcolcanna

Medcolcanna is a Canadian-integrated medical cannabis company, whose fully licensed operations are based in Colombia.

Led by a proven and successful management team, Medcolcanna has a growing number of facilities in optimal growing locations, which positions the Company to become a global leader in the medical cannabis market.

Medcolcanna employs state-of-the-art organic agricultural technology and innovative pharmaceutical processes to produce high-quality products.

The Company's scalable production model and network of pharmaceutical partnerships globally ensures that they remain at the forefront of the medical cannabis industry.

If you would like to receive News Releases via email as soon as they are published, please subscribe here: <https://medcolcanna.com/contact-us/> or write to info@medcolcanna.com.

Additional information about Medcolcanna can be found on its web site at medcolcanna.com

Medcolcanna Investor Relations Contact: Chris Reid, CFO Carrera 49b # 93-62 Bogota, Colombia
Phone: +571 642-9113
Email: info@medcolcanna.com

Forward-Looking Statements

This news release contains "forward-looking information" and "forward-looking statements" (collectively, "forward-looking statements") within the meaning of the applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release.

Any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as "expects", or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "budget", "scheduled", "forecasts", "estimates", "believes" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may", "could", "would", "might" or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements.

Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to general business, economic, competitive, political and social uncertainties; and the delay or failure to receive board, shareholder or regulatory approvals for any proposed transaction, including those discussed herein. There can be no assurance that such statements will prove to be accurate, as actual results and

future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on the forward-looking statements and information contained in this news release.

Medcolcanna assumes no obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change, except as required by law.