



MEDCOLCANN ORGANICS INC. ANNOUNCES CORPORATE UPDATE

Bogotá, Colombia, May 3, 2022

Medcolcanna Organics Inc. (“**Medcolcanna**”, “**MCCN**” or the “**Company**”) (CSE: MCCN), a leading Canadian and globally integrated medicinal cannabis company with operations in Colombia, announced today that its audited financial report, CEO and CFO certifications, and management discussion & analysis (the “**Annual Filings**”) for the year ended December 31, 2021 were not released as scheduled on or about May 2, 2022. It is now anticipated that the release will occur on or about June 15, 2022.

The Company is late in the preparation of the Annual Filings due to financial difficulties that it has been experiencing as it tries to restructure the Company and move towards financial self-sustainability and generating revenue through the export of dried flower to various international jurisdictions following recent legislative changes in Colombia. The Company only recently made arrangements to obtain the necessary financing to pay for the costs associated with the audit and the payment of its staff to allow for the preparation of such financial statements. The preparation and review of the Annual Filings is expected to be commenced in the very near future but will not be completed in time to meet the filing deadline.

As a result of the delay, the Company has voluntarily requested that the Securities Commissions in Alberta, British Columbia and Ontario issue a temporary order that prohibits certain current directors, officers and insiders of Groundstar from trading in securities of the Company for so long as the Annual Filings are not filed and has been granted such order as of May 3, 2022. The issuance of such management cease trade order does not affect the ability of persons who are not directors, officers or insiders of the issuer to trade in their securities. The Company intends to provide updates in accordance with National Policy 12-203 – *Management Cease Trade Orders* with respect to further developments in respect of this matter promptly following their occurrence, including the issuance of bi-weekly status update reports until such time as the Annual Filings are completed.

Further, the Company announces that it has recently received the resignation from Pablo Abba Vieira as a member of the Board of Directors. Mr. Vieira has resigned from the Company for personal reasons. The Board of Directors of the Company thanks Mr. Vieira for his contributions to the Company and wishes him well in his future endeavours.

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

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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.