

GCAC to Acquire Interest in Leading South African Cannabis Insurance Firm

Efixii now being sold on four continents

Vancouver, British Columbia, Canada, January 25, 2022 – Global Cannabis Applications Corp. ("GCAC" or the "Company") (CSE: APP, FSE: 2FA, OTCQB: FUAPF), a leading medical cannabis chain-of-custody compliance and data platform, announced it has signed a Letter of Intent to acquire 33% of a South African Cell Captive (“CC”) insurance company focused on Cannabis grow operations in Southern Africa from Blue Anchor Risk Solutions (“BAR”). As part of the transaction, GCAC will grant BAR exclusive sub-license rights for Efixii software in South Africa, Lesotho and Zimbabwe, and BAR will pay GCAC royalty fees based on the usage. The LOI is expected to become a definitive agreement no later than February 15, 2022. Cultivators using Efixii will be offered preferred insurance rates by BAR due to Efixii’s superior compliance and transparency, which reduces certain underwriters' risks.

For purposes of the Transaction, CC will be valued at \$600,000 such that GCAC will purchase 33% of CC by granting 4,000,000 new common shares of GCAC shares (“APP”) to BAR at a deemed price of \$0.05. The 4,000,000 common shares of APP will be used by CC as collateral (the “Collateral”) for its insurance book. The Collateral may only be sold if a valid claim is registered by the holder of the Collateral. BAR will grant an option to GCAC to purchase 4,000,000 common shares back of APP at a price of \$0.001 per share, exercisable by the Company the sooner of when the Collateral is replaced by cash flow of the Cell Captive and the 2nd anniversary of the Transaction. Upon replacement of the collateral, GCAC will still maintain its 33% interest in the Cell Captive.

A Cell Captive is a special purpose insurance vehicle licensed to underwrite a particular class of risk or industry segment. BAR’s Cell Captive provides the capability to underwrite medicinal cannabis cultivators and growers. Currently no other South African insurer offers industry-specific solutions to a rapidly growing market. There are approximately 45 approved commercial licenses in South Africa with a further 150 applications in process. The Lesotho market is more advanced with approximately 15 growers now coming on-line. In Zimbabwe there are 47 licenses issued or in the process of being issued.

“As the first cell captive insurance offered exclusively to the cannabis sector, we require governance and quality assurance by our cultivators of which Efixii provides as a software system. With over 400 licenses issued on the African continent, we believe as an insurance company and provider of the state-of-the-art track, trace, and efficacy solution will provide the insight required for better quality and global compliance and governance for offering premium African grown product globally”, states Blue Anchor Risk Founder, Ildiko Richardson.



Global Cannabis Applications Corporation

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About the Blue Anchor Risk

Blue Anchor Risk is the only specialist Cannabis underwriter in Southern Africa. Months of research and collaboration has resulted in a specialised wording that protects the client and the Insurance industry supporters, providing enough confidence to establish a South African solution for this growing industry. This sector has been earmarked by the Government to be an expanding industry in South Africa, with over 40 licenses issued and over 100 in application. Many international companies have shown interest in establishing growing facilities within South Africa, Zimbabwe, and Lesotho where Blue Anchor Risk operates can give stakeholders assurance and security on their investment into South African cultivation. To learn more about Blue Anchor Risk, please visit <http://www.barisk.co.za>.

About Global Cannabis Applications Corp. “GCAC”

GCAC is a global leader in designing, developing, SaaS licensing and acquiring innovative data technologies for the medical cannabis industry. The Citizen Green and Efixii platforms are the world's first end-to-end - from patient to regulator - medical cannabis data solutions. They use six core technologies: mobile applications, artificial intelligence, RegTech, smart databases, Ethereum blockchain and GCAC smart rewards. These technologies transparently disclose cannabis chain-of-custody events, thereby enabling patients to provide crowd-sourced medical cannabis efficacy data. Driven by digital and cannabis industry experts, GCAC is focused on generating revenue from SaaS licensing its technology and acquiring high quality cannabis datasets that improve patient outcomes and to become the world's largest cannabis efficacy data provider.

For more Company information, please visit www.cannappscorp.com, or review its profiles on www.sedar.com and on the Canadian Securities Exchange's website www.thecse.com.

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Forward-Looking Information

This news release may include forward-looking information within the meaning of Canadian securities legislation, concerning the business of GCAC. Forward-looking information is based on certain key expectations and assumptions made by the management of GCAC. Although management of the Company believes that the expectations and assumptions on which such forward-looking information is based are reasonable, undue reliance should not be placed on the forward-looking information because GCAC can give no assurance that they will prove to be correct. Forward-looking statements contained in this news release are made as of the date of this news release. GCAC disclaims any intent or obligation to update publicly any forward-looking information, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.

The Canadian Securities Exchange has not reviewed and does not accept responsibility for the adequacy and accuracy of this information.

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