

Innocan Pharma Corporation Announces C\$8.2 Million Private Placement with Institutional Investors

Herzliya, Israel and Calgary, Alberta--(Newsfile Corp. - October 8, 2021) - Innocan Pharma Corporation (CSE: INNO) (FSE: IP4) (OTCQB: INNPF) (the "**Company**" or "**Innocan**"), today announced that it has entered into securities purchase agreements for a private placement of the Company's common shares (a "**Common Share**" and, collectively, the "**Common Shares**") and warrants to purchase common shares ("**Common Warrants**") to institutional investors for aggregate gross proceeds to the Company of approximately C\$8.2 million (the "**Private Placement**"). Pursuant to the Private Placement, the Company will issue up to 9,679,000 Common Shares and Common Warrants to purchase up to 9,679,000 Common Shares at a combined purchase price of C\$0.85 per Common Share and associated Common Warrant. Each Common Warrant will entitle the holder thereof to purchase one Common Share at an exercise price of C\$1.10 per share at any time prior to the five-year anniversary of the closing date of the Private Placement (the "**Closing Date**"). The Company expects the Closing Date to occur on or about October 13, 2021. The Private Placement is subject to the satisfaction of certain customary closing conditions, including the receipt of all necessary regulatory and stock exchange approvals.

A.G.P./Alliance Global Partners (the "**Agent**") is acting as the exclusive placement agent for the Private Placement.

In the United States, the Common Shares, Common Warrants and the shares issuable upon the exercise of the Common Warrants will be offered on a private placement basis pursuant to exemptions from the registration requirements of the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), and certain other jurisdictions in accordance with applicable securities laws.

No securities will be offered for sale or sold in Canada.

This news release shall not constitute an offer to sell, or a solicitation of an offer to buy, any securities of the Company nor shall there be any sale of any of the securities in any jurisdiction in Canada in connection with the Private Placement; nor shall it constitute an offer to sell, or the solicitation of an offer to buy, any securities of the Company nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. This news release shall not constitute an offer of securities for sale in the United States. The securities have not been, and will not be, registered under the U.S. Securities Act and such securities may not be offered or sold within the United States absent registration under U.S. federal and state securities laws or an applicable exemption from such U.S. registration requirements.

About Innocan

Innocan, together with its wholly-owned subsidiary, Innocan Pharma Ltd. ("Innocan Israel") is a pharmaceutical tech company that focuses on the development of several drug delivery platforms containing CBD. Innocan Israel and Ramot at Tel Aviv University are collaborating on a new, revolutionary exosome-based technology that targets both central nervous system (CNS) indications and the Covid-19 Coronavirus using CBD. CBD-loaded exosomes hold the potential to help in the recovery of infected lung cells. This product, which is expected to be administered by inhalation, will be tested against a variety of lung infections.

Innocan Israel signed a worldwide exclusive license agreement with Yissum, the commercial arm of The Hebrew University of Jerusalem, to develop a CBD drug delivery platform based on a unique-and novel

controlled slow-release technologies to be administered by injection. Innocan Israel plans, together with Professor Barenholz, to test both the above novel platform and the previously developed liposome platform (PCT filed on October 01, 2020) on several potential conditions. Innocan Israel is also working on a dermal product that integrates CBD with other pharmaceutical ingredients as well as the development and sale of CBD-integrated pharmaceuticals, including, but not limited to, topical treatments for the relief of psoriasis symptoms as well as the treatment of muscle pain and rheumatic pain. The founders and officers of Innocan Israel each have commercially successful track records in the pharmaceutical and technology sectors in Israel and globally.

Forward-Looking Statements

This news release contains "forward-looking information" within the meaning of applicable securities laws. All statements contained herein that are not clearly historical in nature may constitute forward-looking information. In some cases, forward-looking information can be identified by words or phrases such as "may", "will", "expect", "likely", "should", "would", "plan", "anticipate", "intend", "potential", "proposed", "estimate", "believe" or the negative of these terms, or other similar words, expressions, and grammatical variations thereof, or statements that certain events or conditions "may" or "will" happen, or by discussions of strategy.

Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is based on assumptions made in good faith and believed to have a reasonable basis. Such assumptions include, without limitation, assumptions relating to the Private Placement, including the timing, potential completion and the expected closing date of the Private Placement.

However, forward-looking statements are subject to risks, uncertainties, and other factors, which could cause actual results to differ materially from future results expressed, projected, or implied by such forward-looking statements. Such risks include, but are not limited to: the ability of the Company to satisfy the conditions to closing of the Private Placement; that the Private Placement may not be completed on the terms and timeline indicated; additional financing requirements; general global and local (national) economic, market and business conditions; governmental, regulatory and stock exchange requirements and approvals and actions by governmental authorities; the success of the Company's research and development activities; risks related to the Company's license agreements; the integration of CBD into the Company's dermal products; the treatment of conditions and/or relief of symptoms resulting from the use of the Company's technologies and products; the Company's collaborations with Ramot at Tel Aviv University and Hebrew University of Jerusalem, suppliers, manufacturers, customers, business partners and competitors; timing for market entry may change for a number of reasons, including the inability to secure necessary regulatory requirements, or the need for additional time to conclude and/or satisfy the manufacturing and distribution arrangements.

Accordingly, undue reliance should not be placed on forward-looking statements and the forward-looking statements contained in this press release are expressly qualified in their entirety by this cautionary statement. The forward-looking statements contained herein are made as at the date hereof and are based on the beliefs, estimates, expectations, and opinions of management on such date. The Company does not undertake any obligation to update publicly or revise any such forward-looking statements or any forward-looking statements contained in any other documents whether as a result of new information, future events or otherwise or to explain any material difference between subsequent actual events and such forward-looking information, except as required under applicable securities law. Readers are cautioned to consider these and other factors, uncertainties, and potential events carefully and not to put undue reliance on forward-looking information.

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