

Innocan Pharma Announces Closing of Second and Final Tranche of Financing

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HERZLIYA, Israel and CALGARY, Alberta, Oct. 20, 2023 /CNW/ -- Innocan Pharma Corporation ("**Innocan**" or the "**Company**") (CSE: INNO) (FSE: IP4) (OTCQB: INNPF) is pleased to announce that it has closed the second and final tranche (the "**Second Tranche**") of its previously announced private placement offering (the "**Offering**") of units of the Company (the "**Units**"), pursuant to which the Company issued 4,005,408 Units at a price of \$0.30 per Unit (the "**Offering Price**") for aggregate gross proceeds of \$1,201,622.40. In total, the Company issued an aggregate of 5,425,608 Units under the Offering for aggregate gross proceeds of \$1,627,682.40.



The Offering is led by Research Capital Corporation as sole agent and sole bookrunner (the "**Agent**").

Each Unit is comprised of one common share of the Company (a "**Common Share**") and one purchase warrant of the Company (a "**Warrant**"). Each Warrant shall entitle the holder thereof to purchase one Common Share at an exercise price of \$0.36 for a period of 36 months from the closing of the Second Tranche.

The Company intends to use the net proceeds from the Offering to fund the Company's pre-investigational new drug meeting with the United States Food and Drug Administration (the "**FDA**") regarding the human application of the Company's products (the "**Pre-IND Meeting**"); the investigational new animal drug meeting with the FDA regarding the veterinary application of the Company's products; and (iii) for the expansion of the Company's derma-cosmetic product distribution.

The Units issued under the Second Tranche were offered to purchasers pursuant to the listed issuer financing exemption under Part 5A of National Instrument 45-106 – *Prospectus Exemptions*. The Units are not subject to resale restrictions pursuant to applicable Canadian securities laws. The Broker Warrants (as defined below) are subject to a statutory four-month hold period pursuant to applicable Canadian securities laws.

In connection with the Second Tranche, the Agent received an additional cash fee equal to \$18,330. In addition, the Company issued to the Agent, 61,100 non-transferable broker warrants (the "**Broker Warrants**"). Each Broker Warrant entitles the holder thereof to purchase one Unit at an exercise price equal to the Offering Price for a period of 36 months following the closing date of the Second Tranche. The Company also paid the Agent a corporate finance advisory fee consisting of 122,500 Units, \$27,700 in cash and 92,330 Broker Warrants.

This news release does not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of any of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful, including any of the securities in the United States of America. The securities described herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**1933 Act**") or any state securities laws and may not be offered or sold within the United States or to, or for account or benefit of, U.S. Persons (as defined in Regulation S under the 1933 Act) unless registered under the 1933 Act and applicable state securities laws, or an exemption from such registration requirements is available.

About Innocan

Innocan is a pharmaceutical tech company that operates under two main segments: Pharmaceuticals and Consumer Wellness. In the Pharmaceuticals segment, Innocan focuses on developing innovative drug delivery platform technologies comprises with cannabinoids science, to treat various conditions to improve patients' quality of life. This segment involves two drug delivery technologies: (i) LPT CBD-loaded liposome platform facilitating exact dosing and the prolonged and controlled release of CBD into the blood stream. The LPT delivery platform research is in the preclinical trial phase for two indications: Epilepsy and Pain Management. (ii) CLX CBD-loaded exosomes platform that may hold the potential to provide a highly synergistic effect of regenerating and anti-inflammatory properties targeting the Central Nervous System (CNS). In the Consumer Wellness segment, Innocan develops and markets a wide portfolio of innovative and high-performance self-care products to promote a healthier lifestyle. Under this segment Innocan has established a Joint Venture by the name of BI Sky Global Ltd. that focuses developing on advanced targeted online sales. <https://innocanpharma.com/>

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Disclaimer for Forward-Looking Information

This news release includes certain statements and information that constitute forward-looking information within the meaning of applicable Canadian securities laws. All statements in this news release, other than statements of historical facts are forward-looking statements. Such forward-looking statements and forward-looking information specifically include, but are not limited to, statements that relate to the timing and pricing in respect thereof; the use of proceeds of the Offering; and timely receipt of all necessary approvals, including any requisite approval of the Canadian Securities Exchange.

Statements contained in this release that are not historical facts are forward-looking statements that involve various risks and uncertainty affecting the business of the Company. Such statements can generally, but not always, be identified by words such as "expects", "plans", "anticipates", "intends", "estimates", "forecasts", "schedules", "prepares", "potential" and similar expressions, or that events or conditions "will", "would", "may", "could" or "should" occur. All statements that describe the Company's plans relating to operations and potential strategic opportunities are forward-looking statements under applicable securities laws. These statements address future events and conditions and are reliant on assumptions made by the Company's management, and so involve inherent risks and uncertainties, as disclosed in the Company's periodic filings with Canadian securities regulators. As a result of these risks and uncertainties, and the assumptions underlying the forward-looking information, actual results could materially differ from those currently projected, and there is no representation by the Company that the actual results realized in the future will be the same in whole or in part as those presented herein. The Company disclaims any intent or obligation to update forward-looking statements or information except as required by law. Readers are referred to the additional information regarding the Company's business contained in the Company's reports filed with the securities regulatory authorities in Canada. Although the Company has attempted to identify important factors that could cause actual actions, events, or results to differ materially from those described in forward-looking statements, there may be other factors that could cause actions, events or results not to be as anticipated, estimated or intended. For more information on the Company and the risks and challenges of its business, investors should review the Company's filings that are available at www.sedarplus.ca.

The Company provides no assurance that forward-looking statements and information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements or information. Accordingly, readers should not place undue reliance on forward-looking statements or information. The Company does not undertake to update any forward-looking statements, other than as required by law.

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