

Cannara Announces Proposed Share Consolidation



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Cannara Biotech Inc. →

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MONTREAL, Jan. 12, 2023 /CNW/ - Cannara Biotech Inc. ("**Cannara**" or the "**Company**") (TSXV: LOVE) (OTCQB: LOVFF) (FRA: 8CB), a vertically integrated producer of premium-grade cannabis and derivative products with two mega facilities based in Québec spanning over 1,650,000 sq. ft., today announces details of its proposal to consolidate all of the issued and outstanding common shares of the Company on the basis of ten (10) pre-consolidation common shares for every one (1) post-consolidation common shares, subject to the approval of shareholders at the upcoming meeting of shareholders to take place on January 25, 2023, as well as TSXV approval.

Currently, the Company's authorized share capital is an unlimited number of common shares without par value, of which 877,481,321 shares are issued and outstanding, with a further 45,107,450 shares reserved for issuance upon the exercise of existing stock options.

The Board of Directors believes that the share consolidation will provide the Company with greater flexibility in developing its plans.

The Company does not intend to undergo a name change in conjunction with the proposed consolidation.

Upon completion of the share consolidation, it is expected that there will be approximately 87,748,132 common shares issued and outstanding, subject to adjustment for fractional shares. The number and exercise price of all stock options will be adjusted in accordance with the consolidation ratio.

About Cannara Biotech Inc.

Cannara Biotech Inc. (TSXV: LOVE) (OTCQB: LOVFF) (FRA: 8CB) is a vertically integrated producer of affordable premium-grade cannabis and cannabis-derivative products for the Québec and Canadian markets. Cannara owns two mega facilities based in Québec spanning over 1,650,000 sq. ft., providing the Company with 125,000kg of potential annualized cultivation output. Leveraging Québec's low electricity costs, Cannara's facilities produce premium-grade cannabis products at an affordable price. For more information, please visit cannara.ca.

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This information release contains certain forward-looking information. Such information involves known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by statements herein, and therefore these statements should not be read as guarantees of future performance or results. All forward-looking statements are based on the Company's current beliefs as well as assumptions made by and information currently available to it as well as other factors. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release. Due to risks and uncertainties, including the risks and uncertainties identified by the Company in its public securities filings, actual events may differ materially from current expectations. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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