

## **Cannara Insiders Form Buying Group to Fully Acquire FSD/FV Pharma's Position in Cannara**

*Insiders' increase stake in Cannara coincides as cultivation poised to commence*

VANCOUVER, Feb. 20, 2020 /CNW/ - Cannara Biotech Inc. ("Cannara") (CSE: LOVE) (OTCQB: LOVFF) (FRA: 8CB), today announced a buying group which includes Javaa Private Equity Inc. ("Javaa") has collectively acquired a total of 85,003,250 common shares from FSD/FV Pharma Inc., the majority of which remain in escrow, stemming from Cannara's go-public transaction a year ago. This \$7.7 million transaction ensures a smooth transition of approximately 12% of Cannara's issued and outstanding common shares.



Post transaction, FSD/FV Pharma holds no remaining interest in Cannara and Dr. Sara May, the President of FV Pharma Inc. will step down from the Company's Board of Directors. The Company is evaluating alternative independent directors and will fill the vacancy in a timely fashion.

"The buying group, a combination of insiders and independent, third party investors who understand Cannara's potential and the progress it has made since going public, are committed to the Company's strategic plan of being a leader in Quebec's cannabis landscape," said Lennie Ryer, CFO of Cannara. "With last month's license granted from Health Canada, we are now poised to begin full cultivation operations at Phase 1 of the Farnham facility, with an annual capacity of 20,000 kgs of premium, indoor grown cannabis."

Following their acquisition of 8,161,626 common shares of Cannara in the transaction, Javaa now holds 242,167,820 common shares of Cannara representing approximately 34.3% of the issued and outstanding common shares. The shares of Cannara acquired by Javaa are held for investment purposes. Javaa may in the future purchase or sell shares of Cannara or otherwise trade in securities of or engage in other transactions with respect to Cannara depending on a number of factors, including but not limited to, Cannara's financial position, the price levels of the common shares of Cannara, conditions in the securities markets and general economic and industry conditions, Cannara's business or financial condition, and other factors and conditions Javaa deems appropriate.

For further information, a copy of the Early Warning Report to which this press release relates can be obtained from Cannara's SEDAR profile at [www.sedar.com](http://www.sedar.com).

### **About Cannara Biotech Inc.**

Cannara Biotech Inc. (CSE: LOVE) (OTCQB: LOVFF) (FRA: 8CB), an emerging vertically integrated cannabis company focused on indoor cultivation, processing and medical sale of premium dried cannabis and cannabis derivatives under *The Cannabis Act*, is home to one of the largest indoor cannabis cultivation facilities (625,000 square feet) in Canada and the largest in Québec. Leveraging Québec's low electricity costs, Cannara Biotech's Farnham Facility will produce premium indoor cannabis and cannabis-infused products for the Canadian and international markets.

***The CSE nor its Regulation Services Provider accepts responsibility for the adequacy or accuracy of this release.***

**Cautionary Statement Regarding "Forward-Looking" Information**

*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.*

SOURCE Cannara Biotech Inc.

2/20/2020 2:30:00 AM