

**For Immediate Distribution**

**Cannara Announces Strategic C\$6.3 Million Non-Brokered Private Placement Priced at C\$2.10 per Common Share**

MONTREAL, QUÉBEC – February 4, 2026 – [Cannara Biotech Inc.](#) (“**Cannara**”, “the **Company**”, “**us**” or “**we**”) ([TSXV: LOVE](#)) ([OTCQX: LOVFF](#)) ([FRA: 8CB0](#)), a vertically integrated producer of premium-grade cannabis products at affordable prices with two mega facilities based in Québec spanning over 1,600,000 sq. ft., is pleased to announce it has completed a strategic, non-brokered private placement with Phoenician Capital LLC (“**Phoenician**”). Pursuant to the terms of a subscription agreement, Phoenician has agreed to subscribe for 3,000,000 common shares of the Company (the “**Common Shares**”) at a price of C\$2.10 per Common Share, for proceeds of C\$6,300,000, on a non-brokered private placement basis (the “**Private Placement**”), subject to final acceptance of the TSX Venture Exchange (the “**TSXV**”).

The proceeds from the Private Placement are expected to be used for working capital and strategic investments, including supporting continued capital investments into the Valleyfield Facility, expanding operations and maintaining balance sheet flexibility.

The issue price of the Common Shares represents an approximate 16% premium to the Company’s closing price on February 3, 2026, the last trading day prior to the announcement of the Private Placement.

“This strategic investment supports the next stages of expansion at our Valleyfield operations,” commented Zohar Krivorot, Chief Executive Officer of Cannara. “Phoenician’s long-term, fundamentals-driven investment approach aligns well with our strategy and governance philosophy. Their decision to invest at a premium reflects confidence in our operating model and our disciplined plan to scale.”

“We are pleased to support Cannara at this stage of its growth,” said John Khabbaz, Founder and Chief Investment Officer of Phoenician. “Cannara has built a differentiated platform with a clear focus on operational discipline and long-term value creation. We look forward to partnering with management as the Company continues to execute on its strategic objectives.”

The Common Shares issued in connection with the Private Placement are subject to a statutory hold period of four months and one day from the date of issuance, in accordance with applicable Canadian securities laws and the policies of the TSXV. No finder’s fees or commissions were paid in connection with the Private Placement.

The Common Shares issued in connection with the Private Placement have not and will not be registered under the U.S. Securities Act of 1933, as amended (the “**1933 Act**”), and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements under the 1933 Act. This press release does not constitute an offer to sell or a solicitation of any offer to buy Common Shares in the United States.

The Company further announces that Zohar Krivorot, the Chief Executive Officer and Chairman of the Company, has entered into an agreement to sell, on an exempt basis, 333,333 Common Shares of the Company to Phoenician at a price of C\$2.10 per Common Share (the “**Secondary Share Sale**”). The Company is not a party to the Secondary Share Sale and will not receive any proceeds from the transaction, which was undertaken solely to offset personal tax losses arising due to the recent vesting of certain restricted share units in the Company. The Common Shares sold to Phoenician under the Secondary Share Sale are also subject to restrictions on transfer for a period of four months and one day.

Prior to completion of the Secondary Share Sale, Mr. Krivorot beneficially owns or exercises control or direction over, directly or indirectly, 25,852,540 Common Shares of the Company, representing approximately 26.99% of the issued and outstanding Common Shares. Upon completion of the Secondary Share Sale, Mr. Krivorot is expected to beneficially own or exercise control or direction over, directly or

indirectly, 25,519,207 Common Shares of the Company, representing approximately 25.83% of the issued and outstanding Common Shares, after giving effect to the Private Placement.

### **About Phoenician Capital**

Phoenician Capital LLC is an investment management firm headquartered in New York City. Phoenician invests in select small-and-mid-cap public companies globally, with a focus on high-quality growth businesses that are founder-led, and where rigorous diligence and long-term ownership can support durable compounding over time.

### **Voting Results from Annual General and Special Meeting of Shareholders**

The Company also announced the voting results from its annual general and special meeting of shareholders held on January 29, 2026.

All of the nominees for directors listed in the Company's Management Proxy Circular dated December 18, 2025, were elected by a majority of shareholders. The voting results for each nominee are as follows:

NOMINEES	IN FAVOR (#)	IN FAVOR (%)	WITHHELD (#)	WITHHELD (%)
Zohar Krivorot	62,166,863	99.99%	7,270	0.01%
Derek Stern	62,164,013	99.98%	10,120	0.02%
Donald Olds	62,160,055	99.98%	14,078	0.02%
Justin Cohen	62,167,013	99.99%	7,120	0.01%
Mary Durocher	62,160,225	99.98%	13,908	0.02%

### **Appointment of Auditors**

MNP LLP, Chartered Professional Accountants, were appointed as auditors of the Company by a majority of shareholders for Fiscal 2026. The voting results are as follows:

IN FAVOR (#)	IN FAVOR (%)	WITHHELD (#)	WITHHELD (%)
62,380,331	99.96%	22,214	0.04%

### **Approval of Stock Option Plan**

Shareholders also approved amendments to the Company's stock option plan, as described in the Management Proxy Circular dated December 18, 2025.

IN FAVOR (#)	IN FAVOR (%)	AGAINST (#)	AGAINST (%)	WITHHELD (#)	WITHHELD (%)
61,322,256	98.68%	821,277	1.32%	30,600	0.05%

### **Approval of RSU Plan**

Shareholders also approved amendments to the Company's restricted share unit plan, as described in the Management Proxy Circular dated December 18, 2025.

IN FAVOR (#)	IN FAVOR (%)	AGAINST (#)	AGAINST (%)	WITHHELD (#)	WITHHELD (%)
61,157,416	98.41%	985,817	1.59%	30,900	0.05%

## CONTACT

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***Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.***

## ABOUT CANNARA

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Cannara Biotech Inc. (TSXV: LOVE) (OTCQX: LOVFF) (FRA: 8CB0), is a vertically integrated producer of affordable premium-grade cannabis and cannabis-derivative products for the Canadian markets. Cannara owns two mega facilities based in Québec spanning over 1,600,000 sq. ft., providing the Company with 100,000 kg 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](http://cannara.ca).

## CAUTIONARY STATEMENT REGARDING “FORWARD-LOOKING” INFORMATION

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This news release may contain “forward-looking information” within the meaning of Canadian securities legislation (“**forward-looking statements**”). These forward-looking statements are made as of the date of this MD&A and the Company does not intend, and does not assume any obligation, to update these forward-looking statements, except as required under applicable securities legislation. Forward-looking statements relate to future events or future performance and reflect Company management's expectations or beliefs regarding future events and include, but are not limited to, statements related to the completion and timing of the Private Placement; receipt of all required regulatory and TSX Venture Exchange approvals; the intended use of proceeds from the Private Placement; anticipated capital expenditures at the Valleyfield facility; and the Company's strategic growth objectives and expansion plans.

In certain cases, forward-looking statements can be identified by the use of words such as “plans,” “expects” or “does not expect,” “is expected,” “budget,” “scheduled,” “estimates,” “forecasts,” “intends,” “anticipates” or “does not anticipate,” or “believes,” or variations of such words and phrases or statements that certain actions, events or results “may,” “could,” “would,” “might” or “will be taken,” “occur” or “be achieved” or the negative of these terms or comparable terminology. In this document, certain forward-looking statements are identified by words including “may,” “future,” “expected,” “intends” and “estimates.” By their very nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance, or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements.

Forward-looking information is based upon a number of assumptions and is subject to a number of risks and uncertainties, many of which are beyond our control, which could cause actual results to differ materially from those that are disclosed in, or implied by, such forward-looking information. These risks and uncertainties include, but are not limited to, the risk factors which are discussed in greater detail under “Risk Factors” in the Company's AIF available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) and under the “Investor Area” section of our website at <https://www.cannara.ca/en/investor-area>.

Other risks not presently known to the Company or that the Company believes are not significant could also cause actual results to differ materially from those expressed in its forward-looking statements.

Although the forward-looking information contained herein is based upon what we believe are reasonable assumptions, readers are cautioned against placing undue reliance on this information since actual results may vary from the forward-looking information. Certain assumptions were made in preparing the forward-looking information concerning the availability of capital resources, business performance, market conditions, as well as customer demand. Consequently, all of the forward-looking information contained herein is qualified by the foregoing cautionary statements, and there can be no guarantee that the results or developments that we anticipate will be realized or, even if substantially realized, that they will have the expected consequences or effects on our business, financial condition or results of operation. Unless otherwise noted or the context otherwise indicates, the forward-looking information contained herein is provided as of the date hereof, and we do not undertake to update or amend such forward-looking information whether as a result of new information, future events or otherwise, except as may be required by applicable law.