

Isracann Signs Cannabis Importation LOI with Major Israeli Manufacturer

--Canadian Export Product Aim to Help Reduce Shortages in Medical Supply Chain

VANCOUVER, BC, -- (GLOBE NEWSWIRE – February 3, 2021) – **Isracann Biosciences Inc.** (CSE: IPOT) (XFRA: A2PT0E) (OTC: ISCNF) (the “Company” or “Isracann”) an Israel-based company focused on becoming a premier low cost, high quality cannabis producer/distributor is pleased to announce it has entered a non-binding Letter of Intent (LOI) outlining an importation sales agreement with a major Israeli medical cannabis company.

The proposed relationship is with one of the leading cannabis product manufacturers in Israel, who for commercial reasons can not be identified at this time. Imported goods will consist of premium Canadian cannabis via Isracann’s agreement with Costa Canna Group’s cultivation subsidiary, United Greeneries Ltd. The arrangement includes the provision that all imported material will be sold under the Isracann brand with subsequent products locally manufactured by the proposed partner in accordance with Israeli GMP requirements.

Isracann’s Canadian import/export agreement provides exclusive access to established specialty strains including ultra high THC, high CBD, balanced, and specialty craft-grown strains which will eventually serve as alternative product offerings concurrent to the introduction of its own premium Israeli grown and branded products upon the commencement of cultivation from local Isracann-owned farm facilities.

The importance of imported sales through Isracann include immediate revenue generation, introduction of new brands to the Israeli market, and the ability to trial Isracann’s processing facilities and domestic distribution arrangements. The need to identify new logistics, systems and business opportunities prior to the anticipated explosive growth potential posed by recent recreational legalization efforts and pending access to major European markets are considered critical strategic factors for the sustainable growth of the Company.

The Israeli market for medical cannabis continues to grow at a rapid pace. Now with over 80,000 medical patients (*IMCA data*), the domestic growers are struggling to keep up with demand. Recent [news](#) regarding recreational legalization efforts position the local industry to grow to an indicated 2.5 million potential consumers.

Company CEO Darryl Jones states, “The agreement in-place is straightforward and is a win-win for both parties. The inexorable growth in demand for medical cannabis products combined with the potential recreational and export market scenarios means that the serious operators are making decisions right now as to how they will manage demand stressors in future. We have been speaking with several of the larger players in the sector and today’s announcement is likely to be joined with some additionally positive commercial decisions in the coming months. All of which means that we appear to be in the right place at the right time. Our team in Israel are well-connected and ensuring we are aware of the numerous opportunities and prevailing trends that allow us to act proactively. Strategically, we remain focused on securing agreements and opportunities in order to firmly position Isracann where we can best grow our value proposition and capitalize on the unfolding events in this exciting region.”

ON BEHALF OF THE BOARD OF DIRECTORS

“Darryl Jones”

Darryl Jones

Chief Executive Officer and President

About Costa Canna Group

Established in 2018 the Costa Canna Group and its subsidiary United Greeneries Ltd. is engaged in Cannabis Cultivation, Processing, Marketing, and distribution of premium cannabis products. Within its genetic library, United Greeneries holds over 120 unique strains that provide differentiation in the market and a unique consumer experience. The company is also concentrated on partnership flow through distribution to reduce CAPEX, reduce OPEX and improve profitability with a focus on West Coast Indoor, Micro and Outdoor cultivated products. The company has current distribution contracts with 7 provinces in the domestic market and is also engaged in International distribution. For more information visit: www.unitedgreeneries.ca.

About Isracann Biosciences Inc. (CSE: IPOT) (XFRA: A2PT0E) (OTC: ISCNF)

Isracann is an Israeli-based cannabis company focused on becoming a premier cannabis producer/distributor offering low-cost production targeting undersupplied, major European marketplaces. Based in Israel's agricultural sector, Isracann will leverage its development within the most experienced country in the world with respect to cannabis research. The Company has secured agreements within Israel for medicinal marijuana cultivation. For more information visit: www.isracann.com.

The CSE does not accept responsibility for the adequacy or accuracy of this release.

All statements, other than statements of historical fact, included herein are forward-looking statements that involve various risks and uncertainties. The use of any of the words “anticipate”, “continue”, “estimate”, “expect”, “may”, “will”, “would”, “project”, “should”, “believe” and similar expressions are intended to identify forward-looking statements. There can be no assurance that such statements, including the impacts of the COVID-19 pandemic and supply and demand trends in the cannabis industry, will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ, materially from the Company’s expectations are disclosed in the Company’s documents filed from time to time with the Canadian Securities Exchange, the British Columbia Securities Commission, the Ontario Securities Commission, and the Alberta Securities Commission.

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