

MTL Cannabis Announces Mailing of the Management Information Circular in Connection with its Special Meeting of Shareholders to Approve the Acquisition by Canopy Growth

The Board of Directors of MTL Cannabis unanimously recommends that Shareholders vote FOR the Arrangement Resolution

Your vote is important no matter how many shares you hold. Vote today.

Pickering, Ontario – January 27, 2026 (CNW) – MTL Cannabis Corp. (CSE: MTLC; OTCQX: MTLNF) (“**MTL Cannabis**” or the “**Company**”) is pleased to announce that the Company has mailed its management information circular (the “**Circular**”) and related proxy materials for its special meeting of the holders (the “**Shareholders**”) of common shares of MTL Cannabis (the “**MTL Shares**”) to be held at the offices of Farris LLP at 700 W Georgia St #2500, Vancouver, BC V7Y 1B3 at 9:00 a.m. (Vancouver time) on February 17, 2026 (the “**Meeting**”). The Circular and related proxy materials are now available under the Company’s issuer profile on SEDAR+ at www.sedarplus.ca as well as on the Company’s website at www.mtlcorp.ca/special-meeting.

The Arrangement

At the Meeting, Shareholders will be asked to consider and vote on a special resolution (the “**Arrangement Resolution**”) to approve a proposed plan of arrangement (the “**Arrangement**”) under Section 192 of the *Canada Business Corporations Act*, whereby, among other things, Canopy Growth Corporation (“**Canopy Growth**”) will acquire all of the issued and outstanding MTL Shares, in accordance with the terms of the arrangement agreement dated December 14, 2025 between MTL Cannabis and Canopy Growth, as amended on January 6, 2026 (the “**Arrangement Agreement**”) which was previously announced on December 15, 2025. Under the terms of the Arrangement Agreement, among other things, each Shareholder will receive fixed consideration for each MTL Share equal to: (i) 0.32 of a common share (each whole share, a “**Canopy Share**”) of Canopy Growth (the “**Share Consideration**”) and (ii) \$0.144 in cash (the “**Cash Consideration**”) and, together with the Share Consideration, the “**Consideration**”).

Board Recommendation and Reasons for the Board Recommendation

The board of directors of MTL Cannabis (the “**Board**”) determined that the Arrangement is fair to the Shareholders and that the Arrangement is in the best interests of MTL Cannabis and unanimously recommends that Shareholders vote FOR the Arrangement Resolution for the following reasons:

- **Significant Premium to Shareholders.** The Arrangement provides Shareholders with a significant premium per Share of approximately 82% to the closing price of the MTL Shares on the Canadian Securities Exchange (the “**CSE**”) on December 12, 2025, and approximately 57% to the 30-day volume weighted average trading price of the MTL Shares on the CSE based on the closing price of the Canopy Shares on the Toronto Stock Exchange (the “**TSX**”) on December 12, 2025.
- **Immediate Liquidity and Meaningful Increase in Trading Liquidity.** The Shareholders will receive immediate and fixed liquidity for their MTL Shares from the Cash Consideration portion of the Consideration to be received by Shareholders pursuant to the Arrangement. In addition to the Cash Consideration, Shareholders will also receive the Share Consideration as a portion of the Consideration. The Canopy Shares to be received should have substantially more trading liquidity

than the MTL Shares have had historically, are listed on the Nasdaq Global Select Market and TSX, and have had an average daily trading volume in excess of \$35 million per day, providing significant liquidity and monetizable value for Shareholders, which is of particular benefit to Shareholders given the lack of liquidity in the MTL Shares.

- **Exposure to Global Cannabis Market.** Through the Share Consideration portion of the Consideration payable pursuant to the Arrangement, Shareholders will receive exposure to Canopy Growth's diversified global cannabis platform outside of Canada through its operations in Europe and Australia and the highly differentiated, and indirect exposure, into the United States, the largest cannabis market in the world, through its unconsolidated, non-controlling interest in Canopy USA, LLC.
- **Enhanced Scale and Access to Capital.** MTL has historically faced challenges accessing capital markets for equity with no history of substantial equity financing or analyst coverage. If the Arrangement is completed, Shareholders will, through their ownership in Canopy Shares, benefit from an enhanced capital markets presence and a broader shareholder group, with strengthened access to growth capital in the form of both debt and equity.
- **Strengthen Canopy Growth's Leadership Capabilities Through Retention of Key MTL Cannabis Management.** Canopy Growth expects to retain core members of MTL Cannabis' leadership team, including its experience in cultivation and operations. MTL Cannabis has proven expertise in high-quality flower production, genetics selection, supply chain management, and facility operations. Shareholders will, through their ownership in Canopy Shares, benefit as this will complement Canopy Growth's existing capabilities and reinforce operational discipline through integration and ongoing cultivation improvement.
- **Expected to Elevate Canopy Growth to the Leading Position in Canada's Medical Cannabis Market.** MTL Cannabis' complementary patient network, strategically located clinics under the Canada House brand and established online medical channel, Abba Medix, expands Canopy Growth's ability to reach and support patients nationwide. With the addition of MTL Cannabis, Canopy Growth's Canadian medical cannabis business is expected to establish Canopy Growth as the leading medical cannabis provider in Canada.
- **Elevated Share in Canada Adult-Use Market.** Canopy Growth intends to leverage its broad distribution network and key relationships to expand the distribution of MTL Cannabis' flower, pre-rolled joints and hash product portfolio in British Columbia, Alberta and Ontario.
- **Cost Synergies.** The Arrangement is expected to achieve potential cost synergies estimated at approximately \$10 million, on an annualized basis, over a period of 18 months, which are expected to be realized from anticipated operating efficiencies and corporate integration.
- **Support of Shareholders.** Certain directors and officers of MTL Cannabis entered into support agreements and lock-up agreements, as applicable, representing approximately 75% of the issued and outstanding MTL Shares pursuant to which they each agreed, among other things and subject

to the terms of their respective agreements, to vote all of the MTL Shares held by them in favour of the Arrangement.

Additional details with respect to the Arrangement, the reasons for the unanimous recommendation of the Board, the unanimous recommendation of the special committee of the Board, as well as potential benefits and risks of the Arrangement, are described in the Circular.

Your vote is important regardless of the number of MTL Shares you own. Shareholders are encouraged to read the Circular and vote their MTL Shares well in advance of the Meeting and in any event, prior to the proxy voting deadline on Thursday, February 12, 2026 at 9:00 a.m. (Vancouver time).

Vote Requirements

To be effective the Arrangement Resolution must be approved by: (a) not less than $66\frac{2}{3}\%$ of the votes cast by Shareholders present or represented by proxy and entitled to vote at the Meeting; and (b) a majority of the votes cast by Shareholders present in person or represented by proxy and entitled to vote at the Meeting, excluding for this purpose votes attached to MTL Shares owned and/or controlled by any Shareholders required to be excluded under Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions*, as further detailed in the Circular.

Interim Order

The Company is also pleased to announce it has obtained the interim order (the "**Interim Order**") from the Supreme Court of British Columbia dated January 14, 2026 with respect to the Arrangement. The Interim Order, among other things, authorizes MTL to call and hold the Meeting relating to the Arrangement. A copy of the interim order is included in the Information Circular.

The hearing date for the application for the final order of the Supreme Court of British Columbia is scheduled for February 23, 2026. Assuming timely receipt of all necessary court, Shareholder, regulatory and third-party approvals and the satisfaction of all other conditions, closing of the Arrangement is expected to occur by the end of February 2026.

Shareholder Questions and Voting Assistance

Shareholders who have questions about the information contained in the Circular or require assistance with voting their MTL Shares may contact Laurel Hill Advisory Group, MTL Cannabis' proxy solicitation agent and Shareholder communications advisor, as follows:

Laurel Hill Advisory Group

Toll-Free: 1-877-452-7184 (for Shareholders in North America)

International: 1-416-304-0211 (for Shareholders outside North America)

Text Message: Text "Info", to 1-416-304-0211 or 1-877-452-7184.

By Email: assistance@laurelhill.com

About MTL Cannabis Corp.

MTL Cannabis Corp. is the parent company of Montréal Medical Cannabis Inc. ("**MTL Cannabis**"), a licensed producer operating from a 57,000 sq ft licensed indoor grow facility in Pointe Claire, Québec;

Abba Medix Corp., a licensed producer in Pickering, Ontario that operates a leading medical cannabis marketplace; IsoCanMed Inc., a licensed producer in Louiseville, Québec growing best-in-class indoor cannabis, in its 64,000 sq. ft. production facility; and Canada House Clinics Inc., operating clinics across Canada that work directly with primary care teams to provide specialized cannabinoid therapy services to patients suffering from simple and complex medical conditions.

As a flower-first company built for the modern street, MTL Cannabis uses proprietary hydroponic growing methodologies supported by handcrafted techniques to produce products that are truly craft for the masses. MTL Cannabis focuses on craft quality cannabis products, including lines of dried flower, pre-rolls and hash marketed under the "MTL Cannabis", "Low Key by MTL" and "R'belle" brands for the Canadian market through nine distribution arrangements with various provincial cannabis distributors. MTL Cannabis has also developed several export channels for bulk and unbranded GACP quality cannabis.

It is MTL Cannabis's goal for Abba Medix Corp. to become the leading distributor of medical cannabis in Canada and for Canada House Clinics to be the leading Canadian provider of medical cannabis clinic services. For further information, please visit www.mtlcorp.ca/ or the Company's public filings at www.sedarplus.ca.

For further information, please contact:

Michael Perron, CEO

MTL Cannabis

1-877-685-2266

investors@mtlcannabis.ca

Cautionary Statement Regarding Forward-Looking Information.

This press release contains "forward-looking information" and "forward-looking statements" (collectively, "forward-looking statements") within the meaning of applicable Canadian securities laws. Forward-looking statements relate to, among other things, the timing of the Meeting; the timing, outcome and potential benefits of the Arrangement; the closing of the Arrangement and the Company's business activities, operations, strategies, financial performance, objectives, goals, expansion plans, expectations, and estimates. Forward-looking statements are often, but not always, identified by the use of words such as "may," "will," "could," "should," "expect," "intend," "estimate," "anticipate," "believe," "plan," "potential," and "continue," or the negative of these terms.

Forward-looking statements are based on management's current beliefs and assumptions and on information currently available to the Company. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance, or achievements to differ materially from those expressed or implied. These risks and uncertainties include, the Arrangement may be terminated in some circumstances; there is no certainty that all conditions precedent to the Arrangement will be satisfied and that the Arrangement will be completed; the Company may not receive the required Shareholder approvals at the Meeting; Shareholders will receive a fixed number of Canopy Shares which will not reflect any change in the relative market value of MTL Shares; MTL Cannabis will incur costs even if the Arrangement is not completed and MTL Cannabis and Canopy Growth may have to pay various expenses incurred in connection with the Arrangement; MTL Cannabis could be required to pay a termination fee if the Arrangement is terminated in certain circumstances and the termination fee may discourage other parties from attempting to acquire MTL Cannabis; directors and officers of MTL Cannabis may have interests in the Arrangement that differ from the interests of the Shareholders following completion of the Arrangement; the Arrangement may divert the attention of MTL Cannabis' and Canopy Growth's management; uncertainty surrounding the Arrangement could adversely affect each MTL Cannabis' and Canopy Growth's retention of suppliers and personnel and could negatively impact future business and operations; the market price for the MTL Shares may decline; MTL Cannabis is restricted from taking certain actions until the completion of the Arrangement or until the Arrangement is terminated; MTL Cannabis and Canopy Growth may be

the targets of legal claims, securities class action, derivative lawsuits and other claims and any such claims may delay or prevent the Arrangement from being completed; MTL Cannabis and Canopy Growth may not realize the currently anticipated benefits of the Arrangement due to challenges associated with integrating the operations, technologies and personnel of MTL Cannabis with Canopy Growth; potential payments to Shareholders who exercise dissent rights could prevent the completion of the Arrangement; the issuance of Canopy Shares under the Arrangement and their subsequent sale may cause the market price of Canopy Shares to decline; the issuance of Canopy Shares under the Arrangement and their subsequent sale may cause the market price of Canopy Shares to decline; Canopy may issue additional equity securities; and MTL Cannabis has not verified the reliability of the information regarding Canopy Growth included herein, or which may have been omitted from the Circular. This list is not exhaustive of the factors that may affect any of the forward-looking statements.

Although the Company believes the expectations reflected in such forward-looking statements are reasonable, there can be no assurance that they will prove to be correct. Readers are cautioned not to place undue reliance on forward-looking statements. Additional information about risks and uncertainties affecting the Company, as well as material factors or assumptions applied in making forward-looking statements, can be found in the Company's most recent Management's Discussion and Analysis, financial statements, and other continuous disclosure filings with Canadian securities regulators available at the Company's issuer profile on SEDAR+ at www.sedarplus.ca.

The Company does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise, except as required by applicable law.