<u>Ayurcann Obtains Creditor Protection to Pursue Restructuring and Sales Process</u>

Toronto, Ontario, January 30, 2026 – Ayurcann Holdings Corp. (CSE: AYUR, OTCQB: AYURF) ("**Ayurcann**") announced today that Ayurcann and its subsidiary Ayurcann Inc. (collectively, the "**Ayurcann Group**" or the "**Applicants**") have been granted creditor protection under the *Companies' Creditors Arrangement Act* (the "**CCAA**" and the proceedings related thereto, the "**CCAA Proceedings**") pursuant to an order (the "**Initial Order**") of the Ontario Superior Court of Justice (Commercial List) (the "**Court**"). Pursuant to the Initial Order, the Court has appointed Alvarez & Marsal Canada Inc. as the monitor of the Applicants (in such capacity, the "**Monitor**") to oversee the CCAA Proceedings.

After careful consideration of all reasonably available alternatives, the board of directors of each member of the Ayurcann Group determined that it was in the best interest of the Ayurcann Group and its stakeholders to seek creditor protection under the CCAA.

The Initial Order provides for, among other things, a stay of creditor claims and proceedings in favour of the Applicants for an initial period of 10 days, subject to extension thereafter as the Court deems appropriate. The CCAA Proceedings and the stay of proceedings will provide the Ayurcann Group with the time and stability required to continue operating in the ordinary course while considering potential restructuring alternatives with a view to maximizing value for the benefit of its creditors and other stakeholders.

In that regard, the Ayurcann Group intends to seek Court approval to launch a sale process for their business and assets (the "**Sale Process**") as part of the CCAA Proceedings. The Sale Process is expected to be administered by the Ayurcann Group and the Monitor. Additional details in respect of the Sale Process will be disclosed on the Monitor's Website (as defined below) in the course of the CCAA Proceedings.

The business operations of the Ayurcann Group are not anticipated to be interrupted as a result of the CCAA Proceedings. It is expected that the Ayurcann Group will emerge from creditor protection as a stronger company with a healthier balance sheet. To help fund the CCAA Proceedings, the Ayurcann Group intends to seek approval of debtor-in-possession financing at a subsequent hearing.

Trading of Ayurcann's common shares on the Canadian Securities Exchange (the "**CSE**") may be halted for a period of time and, as a result of having filed for protection under the CCAA, Ayurcann may be suspended or delisted by the CSE.

A copy of the Initial Order and additional information regarding the CCAA Proceedings – including all of the Court materials filed in the CCAA Proceedings – may be found at the Monitor's website: www.alvarezandmarsal.com/Ayurcann (the "**Monitor's Website**").

About Ayurcann

Ayurcann is a cannabis licenced producer concentrating on the recreational market in Canada with proprietary products and formulations including Vape Carts, Pre-rolls, Concentrates and Extracts.

For more information about Ayurcann, please visit www.ayurcann.com and its profile page on SEDAR+ at www.sedarplus.ca.

For further information about the Ayurcann Group and the CCAA Proceedings, please contact the Monitor:

Alvarez & Marsal Canada Inc.
Monitor Hotline: 1-833-591-1289
Email: Ayurcann@alvarezandmarsal.com

or

Igal Sudman, Chief Executive Officer
Ayurcann Holdings Corp.
Tel: 905-492-3322
Email: info@ayurcann.com

Cautionary Note Regarding Forward-Looking Information and Statements

This press release contains "forward-looking statements" within the meaning of applicable securities laws. All statements contained herein that are not clearly historical in nature may constitute forward-looking statements. Generally, such forward-looking information or forward-looking statements can be identified by the use of forward-looking terminology such as "expects", "intends", "continues", "anticipates", or "believes", or variations of such words and phrases or may contain statements that certain actions, events or results "will be taken", "will include", "will allow", "will be made" "will continue", "will occur" or "will be achieved". Forward-looking statements in this release include statements regarding: Ayurcann's expectation that the business operations of the Ayurcann Group will not be interrupted as a result of the CCAA Proceedings and that the Ayurcann Group will emerge from creditor protection as a stronger company with a healthier balance sheet; Ayurcann's belief that the stay of proceedings will provide the Ayurcann Group with the time and stability required to consider potential restructuring transactions and maximize the value of its assets for the benefit of its creditors and other stakeholders; Ayurcann's intention to effect the Sale Process and seek approval of debtor-in-possession financing; Ayurcann's intention that the Applicants and the Monitor will administer the Sale Process; and the trading and listing of Ayurcann's common shares.

Forward-looking statements are necessarily based on a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties and other factors which may cause actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to: litigation, legislative, environmental and other judicial, regulatory, political and competitive developments; delay or failure to receive creditor or regulatory approvals; the ability to complete any future potential transactions in connection with the Sale Process and the terms and conditions thereof; the availability of debtor-in-possession financing; the application of federal, state, provincial, county and municipal laws; the impact of increasing competition; those additional risks set out in Ayurcann's public documents filed on SEDAR+ at www.sedarplus.com. Although

Ayurcann believes that the assumptions and factors used in preparing the forward-looking statements are reasonable, undue reliance should not be placed on these statements, which only apply as of the date of this news release, and no assurance can be given that such events will occur in the disclosed time frames or at all. Except where required by law, Ayurcann disclaims any intention or obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

Readers are cautioned that the foregoing list is not exhaustive. Readers are further cautioned not to place undue reliance on forward-looking statements, as there can be no assurance that the plans, intentions, or expectations upon which they are placed will occur. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Actual results and developments may differ materially from those contemplated by these statements. Although Ayurcann believes that the expectations reflected in these statements are reasonable, such statements are based on expectations, factors, and assumptions concerning future events which may prove to be inaccurate and are subject to numerous risks and uncertainties, certain of which are beyond Ayurcann's control, including but not limited to the risk factors discussed under the heading "Risk Factors" in Ayurcann's public disclosure, and elsewhere in this press release, as such factors may be further updated from time to time in our periodic filings, available at www.sedarplus.ca, which factors are incorporated herein by reference. Forward-looking statements contained in this press release are expressly qualified by this cautionary statement and reflect Ayurcann's expectations as of the date hereof and are subject to change thereafter. Ayurcann undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, estimates or opinions, future events, or results, or otherwise, or to explain any material difference between subsequent actual events and such forward-looking information, except as required by applicable law.

Neither the Canadian Securities Exchange nor its Regulation Services Provider have reviewed or accept responsibility for the adequacy or accuracy of this release.