

CORDOVACANN ANNOUNCES LETTER OF INTENT TO ACQUIRE THE ASSETS OF A STRATEGIC CANNABIS MANUFACTURER IN CALIFORNIA

TORONTO, ONTARIO, October 27, 2021 – CordovaCann Corp. (CSE: CDVA) (OTCQB: LVRLF) (“Cordova” or the “Company”), a cannabis-focused consumer products company, announced today that on October 26, 2021 the Company entered into a non-binding letter of intent (the “LOI”) for the purchase of the assets of HM Scientific, LLC and its sister company, AuBio Labs, LLC (jointly, “HMS”), an arm’s length California-based cannabis company (the “Transaction”). The Transaction will enable Cordova to provide manufactured cannabis products on both a white label and branded basis throughout the State of California.

HMS, headquartered in Costa Mesa, California is completing the buildout of a facility for the extraction and manufacturing of a variety of cannabis derivative products. Once complete, the facility plans to provide tolling services, white label manufacturing and numerous branded product offerings, and will be capable of processing 12,000 pounds of cannabis biomass per month.

The facility will be a focal point for Cordova in California, and the Company plans to expand its operation in the state in the coming months. HMS is led by a strong operational team with a wide cannabis network that will continue to operate the business post-closing of the Transaction. The Transaction as contemplated is expected to close on or before December 15, 2021 (the “Closing Date”), subject to certain closing conditions, including but not limited to, satisfactory due diligence and obtaining Cordova’s board approval of the Transaction.

Pursuant to the terms of the LOI, Cordova has agreed to purchase the assets of HMS, which includes, but is not limited to, extraction and manufacturing equipment, intellectual property related to two cannabis brands, contracts with retailers and tolling customers, lease to the manufacturing building and related liabilities. The proposed consideration for the Transaction is seven hundred thousand US dollars (US \$700,000) and one million (1,000,000) common shares of the Company on the Closing Date. The Company plans on financing the upfront cash consideration through accessing the capital markets for debt and/or equity capital.

“We are very excited to enter the California market and believe that HM Scientific is a strategic asset to building a strong operation in the State,” said Taz Turner, Chairman and CEO of Cordova. “We have known the HMS team for some time and believe they are key to driving success in California as well as other US markets in which Cordova operates.”

About CordovaCann Corp.

CordovaCann Corp. is a Canadian-domiciled company focused on building a leading, diversified cannabis products business across multiple jurisdictions including Canada and the United States. Cordova primarily provides services and investment capital to the processing and production vertical markets of the cannabis industry.

Cautionary Note Regarding Forward-Looking Information

This news release contains “forward-looking information” under the provisions of applicable Canadian securities legislation, concerning the business, operations and financial performance and condition of the Company. All statements in this press release, other than statements of historical fact, are “forward-looking information” with respect to the Company within the meaning of applicable Canadian securities laws, including statements with respect to the Company’s planned business activities, the business of HMS, the anticipated benefits of closing.

the Transaction, the closing of the Transaction by the Closing Date, and the issuance of additional common shares in relation thereto. Generally, this forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", "believes", or variations or comparable language of such words and phrases or statements that certain actions, events or results "may", "could", "would", "should", "might" or "will be taken", "occur" or "be achieved" or the negative connotation thereof. Forward-looking information is necessarily based upon a number of factors and assumptions that, if untrue, could cause the actual results, performances or achievements of the Company to be materially different from future results, performances or achievements expressed or implied by such statements. Such statements and information are based on numerous assumptions regarding present and future business strategies and the environment in which the Company will operate in the future, including anticipated costs and ability to achieve business objectives and goals.

Certain important factors that could cause actual results, performances or achievements to differ materially from those in the forward-looking information including but not limited to: global economic and market conditions; the war on terrorism and the potential for war or other hostilities in other parts of the world; the availability of financing and lines of credit; successful integration of acquired or merged businesses; changes in interest rates; management's ability to forecast revenues and control expenses, especially on a quarterly basis; unexpected decline in revenues without a corresponding and timely slowdown in expense growth; the Company's ability to retain key management and employees; intense competition and the Company's ability to meet demand at competitive prices and to continue to introduce new products and new versions of existing products that keep pace with technological developments, satisfy increasingly sophisticated customer requirements and achieve market acceptance; relationships with significant suppliers and customers; as well as other risks and uncertainties, including but not limited to those detailed from time to time in the Company's public filings on EDGAR and SEDAR. Although the Company believes its expectations are based upon reasonable assumptions and has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. The Company provides forward-looking information for the purpose of conveying information about current expectations and plans relating to the future and readers are cautioned that such statements may not be appropriate for other purposes. By its nature, this information is subject to known and unknown risks, uncertainties and other important factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking statements. Accordingly, readers should not place undue reliance on forward-looking statements. There can be no assurance that such information will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Forward-looking statements are made as of the date hereof and, accordingly, are subject to change after such date. The Company disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise unless required by applicable law.

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