



Alcanna Inc. Announces Conversion of Subscription Receipts

EDMONTON, Alberta, May 9, 2018 – Alcanna Inc. (formerly Liquor Stores N.A. Ltd.) ("**Alcanna**") announced today that the 2,300,000 subscription receipts of Alcanna (the "**Subscription Receipts**"), issued pursuant to its previously announced non-brokered private placement (the "**Private Placement**") with Aurora Cannabis Inc. ("**Aurora**"), have been converted, on a one-for-one basis, into 2,300,000 common shares of Alcanna ("**Common Shares**"), following the satisfaction of the escrow release conditions.

Following the satisfaction of the escrow release conditions, \$34,593,070.47 (the "**Escrowed Funds**") were released from escrow and paid to Alcanna. Together with the remainder of the net proceeds of the Private Placement, Alcanna intends to use the Escrowed Funds to establish and launch a leading brand of cannabis retail outlets, whereby it will convert some number of Alcanna's existing retail outlets into cannabis retail outlets and establish new cannabis retail outlets. Alcanna will also use a portion of the proceeds to continue to strengthen its existing liquor retail brands by renovating existing liquor store outlets, and also for general corporate purposes.

Following the conversion of the Subscription Receipts, Aurora holds an aggregate of 9,200,000 Common Shares, representing approximately a 25% ownership interest in Alcanna (on a non-diluted basis).

Under the Private Placement, Alcanna also issued to Aurora, for no additional consideration, two classes of Common Share purchase warrants: (1) 10,130,000 warrants, each at an exercise price of \$15.75, to allow Aurora to increase its pro rata equity interest in Alcanna to approximately 40% on a fully diluted basis (the "**Sunshine Warrants**"); and (2) up to 1,750,000 warrants exercisable by Aurora, each at an exercise price of \$15.00, upon any conversion of any of the outstanding 4.70% convertible unsecured subordinated debentures of Alcanna (the "**Convertible Debentures**") to allow Aurora to maintain its pro rata equity interest in Alcanna (the "**Pro Rata Warrants**"). The Sunshine Warrants are exercisable by Aurora at any time prior to 5:00 p.m. Edmonton time on August 14, 2019. The Pro Rata Warrants are exercisable by Aurora at any time, following any conversion of the Convertible Debentures, prior to 5:00 p.m. Edmonton time on January 31, 2022. Both the Sunshine Warrants and the Pro Rata Warrants are now exercisable following the receipt of the required regulatory and shareholder approvals.

About Alcanna Inc.

Alcanna operates 229 retail liquor stores. Following receipt of final approval from the TSX in connection with Alcanna's name change from Liquor Stores N.A. Ltd. to Alcanna Inc., Alcanna's common shares and convertible subordinated debentures will trade on the Toronto Stock Exchange under the symbols "CLIQ" and "CLIQ.DB.B", respectively.

Additional information about Alcanna Inc. is available at www.sedar.com and its website at www.alcanna.com.

For further information

David Gordey
Chief Financial Officer
Alcanna Inc.
(780) 497-3262
www.alcanna.com

FORWARD-LOOKING STATEMENTS

This press release contains information that constitutes "forward-looking information" or "forward-looking statements" (collectively, "**forward-looking information**") within the meaning of applicable securities legislation. The use of any of the words "believe", "continue", "create", "deliver", "expect", "provide", "will" and similar expressions are intended to identify forward-looking information. Forward-looking information includes statements concerning: the use of the Escrowed Funds, the establishment of a retail cannabis business and the renovation of existing liquor outlets.

In respect of the forward-looking statements and information concerning the anticipated use of the Escrowed Funds, Alcanna has provided such in reliance on certain assumptions that it believes are reasonable at this time, including assumptions as to the implementation of legislation and a regulatory regime in respect of cannabis that will permit Alcanna to establish a retail cannabis business; that under applicable laws or rules in respect of cannabis, Aurora and its affiliates will be permitted to own securities of Alcanna and take certain actions with Alcanna in furtherance of the development of a retail cannabis business together; the ability of the parties to receive, in a timely manner, the required government, regulatory and other third party approvals required to participate in the retail adult use market for cannabis in Canada; the assets and employees of Alcanna and Aurora; and the plans of Alcanna to establish cannabis stores. Dates may change for a number of reasons, including inability to secure necessary government, regulatory or other third party approvals in the time assumed. In general, actual outcomes may vary from the forward-looking information contained in this press release. Accordingly, readers should not place undue reliance on the forward-looking statements and information contained in this press release.

Since forward-looking information addresses future events and conditions, by its very nature, it involves inherent risks and uncertainties. Risks and uncertainties include, but are not limited to, the failure of Alcanna or Aurora to obtain necessary government, regulatory and other third party approvals, or to otherwise satisfy the conditions to participate in the retail adult use market for cannabis in Canada, in a timely manner, or at all; and the failure to successfully execute the plans regarding a retail cannabis business.

Readers are cautioned that the foregoing list of risk factors is not exhaustive. Additional information on other factors that could affect the operations or financial results of Alcanna are included in reports on file with applicable securities regulatory authorities which may be accessed on Alcanna's company profile on SEDAR at www.sedar.com.

The forward-looking information contained in this press release is made as of the date hereof and Alcanna undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, unless so required by applicable securities legislation.