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AmeriCann—an agricultural-technology company— receives final arbitration award of \$1.761 million

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Tim Keogh,
AmeriCann, Inc.

Freetown, MA AmeriCann, Inc., an agricultural-technology company that is developing the next generation of sustainable cannabis cultivation properties, has received a final arbitration award of \$1.761 million.

AmeriCann filed its demand for arbitration and was the claimant in the proceedings. The respondent in the arbitration is currently a licensed cannabis producer under the Illinois Compassionate Use of Medical Cannabis Pilot Program Act. The respondent is one of just 21 cultivation licensees in the state.

“We are very pleased that the arbitration panel ruled in AmeriCann’s favor in our breach of contract claim,” said AmeriCann president Tim Keogh. “The three-person arbitration panel was very thorough and it is gratifying that it agreed with the company.”

The final arbitration award, which was rendered on March 15, is final and not subject to appeal or counterclaim. The arbitration panel’s award consisted of principal, interest, legal fees, arbitration fees and consulting fees earned by AmeriCann. Interest conferred \$550,000 of the total award.

AmeriCann, Inc. is developing the Massachusetts Medical Cannabis Center (MMCC) is approved for nearly one million s/f of medical cannabis cultivation and processing. The sustainable greenhouse project will consist of multiple planned phases for tenants in the medical marijuana market. Voters in the state approved legalizing the adult use of recreational marijuana in November of 2016. The state is on track to open the first cannabis storefronts for adult-use by July 1, making it the first state in the northeast to legalize cannabis.

AmeriCann’s Cannopy System uniquely combines expertise from traditional horticulture, lean manufacturing, regulatory compliance and cannabis cultivation to create superior facilities and procedures. The company is planning to replicate the Canopy platform in additional states.

The first phase of the project consists of 160,000 s/f of cultivation and processing infrastructure. AmeriCann can expand the first phase to 600,000 s/f, based on patient demand.

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