

**RED WHITE & BLOOM BRANDS' SUBSIDIARY, EMBLEM CANNABIS CORPORATION,
COMPLETES ACQUISITION OF AYURCANN'S HEALTH CANADA-LICENSED
MANUFACTURING OPERATIONS, LEADING VAPE & PRE-ROLL BRANDS, AND
EXPANDED NATIONAL DISTRIBUTION CAPABILITIES**

Emblem Cannabis Corporation completes acquisition of Ayurcann Inc. in a Court-supervised CCAA sale process

TORONTO, June 8, 2026 (GLOBE NEWSWIRE) -- Red White & Bloom Brands Inc. (CSE: RWB) ("RWB" or the "Company") is pleased to announce that, in connection with the insolvency proceedings of Ayurcann Inc. ("Ayurcann") and its parent, Ayurcann Holdings Corp. (collectively, the "Ayurcann Entities") under the Companies' Creditors Arrangement Act (the "CCAA Proceedings"), RWB's wholly-owned subsidiary, Emblem Cannabis Corporation ("Emblem"), has successfully closed the previously announced purchase of Ayurcann (the "Transaction").

"The successful completion of this acquisition marks an exciting milestone for Red White & Bloom," said Colby De Zen, President of Red White & Bloom Brands. "We are adding some of Canada's most recognized brands in the vape and pre-roll categories, a talented team, and a highly complementary operating platform that strengthens our position in one of the world's most competitive cannabis markets. We believe this transaction delivers immediate value through increased revenue and EBITDA, while also creating a powerful foundation for future growth. As we continue to expand our footprint across North America and other legal cannabis markets, we see significant opportunities to leverage the strength of the Ayurcann brands across a much broader platform. We are excited about what this means for our customers, our team and our shareholders."

With the completion of the transaction, Red White & Bloom has expanded its Canadian operating platform through the acquisition of a scaled and fully integrated cannabis manufacturing and brand portfolio. The acquired business includes the nationally recognized Fuego, Xplor and Happy & Stoned brands, together with an active portfolio of more than 90 SKUs distributed through approximately 2,500 retail locations across Canada, primarily within the high growth vape and pre-roll categories. The acquisition also includes a Health Canada-licensed formulation, manufacturing and packaging facility in Pickering, Ontario, operational inventory and equipment, established customer and supplier relationships, distribution arrangements spanning eight provinces and territories, and all licences required to continue operating the business.

The acquisition represents a significant milestone in Red White & Bloom's strategy to build a leading vertically integrated cannabis company with operations spanning Canada and the United States. Management expects the transaction to be immediately accretive to both revenue and EBITDA while enhancing the Company's scale, manufacturing capabilities, product breadth and national distribution footprint. In addition, the combination is expected to generate operational synergies across cultivation, procurement, manufacturing, logistics and administration, while supporting continued product innovation and new product development.

Importantly, the acquisition adds a portfolio of established consumer brands that Red White & Bloom believes can be expanded beyond their current Canadian footprint. Leveraging the Company's existing operations, distribution channels and strategic relationships, management intends to pursue opportunities to introduce the Fuego, Xplor and Happy & Stoned brands into additional markets where cannabis products may be legally produced, distributed and sold.

The Company believes the combination of Ayurcann's proven brands, manufacturing expertise and national retail presence with Red White & Bloom's multi-jurisdictional platform creates a strong foundation for sustained growth, increased market share and long-term shareholder value creation.

Transaction Summary

As previously announced, Emblem was selected as the successful bidder in the sale process approved and supervised by the Ontario Superior Court of Justice (Commercial List) (the "Court") in connection with the CCAA Proceedings. The Transaction was approved by an approval and reverse vesting order of the Court in the CCAA Proceedings (the "Approval and Reverse Vesting Order"). The Transaction was structured as a share purchase pursuant to which Emblem acquired the underlying businesses, assets, licences, and operations of Ayurcann through ownership of 100% of the newly issued shares of Ayurcann. In accordance with the Approval and Reverse Vesting Order all previously issued and outstanding securities of Ayurcann were cancelled and certain of Ayurcann's assets and liabilities were excluded and vested in an affiliate of Ayurcann and were not transferred as part of the Transaction.

Total Consideration

Prior to closing of the Transaction, Emblem assumed the debtor-in-possession facility (the "DIP Facility") originally provided by Auxly Cannabis Group Inc. ("Auxly") to Ayurcann in connection with the CCAA Proceedings, by paying CDN\$1,603,964 to Auxly in exchange for the assignment of all indebtedness owing by the Ayurcann Entities under the original DIP Facility, together with all related loan and security documents and the Court-ordered DIP Lender's Charge (as defined in the second amended and restated initial order of the Court made in the CCAA Proceedings).

Total consideration for the Transaction was CDN\$5,501,311, consisting of (1) a release of all amounts outstanding under the DIP Facility (CDN\$2,101,075) and (2) cash consideration of CDN\$3,400,236, funded through a combination of cash on hand and the proceeds of the DIP Facility assignment, paid to Alvarez & Marsal Canada Inc., in its capacity as Court-appointed monitor of the Ayurcann Entities on closing.

Gowling WLG (Canada) LLP served as legal advisor to RWB and Emblem on the Transaction. Bennett Jones LLP acted as counsel to the Ayurcann Entities in connection with the Transaction.

About Red White & Bloom Brands Inc.

Red White & Bloom Brands is a multi-jurisdictional cannabis operator and house of premium brands operating in the United States, Canada and select international jurisdictions.

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FORWARD LOOKING INFORMATION

Certain information contained in this news release may constitute "forward-looking information" or "forward-looking statements" within the meaning of applicable Canadian securities legislation. Forward-looking information is often identified by the use of words such as "plans," "expects," "may," "should," "could," "will," "intends," "anticipates," "believes," "estimates," "forecasts," or variations of such words and phrases, including the negative forms thereof, as well as terms such as "pro forma" and "scheduled," and similar expressions that refer to future events or outcomes.

Forward-looking statements in this release, including, without limitation, statements regarding: the anticipated benefits of the Transaction, including expected synergies, scale, processing capacity, cost efficiencies and expanded distribution; the integration of the acquired business and operations; the combined entity's anticipated market position, growth prospects and strategic objectives in the Canadian cannabis market; the transfer, maintenance or renewal of licences required to operate the Ayurcann business; and the Company's strategic objectives and growth plans, involve known and unknown risks, uncertainties, and other factors that may cause actual results or events to differ materially from those expressed or implied by such statements.

Forward-looking information is based on a number of assumptions, including, without limitation, assumptions regarding the successful integration of the acquired business, the continued validity and transferability of required licences, and the ability of the Company to realize the anticipated benefits of the Transaction.

Forward-looking information is subject to known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company, which may cause actual results or events to differ materially from those expressed or implied by such forward-looking information. Such factors include, without limitation, integration risks; the risk that anticipated synergies or other benefits of the Transaction may not be realized as expected or at all; risks relating to the transfer, maintenance or renewal of licences; changes in market conditions, including in the Canadian cannabis industry; and other risks and uncertainties applicable to the Company and its business.

Although the Company believes that the expectations reflected in the forward-looking information contained in this news release are reasonable as of the date hereof, there can be no assurance that such expectations will prove to be correct. Readers are therefore cautioned not to place undue reliance on forward-looking information. Forward-looking information contained in this news release is made as of the date hereof, and the Company undertakes no obligation to update or revise any such forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable law.