

HYTN Welcomes U.S. Recommendation to Reclassify Cannabis, Foresees Growth

Vancouver, British Columbia – May 01, 2024 - HYTN Innovations Inc. (CSE: HYTN “HYTN” or “The Company”), a leader in the development, formulation, and manufacturing of products containing psychoactive and psychotropic compounds including cannabis, applauds the recent formal recommendation by the U.S. Justice Department, endorsed by the Drug Enforcement Agency (DEA), to reclassify cannabis from a Schedule I to a Schedule III controlled substance.

This historic shift, pending review by the White House Office of Management and Budget (OMB), recognizes the medical utility of cannabis and its lower potential for abuse compared to substances in higher schedules. HYTN views this as a progressive move which harmonizes federal regulations with the evolving public and medical stance on cannabis. HYTN notes that such a change aligns with other global markets which have legalized cannabis for medical consumption and regulate its manufacture and sale under Good Manufacturing Practice (GMP) guidelines.

The reclassification to Schedule III is anticipated to facilitate broader research initiatives and reduce operational complexities for cannabis businesses in the United States. This change will likely enable more comprehensive studies on the therapeutic benefits of cannabis and significantly ease the regulatory burden, fostering innovation and growth.

Additionally, this policy adjustment promises to alleviate the excessive tax burdens faced by cannabis businesses under the current Schedule I classification, which restricts business deductions and financial services access. HYTN anticipates these changes will enhance the economic environment for cannabis businesses, promoting a more sustainable industry framework.

Elliot McKerr, Chief Executive Officer of HYTN, expressed his support: “This announcement signals a significant growth opportunity for the cannabis industry. We anticipate reclassification in the U.S. to impact the global approach to cannabis regulation and integration into mainstream healthcare and consumer markets. HYTN's recent shift into GMP product manufacturing demonstrates our dedication to compliant global expansion, and we welcome changes that could fuel growth in the cannabis sector.”

About HYTN Innovations Inc.

HYTN formulates, manufactures, markets, and sells premium products containing psychoactive and psychotropic compounds, including cannabis-derived cannabinoids. HYTN's mission is to become the top provider of these products in all markets where such products are federally regulated. To achieve this, the Company focuses on identifying market opportunities and quickly bringing its innovative products to market through its elevated development platform.

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The Canadian Securities Exchange (CSE) has not reviewed, approved, or disapproved the contents of this press release.

This press release contains forward-looking statements, as defined under applicable securities laws, that involve risks and uncertainties and may include certain information. These statements reflect the Company's current expectations regarding future events, including but not limited to the impact of the U.S. DEA's reclassification of cannabis on HYTN Innovations Inc.'s operations and business opportunities in the United States. Forward-looking statements include statements regarding: (i) the potential for increased research and development following cannabis's reclassification; (ii) anticipated improvements in the regulatory and tax environments for cannabis businesses; and (iii) expectations regarding market growth and integration into mainstream healthcare and consumer markets. Factors that could cause actual results to vary from forward-looking statements or may affect the operations, performance, development, and results of the Company's business include, among other things: the Company's ability to generate sufficient cash flow from operations to meet its current and future obligations; the Company's ability to access sources of debt and equity capital; competitive factors, pricing pressures, and supply and demand in the Company's industry; general economic and business conditions; and the effects and impacts of the COVID-19 pandemic, the extent and duration of which are uncertain at this time, on the Company's business and general economic and business conditions and markets. Any statements that are not statements of historical fact are deemed to be forward-looking statements. The forward-looking statements contained in this news release are made as of the date of this news release, and, except to the extent required by applicable law, the Company assumes no obligation to update or revise forward-looking statements made herein or otherwise, whether because of new information, future events, or otherwise. The forward-looking statements contained in this news release are expressly qualified by this cautionary note.