EU Licensed European Pharmaceutical Company, Freia Farmaceutici Srl NEWSFLASH

MONTRÉAL, July 22, 2019 -- LGC Capital Ltd. (TSXV: LG and OTC-QB: LGGCF) ("**LGC**") is pleased to announce that it has paid the 2nd Tranche, as contractually agreed, in acquiring an equity interest in the Italian pharmaceutical company, Freia Farmaceutici Srl ("Freia").

Freia (www.freiafarmaceutici.it) was founded in 2009 and is presently the only company in Italy and one of few in Europe, to have created and are marketing hemp based pharmaceutical products approved by the Italian Ministry of Health and licensed for sale throughout the EU. It should be noted that Freia's products are currently authorized under the framework of pharmaceutical law and not subject to the evolving, provisional regulation of cannabis.

This EU pharmaceutical entity is an optimal addition to LGC. Freia has a very powerful and respected leadership team that has created a visionary company and an interesting product portfolio. LGC and its investors will benefit from a substantial competitive advantage through their knowledge and clinical trial capacity and its capacity to handle the regulatory compliance process for pharmaceuticals and food products," said Mazen Haddad, CEO of LGC. The investment by LGC will allow Freia to achieve its complete potential through global expansion and the creation of hemp and cannabis-derived products. Having Freia´s distinctive products on the market today without explicit competing offers, affording LGC a sustainable company proposition and a global competitive advantage.

Benefits of the Transaction

- The investment provides revenue and positive EBITDA immediately
- LGC to become an innovation leader in the cannabis industry
- Accelerate Freia's growth and expansion

The Transaction

LGC and Freia's existing shareholders have entered into an investment agreement whereby LGC will acquire a 35% equity interest in Freia for a total cash consideration of $4,847,033 CAD, with two installments already made to date and the final installment to be made later in 2019.

The investment agreement contains standard representations, warranties and covenants of the parties, and closing of the transaction is subject to standard closing conditions and final acceptance by the TSX Venture Exchange. LGC has also appointed two members to Freia's board of directors.

About LGC Capital Ltd (www.lgc-capital.com)

LGC Capital is a leading cannabis investment firm with a focus on the legal global cannabis market. Through its growing portfolio of investment companies, LGC is building a transversal integrated organization of interconnected legal cannabis companies with cultivation, processing and distribution in Australia, Jamaica, Switzerland, Italy, and Canada serving domestic and export markets. LGC Capital Ltd. is a Canadian incorporated public company listed on the TSX Venture Exchange (TSXV: LG) and the US OTC-QB exchange (OTCQB: LGGCF).

Through its partners and assuming pending transactions under review by the TSXV are approved, LGC presently will have interests in Jamaica, Switzerland, Italy, Canada and Australia.

LGC partners currently sell cannabis products in over 1,000 points of sale across Switzerland and Italy under the ONE Premium Cannabis and EasyJoint brands as well as medical cannabis oils in Australia under the Little Green Pharma brand. LGC's partners' branded products are available in a variety of formats including medicines, cosmetics, dry cannabis flower, tinctures, oils and seeds.

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Caution Regarding Press Releases

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Notice Regarding Forward Looking Statements

This press release may contain forward-looking statements with respect to LGC and their respective operations, strategy, investments, financial performance and condition. These statements can generally be identified by use of forward-looking words such as “may”, “will”, “expect”, “estimate”, “anticipate”, “intends”, “believe” or “continue” or the negative thereof or similar variations. The actual results and performance of LGC could differ materially from those expressed or implied by such statements. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Some important factors that could cause actual results to differ materially from expectations include, among other things, general economic and market factors, competition, government regulation and the factors described under “Risk Factors and Risk Management” in LGC’s Management’s most recent Discussion and Analysis filed on SEDAR (www.sedar.com). The cautionary statements qualify all forward-looking statements attributable to LGC and persons acting on its behalf. Unless otherwise stated, all forward-looking statements speak only as of the date of this press release and LGC has no obligation to update such statements, except to the extent required by applicable securities laws. Neither the TSX Venture Exchange nor its Regulation Service Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release."

NOTE TO EDITORS

Detailed benefits of the transaction

- **The investment provides revenue and positive EBITDA immediately.** Freia is a successful and growing business in its own right. LGC’s investment will build on this growth mom

- **LGC to become an innovation leader in the cannabis industry.** Freia offers distinctive agro-and pharmaceutical cannabis R&D capacity and proprietary expertise. It provides complete pharmaceutical capacities for product development and compliance management, adding to LGC and its investors important expertise and skills. LGC will leverage those to create innovative products and handle the changing regulatory compliance process across its entire portfolio by linking its cannabis growing, pharmaceutical and consumer companies.

- **Accelerate Freia’s growth and expansion.** Freia provides distinctive products to some of the world's biggest pools of patients in advanced and developing countries. It has constructed an extremely successful company to provide the worldwide market with innovative and distinguished drugs for hemp and cannabis. With LGC investing and linking Freia to its global network, marketing capacities and significantly increasing capacity for cannabis, LGC expects Freia to be in an optimal situation to expand the domestic distribution quickly, develop a multinational footprint and expand its product portfolio. Both businesses have concrete plans in 2019 and beyond to drive domestic and global development.