MediPharm Labs

For Immediate Release

MediPharm Labs Australia Granted State Licences, Completes Construction of Specialized Production Facility

Barrie, Ontario - December 6, 2019, MediPharm Labs Corp. (TSX: LABS) (OTCQX: MEDIF) (FSE: MLZ) ("MediPharm Labs" or the "Company") a global leader in specialized, research-driven cannabis extraction, distillation and purification, today announced that its subsidiary, MediPharm Labs Australia Pty. Ltd. ("MediPharm Labs Australia"), has received State Licences for cannabis substances from the Department of Health and Human Services in Victoria, Australia and completed the initial phases of construction of its specialized extraction facility in Wonthaggi.

Under these State Licences, MediPharm Labs Australia is allowed to store, test and supply cannabis for research purposes at its newly built facility. Construction of the 10,000 square foot plant began 18 months ago. The final stage of regulatory approvals is now underway and is expected in H1 2020, which will make MediPharm Labs Australia a first mover in the Australian market for the manufacture of cannabis derivative products.

"We envisioned that MediPharm Labs Australia would be a pioneering leader in the supply of high-quality, pharmaceutical-like cannabis derivative products for the domestic Australian and international export markets," said Warren Everitt, Chief Executive Officer, Asia Pacific, MediPharm Labs. "The achievements we mark today reflect tremendously well on our domestic engineering, project management and regulatory affairs capabilities, and provide tangible evidence that our vision will soon be realized for the benefit of our customers, shareholders and the Australian economy."

MediPharm Labs Australia was designed to have annual capacity of 75,000 kg and to replicate the high-quality standards of the Company's Canadian production facility. It features multi-phase supercritical CO_2 extraction equipment, clean rooms and testing laboratories. Both facilities were built to achieve GMP certifications. A GMP certificate from the Australian Therapeutic Goods Administration is the next priority start-up step, with the regulatory audit process already proceeding.

"Starting a business is never easy but the skilled team at MediPharm Labs Australia under Warren's direction has made it look that way," said Pat McCutcheon, Chief Executive Officer, MediPharm Labs. "I congratulate everyone involved for quickly bringing us to this advanced pre-production phase. We're now starting the final countdown to commercialization of the asset."

To mark the completion of facility construction, Mr. Everitt hosted a ribbon-cutting ceremony today where Daniel Andrews, the Premier of Victoria, Australia, John Skerritt, the Deputy Secretary of the Commonwealth Department of Health, and Brett Tessari, Mayor of Wonthaggi addressed the audience.

"Victoria is continuing to lead the way in medicinal cannabis in Australia and we are proud to support MediPharm Labs in calling Wonthaggi, Gippsland its Australian home", said Daniel Andrews, Premier of Victoria, Australia. "We're proud to be actively attracting investment in this ground-breaking industry that will not only improve the lives of patients around the world, but also create local jobs."

MediPharm Labs Group Milestones to Date in Australia:

- **June 18, 2018** – Breaks ground on 10,000 sq.ft. purpose-built facility, 127 km southeast of Melbourne, in Wonthaggi, Victoria.
- **Feb 21, 2019** – Signs first international private label two-year sales agreement with AusCann Operations Pty. Ltd. ("AusCann") for cannabis concentrate to be exported to Australia from Canada; Cannabis concentrate to be used for hard-shell capsules to research and treat chronic pain.
- **Mar-Aug, 2019** – Recruits senior leadership team from leading companies within the Australian pharmaceutical industry.
- **May 21, 2019** – Receives Cannabis Manufacturing Licence from the Australian Office of Drug Control (ODC) under the *Narcotic Drugs Act 1967.*
- **June 24, 2019** – Announces first export of medical cannabis concentrate to Australia in accordance with Health Canada export and Australian ODC import permits.
- **Aug 1, 2019** – Wins INNOVATION AWARD at the Australian Cannabis Industry Awards, for role defining a new extraction-specialist segment in the medical cannabis industry.
- **Sept 3, 2019** – Enters a manufacturing agreement with a licensed Australian entity; Signs three multi-year supply agreements with ODC-approved cultivators (including BBS Pharmaceuticals).
- **Sept 27, 2019** – Receives multi-phase supercritical CO_2 extraction equipment.
- **Oct 1, 2019** – Announces second set of larger exports of medical cannabis concentrate from Canada to Australia in accordance with Health Canada export and Australian ODC import permits.
- **Dec 5, 2019 –** Receives State Licences for cannabis substances from the Department of Health and Human Services in Victoria, Australia.
- **Dec 6, 2019** – Celebrates the completion of construction of facility in Wonthaggi, Victoria.

For more detail, visit https://www.medipharmlabs.com/news/press-releases

About MediPharm Labs

Founded in 2015, MediPharm Labs specializes in the production of purified, pharmaceutical-like cannabis oil and concentrates and advanced derivative products utilizing a Good Manufacturing Practices designed facility and ISO standard built clean rooms. MediPharm Labs has invested in an expert, research driven team, state-of-the-art technology, downstream purification methodologies and purpose-built facilities with five primary extraction lines for delivery of pure, trusted and precision-dosed cannabis products for its customers. Through its wholesale and white label platforms, they formulate, process, package and distribute cannabis extracts and advanced cannabinoid-based products to domestic and international markets. As a global leader, MediPharm Labs has completed commercial exports to Australia and is nearing commercialization of its Australian extraction facility. MediPharm Labs Australia was established in 2017.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION:

This news release contains "forward-looking information" and "forward-looking statements" (collectively, "forward-looking statements") within the meaning of the applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release. Any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as "expects", or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "budget", "scheduled", "forecasts", "estimates", "believes" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may" or "could", "would", "might" or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements. In this news release, forward-looking statements relate to, among other things, commercialization and GMP certification of the Australian facility and timing thereof, use of cannabis concentrate by AusCann, performance of the agreements as intended and disclosed herein; expected processing capacity of the Australian facility and production of active pharmaceutical ingredients and cannabinoid-based medicines. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to: general business, economic, competitive, political and social uncertainties; the inability of MediPharm Labs to obtain adequate financing; the delay or failure to receive regulatory approvals; and other factors discussed in MediPharm Labs' filings, available on the SEDAR website at www.sedar.com. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on the forward-looking statements and information contained in this news release. Except as required by law, MediPharm Labs assumes no obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change.