



For Immediate Release

MediPharm Labs to Export Large Shipment of GMP Cannabis Extract and Finished Products to Australia

- Large shipment of GMP cannabis extract and 35,000 units of finished products further supports the Company's supply chain
- Supply to help address demand for pharmaceutical-quality active ingredients and finished product in Australia

BARRIE, Ontario, March 24, 2020: MediPharm Labs Corp. (TSX: LABS) (OTCQX: MEDIF) (FSE: MLZ) ("MediPharm Labs" or the "Company") a global leader in specialized, research-driven pharmaceutical-quality cannabis extraction, distillation and derivative products, is pleased to announce its subsidiary MediPharm Labs Australia Pty Ltd ("MediPharm Labs Australia") has received the necessary permits to import a large shipment of GMP cannabis oil from its other subsidiary MediPharm Labs Inc. ("MediPharm Labs Canada") upon receipt of export permits. This shipment will further support the Company's international supply chain and accelerates MediPharm Labs Australia's ability to supply pharmaceutical-quality cannabis extracts and finished products to begin addressing Australian market demand for medicinal patients as well as for research and development.

MediPharm Labs Canada has successfully completed previous exports to Australia.

"We have made a strong statement about our international intentions and our focus on the medicinal cannabis market in Australia since signing our first supply deal with AusCann Group Holdings Ltd. - a Australian pharmaceutical company with operations across all facets of the medicinal cannabis value chain," said Pat McCutcheon, Chief Executive Officer, MediPharm Labs. "The most recent agreement with Compass Clinics is one of a pipeline of opportunities we have identified across Australia, and other emerging cannabis markets, that are available to us today and in the future as we receive other international regulatory permits and additional GMP certifications."

"Since opening the doors to our Australian facility late last year, we have made excellent progress with prospective customers to supply GMP concentrate and finished products to fuel downstream third-party programs," said Warren Everitt, Chief Executive Officer, MediPharm Labs Australia. "This shipment, which will include 35,000 units of finished product and our largest volume of GMP cannabis extract imported to date for further processing into soft gels and tincture bottles, accelerates our ability to start addressing the growing demand in Australia and from other jurisdictions."

Increasing Requirements for Cannabis Imports to Australia

At the end February 29, 2020, the Australian Therapeutic Goods Administration (TGA) had approved more than [34,500 medicinal cannabis scripts](#) for patients. According to the TGA, most medicinal cannabis products being supplied in Australia are 'unapproved'. Although these products are not included in the Australian Register of Therapeutic Goods (ARTG), they must still comply with relevant quality standards. As a result, the TGA recently announced it would expand the number of [quality audits](#) of medicinal cannabis products imported or supplied under the SAS and other unapproved product access pathways,



making it more difficult for overseas producers to export products into Australia. MediPharm Labs Canada, with its Australian TGA GMP certification, and MediPharm Labs Australia, with its Australian Office of Drug Control Licence to Import Psychotropic Substances (relating to cannabis), are considered to already meet these requirements and are well positioned to begin fulfilling Australian patient demand for finished products.

About MediPharm Labs

Founded in 2015, MediPharm Labs specializes in the production of purified, pharmaceutical-quality cannabis oil and concentrates and advanced derivative products utilizing a Good Manufacturing Practices certified facility with 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, MediPharm Labs formulates, develops (including through sensory testing), processes, packages and distributes 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 in the process of commercializing its Australian extraction facility. MediPharm Labs Australia was established in 2017.

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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, importation of drugs (including various forms of cannabis) by MediPharm Labs Australia and corresponding export by MediPharm Labs Canada, receipt of export permit by MediPharm Labs Canada, realization of synergies between MediPharm Labs and MediPharm Labs Australia, use of imported product to address Australian demand, receipt of additional international regulatory permits and GMP certifications, leveraging MediPharm Labs Canada’s TGA accredited facility to support Australian and other international markets, further processing of imported products into soft gels and tincture bottles, serving the global medical cannabis markets and expansion of TGA audits of imported product. 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.