



MediPharm Labs Expands Denmark Revenue Opportunity, Enters New Supply Agreement with DanCann Pharma

TORONTO, Sept. 25, 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, today announced it has entered into a new white-label supply agreement with DanCann Pharma A/S ("DanCann Pharma"). The company will be serviced by both GMP approved facilities, MediPharm Labs Inc. and MediPharm Labs Australia Pty Ltd ("MediPharm Labs Australia"). This marks MediPharm Labs' third supply agreement for the export of finished products to Denmark expanding its revenue opportunity in an emerging medicinal cannabis market.

DanCann Pharma is a medical cannabis company focused on discovering, developing, manufacturing and commercializing new therapeutic cannabinoids in a wide range of disease areas. DanCann Pharma manufactures and imports prescription (Rx-pharmaceuticals) and over-the-counter (OTC) pharmaceuticals focused on pain patients with alternative needs and management to handle their illness, covered by the Danish Pilot Program for medical cannabis – with future targets for further and new patient groups and segments.

"We continue to build our presence and reputation as an Active Pharmaceutical Ingredient supplier in emerging markets such as Denmark where we are qualified by our GMP-certified production capabilities for medicinal, wellness and adult use applications," said Pat McCutcheon, CEO, MediPharm Labs. "We are pleased to be adding a healthcare focused company like DanCann Pharma to our growing customer portfolio as they look to develop new and innovative medical cannabis products in therapeutic areas we believe will drive additional growth opportunities in a young market like Denmark and the rest of Europe."

Under the agreement, which has an initial two-year term, MediPharm Labs will supply a full range of specially formulated CBD and THC cannabis oil products that will be white-labeled for distribution.

"At DanCann Pharma our vision is clear, to improve the health and quality of life for patients facing challenges and while working to create new cannabis- and cannabinoid-based pharmaceuticals for the future. Our focus on differentiated innovative drug administration systems will enable us to create a leading Scandinavian cannabis- and cannabinoid-based company," said Jeppe Krog Rasmussen, Founder and CEO, DanCann Pharma. "Pharmaceutical cannabis- and cannabinoids are an important and exciting industry showing signs of strong growth, increasing interest, and rising popularity - an extremely powerful combination and foundation for industry pioneering companies in Europe. We are very excited about this collaboration with MediPharm Labs, and look forward to soon being able to deliver products to the many Danish, and in the future, Scandinavian patients who seek alternative treatment who have not been successful with conventional medicine."

About Denmark's Medical Cannabis Market

Denmark launched its four-year medical cannabis pilot program on January 1st, 2018¹. Post-harvest Good Manufacturing Processes (GMP) is required for distribution of medical cannabis products in Denmark².

Through the program, physicians can prescribe medical cannabis for all purposes and are guided by recommendations in four areas: pain caused by multiple sclerosis, pain caused by spinal cord damage, side effects from chemotherapy treatment and neuropathic pain that is due to brain, spinal cord or nerve damage³. The guidelines published by the Danish Medicines Agency are based on an extensive review of literature as well as assessments of: cannabis schemes in the Netherlands, Canada and Israel; previous cannabis drug approvals in Europe and the US; and scientific evidence by the National Academy of Sciences (USA, 2017).

Denmark granted patients legal access to cannabis-based medicinal products two years ago as part of a four-year pilot program. The program provides patients with safe product access and national health authorities with patient data that they can use to understand usage and efficacy. According to information compiled by New Frontier Data and the Danish Ministry of Health, over 2,100 patients (primarily women between the ages of 42-64) received cannabis-based medicinal products from 429 prescribing doctors under this program in 2019.

About DanCann Pharma A/S

DanCann Pharma A/S was founded in 2018 and is a Danish pharmaceutical biotechnology company powered by cannabinoids. The Company is focused on discovering, developing, manufacturing, and commercializing of novel cannabinoid therapeutics in a broad range of disease areas. During the summer 2018, the Company was licensed as one of the first

companies in Denmark to handle and cultivate medical cannabis through the Development Scheme.

About MediPharm Labs Corp.

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, they formulate, consumer-test, 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, the successful performance of the agreements and shipping of products thereunder as planned; additional growth in Denmark and Europe; and developing new and innovative medical cannabis products in therapeutic areas. 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.

All information contained in this press release with respect to DanCann Pharma was supplied by DanCann Pharma for inclusion herein.

¹ Medicinal Cannabis Pilot Program. Retrieved: <https://laegemiddelstyrelsen.dk/en/special/medicinal-cannabis/citizens/medicinal-cannabis-pilot-programme/>

² The Medical Cannabis Market in Denmark & Europe. Retrieved: <https://www.openaccessgovernment.org/the-medical-cannabis-market-in-denmark-europe/80721/>

³ The Danish Medical Cannabis Pilot Programme: Putting the Patient First. Retrieved: <https://www.healtheuropa.eu/the-danish-medical-cannabis-pilot-programme-putting-the-patient-first/92991/>