PharmaCielo

PharmaCielo Makes Initial Shipment to Canadian Life Sciences Company

- *Customer to use PharmaCielo's CBD Isolate for expanded research and development of an innovative sublingual product platform.*

TORONTO and RIONEGRO, Colombia, June 15, 2021 /CNW/ - PharmaCielo Ltd. ("PharmaCielo" or the "Company") (TSXV: PCLO) (OTCQX: PCLOF), the Canadian parent of Colombia's premier cultivator and producer of medicinal-grade cannabis extracts, PharmaCielo Colombia Holdings S.A.S., today announced that it has made an initial shipment of CBD Isolate (the "Product") to a Canadian life sciences company that specializes in developing and commercializing proprietary drug-delivery technologies (the "Customer"). The Customer intends to use PharmaCielo's Active Pharmaceutical Ingredients (APIs) for expanded research and development of their innovative, proprietary sublingual product platform.

"We are very pleased to have partnered with this well-established Canadian life sciences player to take an active role in the development of its next generation innovative drug delivery system," said **Henning von Koss, CEO of PharmaCielo. "**A key part of our global B2B strategy is to partner with the right product developers in key markets and get into the supply chain early, based on our high-quality formulations and ability to provide consistency at scale. While it can take time for a new product to make it to market, by partnering at the development stage, we are following a well-established playbook from more advanced industries such as the pharma, flavour and fragrance markets. We believe that early involvement positions PharmaCielo's products as an integral part of the value chain, with the potential for long-term margins commensurate with that position."

Mr. von Koss continued, "We are actively building out our sales organization and our current Canadian-based business development professional is in ongoing discussions with several potential customers in both the U.S. and Canada. As more traditional players such as pharmaceutical and CPG companies continue to come to market, we expect to see a growing demand for high quality product and formulation expertise in the B2B channel, which will benefit PharmaCielo."

About PharmaCielo

PharmaCielo Ltd. (TSXV: PCLO, OTCQX: PCLOF) is a global company, headquartered in Canada, with a focus on ethical and sustainable processing and supplying of all natural, medicinal-grade cannabis oil extracts and related products to large channel distributors. PharmaCielo's principal (and wholly owned) subsidiary is PharmaCielo Colombia Holdings S.A.S., headquartered at its cultivation and processing centre located in Rionegro, Colombia.

The board of directors and executive team of PharmaCielo are comprised of a diversely talented group of international business executives and specialists with relevant and varied expertise. PharmaCielo recognized the significant role that Colombia's ideal location and climate play in building a sustainable business in the medical cannabis industry, and the Company, together with its directors and executives, is executing on a business plan focused on supplying the international marketplace.

Forward-Looking Statements

This news release contains certain "forward-looking information" and "forward-looking statements" (collectively referred to as "forward-looking statements"). These forward-looking statements relate *to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Particularly, information regarding our expectations of future results, targets, performance achievements, prospects or opportunities is forward-looking information. Forward-looking statements in this news release include, but may not be limited to, statements about: planned shipments of the Company's products to Canada; the Customer's intended use of the Company's product to develop specific product platforms or types of products; the potential that early involvement of the Company's products in the development of a customer's products will position the Company as integral to that customer's value chain, or that such positioning may create long-term margins for the Company; and expectations that there will be growing demand for high-quality product and formulation expertise in the B2B market or that this will benefit the Company.*

Forward-looking statements are based on management's assumptions at the date the forward-looking statements are provided, including assumptions regarding: the Company's ability to execute its business plan, including the growth of its global sales team, as currently contemplated; the Company's ability to obtain necessary governmental, regulatory, and TSXV approvals for the export of its products from Colombia and import of its products into other countries; there being sufficient demand for the Company's products; that the Company's development plans will not change as a result of unforeseen events; that the Company's business generally and shipping logistics are not disrupted by COVID 19 or other factors; that the Company will be able to maintain its customer contracts in good standing; that the Company will be able to obtain GMP and EU-GMP certification for the Company's Processing and Extraction Center ("PEC"); that potential customers will be satisfied with the results of audit processes; that any changes to Colombian cannabis legislation will not negatively impact the Company's business; that the Company will be able to locate and retain necessary personnel to achieve its business goals; the Company's ability to maintain its distribution contracts in good standing; and the accuracy of the Company's projections regarding the market for cannabinoid products; currency exchange rates; and competition in the Company's markets.

Though management believes that its assumptions are reasonable in the circumstances, forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to differ materially from all or any of the future results, performance or achievements expressed or implied by forward-looking statements. Factors that could cause the Company's actual results, performance, or achievements to differ from the forward-looking statements in this news release include, but may not be limited to the risk that: any of the assumptions referred to above proves not to be valid or reliable, and additional risks described in the Company's Annual Information Form for the year ended December 31, 2019 filed with the Canadian securities regulatory authorities under the Company's SEDAR profile at www.sedar.com. Accordingly, readers should not place undue reliance on forward-looking statements.

Except as required by law, PharmaCielo undertakes no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this press release.

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