PharmaCielo

PharmaCielo Announces Sales Agreement with Brazilian Phyto-Therapeutic Customer, and Key Management and Board Appointments

TORONTO and RIONEGRO, Colombia , July 28, 2022 /CNW/ - PharmaCielo Ltd. ("PharmaCielo" or the "Company") (TSXV: PCLO) (OTCQX: PCLOF), the Canadian parent of Colombia's premier cultivator and producer of dried flower and medicinal-grade cannabis extracts, PharmaCielo Colombia Holdings S.A.S. ("Holdings"), today announced a supply agreement (the "Agreement") with one of the largest phyto-therapeutic companies in the Brazilian market (the "Customer"). The Customer has an extensive distribution network across Latin America, and is also a certified B-Corp, reflecting its commitment to a transparent business model that measures social and environmental impacts.

PharmaCielo will be registered with Anvisa as the sole supplier to the Customer for this product, and under the Agreement, PharmaCielo will ship significant quarterly volumes of a proprietary CBD derivative formulation to the Customer, which will be utilized in the production of novel herbal medicines to be distributed across Latin America. The Company expects to begin shipping during Q1 2023.

Management Commentary

Bill Petron, **CEO of PharmaCielo**, commented, "The efforts of PharmaCielo's recently strengthened and expanded sales force are paying off, with recent developments in Spain, Poland, Germany and Brazil. This customer is a well-established provider of unique, high quality herbal formulations aimed at the medical and wellness markets in Brazil, and is a perfect example of the type of product developer that we are seeking to build strong partnerships with to expand our global operations and generate recurring, long-term revenue. This agreement further validates our strategy to get into the supply chain early with key players in large potential markets, to become an enduring supplier to these organizations. We continue to expect that 2022 will be a pivotal year for the Company as we continue to execute on our sales pipeline."

Key Management and Board Appointments

Ian D. Atacan, PharmaCielo's Chief Financial Officer, appointed to the Company's board of directors

PharmaCielo also announced that its board of directors has appointed Ian Atacan to the board, effective July 25, 2022. Mr. Atacan has been the Company's Chief Financial Officer since June 7, 2021.

Mr. Petron commented, "I am pleased to welcome Ian to the board of directors. With more than 30 years of experience in strategy, M&A, and financial management, he is well positioned to help shape the design and implementation of the Company's strategic initiatives. I would also like to thank Ian for his contributions already as CFO, which have resulted in a more efficient and strategic finance function that will prove a critical foundation as PharmaCielo continues to execute on growth opportunities over the next 12 months."

Announces Addition of Chief Medical Officer

PharmaCielo has appointed Dr. Decio Rabelo de Castro Filho as Chief Medical Officer of the Company, to advance the Company's visibility within physician communities and with pharmaceutical organizations in Latin America, Europe and other key markets globally. Dr. de Castro Filho is a medical doctor with over 20 years of experience in occupational medicine and marketing. During the course of his career, Dr. de Castro Filho has also acted as an expert medical witness for several large Brazilian companies. Dr. de Castro Filho is a graduate of the medical program at Pontifical Catholic University of Campinas and has a master's degree in Marketing from Escola Superior de Propaganda e Marketing ESPM in São Paulo. He holds a degree in cannabinoid medicine from the Wecann Academia school.

About PharmaCielo

PharmaCielo Ltd. (TSXV: PCLO, OTCQX: PCLOF) is a global company, headquartered in Canada, with a focus on the ethical and sustainable cultivation, processing and supply of all natural, pharmaceutical-grade medical dried cannabis flower and cannabis 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 center 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 plays 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 forward-looking statements. Forward-looking statements can be identified by the use of words such as "expects", "is expected", "intends", "anticipates", "believes", or variations of such words and phrases or state that certain actions, events or results "may" or "will" be taken, occur or be completed or achieved. Forward-looking statements in this news release include, without limitation, statements regarding the issuance of the Units, including the terms thereof and the closing date therefor.

The forward-looking statements in this news release are necessarily based on assumptions, including assumptions with respect to PharmaCielo's ability to obtain necessary approvals for the issuance of the Units.

Forward-looking statements can be affected by known and unknown risks, uncertainties and other factors, including changes to PharmaCielo's development plans, the failure to obtain and maintain all necessary regulatory approvals relating to the export of cannabinoid products and the import of these products into other countries, TSX Venture Exchange approval, the inability to export or distribute commercial products through sales channels as anticipated due to economic or operational circumstances, risks associated with operating in Colombia, fluctuation of the market price for the Company's products, risks associated with global economic instability relating to COVID-19 or other developments, risks related to retention of key Company personnel, currency exchange risk, competition in PharmaCielo's market and other risks discussed or referred to under the heading "Risk Factors" in PharmaCielo's Annual Information Form for the financial year ended December 31, 2019, which is available 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.

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