PharmaCielo

PharmaCielo Receives First Commercial Purchase Order from Ease Labs Pharma - Proprietary API a Key Ingredient in Recently Approved Product for Brazilian Market

- Ease Labs Pharma, a global pharmaceutical company headquartered in Brazil, has received regulatory approval from the Brazilian Health Regulatory Agency (ANVISA) to launch its Canabidiol Ease Labs 100 mg/ml in Brazil beginning in January 2023, and PharmaCielo's proprietary API was included as part of that approval.
- PharmaCielo has been shipping product to Ease Labs since 2021 in support of its product development efforts. The Company has also made pre-commercial shipments of CBD full spectrum oil containing THC to Ease Labs beginning in June 2022, to support additional product development efforts.
- ANVISA has provided Ease Labs with five years to market Canabidiol Ease Labs 100 mg/ml, and PharmaCielo and Ease Labs have signed an agreement whereby PharmaCielo will maintain a regular supply of CBD Isolate as an API, over this period, beginning in February 2023.

TORONTO and RIONEGRO, Colombia, Jan. 30, 2023 /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 that it has received its first commercial purchase order for API from Ease Labs Pharma ("Ease Labs"), a multinational, GMP certified pharmaceutical company headquartered in Brazil. PharmaCielo and Ease Labs have signed an ongoing sales agreement, whereby PharmaCielo will provide Ease Labs regular shipments of CBD Isolate as an API, beginning in February 2023.

Management Commentary

Bill Petron, **CEO of PharmaCielo**, commented, "We are very pleased to advance a new partnership to enter the Brazil market, which with a population of over 210 million will continue to evolve into an important global medical market. This announcement also demonstrates the importance of getting into the supply chain early with key potential customers at the product development stage, to drive revenue and profitability."

Gustavo Palhares, CEO of Ease Labs, commented "Ease Labs is the first pharmaceutical company to register a cannabis product in Brazil. Our product has been formulated 100% in the country and we are very proud of that. Having Pharmacielo as a partner was key to accomplishing such a milestone, since they share the same vision regarding regulatory compliance, safety and quality controls. We are very excited about the launch of our product, which will be available in more than 1,400 retail pharmacies in 23 states across Brazil. 2023 will be a great year for both of our companies and the Brazilian cannabis market."

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, pharmaceutical-grade medical 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.

About Ease Labs Pharma

Ease Labs is a group of companies focused on the development, manufacture, and distribution of innovative and natural health solutions in Brazil and other countries. Ease Labs Pharma is the group's pharmaceutical company, fully certified by ANVISA, including GMP-Pharma and holder of Special Authorization for controlled substances ("AE"), which is the first pharmaceutical company specialized in cannabis to manufacture and register a cannabis product in Brazil. Unlike traditional pharmaceutical companies, Ease Labs Pharma is formed by a team of entrepreneurs and technicians who are concerned with the world's problems, aligned with the trends and reality of society, seeking to preserve the elements of nature and our ancestors' knowledge with technology and science.

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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