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MediPharm Labs Launches New Sublingual Sprays for Sale via Medical Cannabis by Shoppers™ Under Agreement With Avicanna

BARRIE, Ontario, Aug. 26, 2020 (GLOBE NEWSWIRE) -- **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 its wholly-owned subsidiary, MediPharm Labs Inc., has launched and completed production of a new product format, sublingual sprays, as part of its multi-faceted strategic pharmaceutical manufacturing agreement with **Avicanna Inc.** (TSX: AVCN) (OTCQX: AVCNF) (FSE: ONN) ("Avicanna"), a leading biopharmaceutical company.

Marketed under Avicanna's [RHO Phyto™](#) medical brand, the high-performance [RHO Phyto Rapid Act Sprays](#) will be available nationally to Canadian medical patients through the *Medical Cannabis by Shoppers™* online healthcare platform in the coming weeks. RHO Phyto Rapid Act Sprays are optimized for increased absorption and faster onset in comparison to basic MCT (medium-chain triglyceride) sublingual sprays. The products are discreet, easy to use, administered under the tongue to provide more direct absorption into the bloodstream, convenient and pleasing to taste.

"Avicanna chose MediPharm Labs to be their manufacturing partner across a wide range of product formulations because of our pharmaceutical-quality production capabilities and I'm proud to say these were used to great effect in fulfilling this important order," said Pat McCutcheon, CEO, MediPharm Labs. "Medical cannabis users will be delighted with the quality and reliability of RHO Phyto Rapid Act Sprays and more broadly with the fact that Avicanna is leading the way in bringing new and innovative sustainable plant-derived cannabinoid-based products to assist in their care and wellbeing."

The alliance between the two companies is designed to provide patients and the medical community with the most advanced product offerings backed by scientific rigour, data and world-class quality standards. Avicanna has a rich pipeline of formulations that it has developed over the past four years in collaboration with leading Canadian research institutions.

"The team at MediPharm continues to impress as they deliver sophisticated cannabinoid formulations in innovative delivery formats with pharmaceutical level quality standards," said

Aras Azadian, CEO, Avicanna. “Our RHO Phyto Rapid Act Sprays, which are the second set of products delivered by MediPharm’s technical team within only one month, provide patients and the medical community with an advanced solution for acute relief and an incredible candidate for replacing inhalation products.”

On May 14, 2020, MediPharm Labs entered a 3-year, multi-faceted agreement with Avicanna involving production, domestic and international distribution and intellectual property licensing that will drive growth for both parties. Under the manufacturing segment of the agreement, MediPharm Labs uses its specialized capabilities to produce Avicanna’s advanced **RHO Phyto™** medical cannabis products and **Pura Earth™** dermacosmetic topicals. The RHO Phyto Rapid Act Sprays represent the second Avicanna product format produced at MediPharm Labs GMP-certified facility in Barrie, Ontario. The first was Rho Phyto’s Blood Orange flavoured Micro Drops, in both high CBD and medium CBD formula made from full spectrum cannabis distillate. Additional product formats, including topicals, capsules and transdermal patches, are being finalized for production under the contract manufacturing agreement.

Growing Medical Cannabis Product Offerings

The introduction of Avicanna’s RHO Phyto Rapid Act Sprays is another example of the maturation of the Canadian medical cannabis market and MediPharm Labs growing share of the contract manufacturing space.

As online and retail healthcare clinics expand to provide cannabis users with greater access to product formulations and invaluable information and advice on strains and product classes, customer preferences are now beginning to emerge. This is elevating the importance of quality formulations from trusted brand names. Through contract manufacturing and white label agreements with brand leaders, as well as its own expanding portfolio of pharma-quality products produced from its GMP-certified facilities in Canada and Australia, MediPharm Labs is well positioned to address emerging and growing market needs.

At the end of Q2, MediPharm Labs had 60 concentrate-based product SKUs in production for medical, wellness and adult-use brands – including high-potency formulated oils, vapourizer cartridges, topicals and sublingual sprays.

“We continue to build our capabilities both in product innovation and flexible manufacturing, supported by a distinguished team of researchers and production professionals with deep pharma experience,” said Mr. McCutcheon. “We are systematically executing on our vision as a differentiated, international pharma company and partner to leading medical, wellness and adult-use brands.”

Spray Filling

Sublingual Spray Filling at MediPharm Labs involves precision manufacturing, packaging and quality testing. See more [here](#).

MediPharm Labs provides a variety of services, depending on customer needs including formulation, sensory testing, processing, packaging, labelling, and distribution of cannabis extracts and advanced cannabinoid-based products.

About Avicanna

Avicanna is a diversified and vertically integrated Canadian biopharmaceutical company focused on the research, development and commercialization of plant-derived cannabinoid-based products for the global consumer, medical, and pharmaceutical market segment. Avicanna is an established leader in cannabinoid research and development, which it primarily conducts at its R&D headquarters in the Johnson & Johnson Innovation Centre, JLABS @ Toronto, Canada and in collaboration with leading Canadian academic and medical institutions. In addition to its developing pharmaceutical pipeline, Avicanna's team of experts have developed and commercialized several industry leading product lines, including:

- **Pura H&W:** an advanced and clinically tested line of CBD consumer derma-cosmetic products; and,
- **RHO Phyto:** an advanced line of medical cannabis products containing varying ratios of CBD and THC currently available nation-wide across Canada in partnership with Medical Cannabis by Shoppers™, a subsidiary of Shoppers Drug Mart. RHO Phyto is the first strictly medical formulary of advanced "Cannabis 2.0" products, containing oils, sprays, capsules, creams, and gels, all developed with scientific rigour, manufactured to rigorous quality standards and supported by pre-clinical data.

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 completed commercialization of its Australian extraction facility which generated its first revenues in H1 2020. 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 agreement and shipping of products thereunder as planned; additional product formats being finalized for production under the agreement; and addressing emerging and growing market needs. 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 Avicanna was supplied by Avicanna for inclusion herein.

A photo accompanying this announcement is available at:

<https://www.globenewswire.com/NewsRoom/AttachmentNg/abef1a40-cdda-4ae1-98e6-a8eddd5747f2>



Source: MediPharm Labs Corp.