



**MediPharm Labs**

A Global Leader in Pharma-Quality, Cannabinoid-Based Products

# A Global Platform Powering a Global Market

*First Quarter 2020 Financial Results  
June 18, 2020*





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*A global leader in manufacturing pure, trusted and precisely dosable cannabis concentrates for advanced derivative products. Serving the global medical and wellness markets.*

# Business Highlights & Accomplishments

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- Near-Term **Australian Commercialization**: Multiple new international white-label supply agreements.
- **GMP Certification**: Australian facility was certified by the Therapeutic Goods Administration (“TGA”) as meeting the Good Manufacturing Practice (“GMP”) standard and secured a License to Manufacture Therapeutic Goods.
- Increasing **Diversification of Product Mix**: Launched house brand with the introduction of high-quality CBD oils, shipped topicals to a contract manufacturing customer, and broadened Canadian client base.
- **Canadian Medical Channel Sales**: Selected by **Shoppers Drug Mart** to supply high-quality concentrate products to medical patients through the national Medical Cannabis by Shoppers™ online platform.
- **Accelerated Consumer Packaged Cannabis-Based Good Sales**: Successfully launched its first three SKUs of consumer-packaged cannabis-based goods across five provinces. Subsequent to the end of Q1, 8 additional SKUs in the vape and formulated oils segment for a total of **13 SKUs since December**.

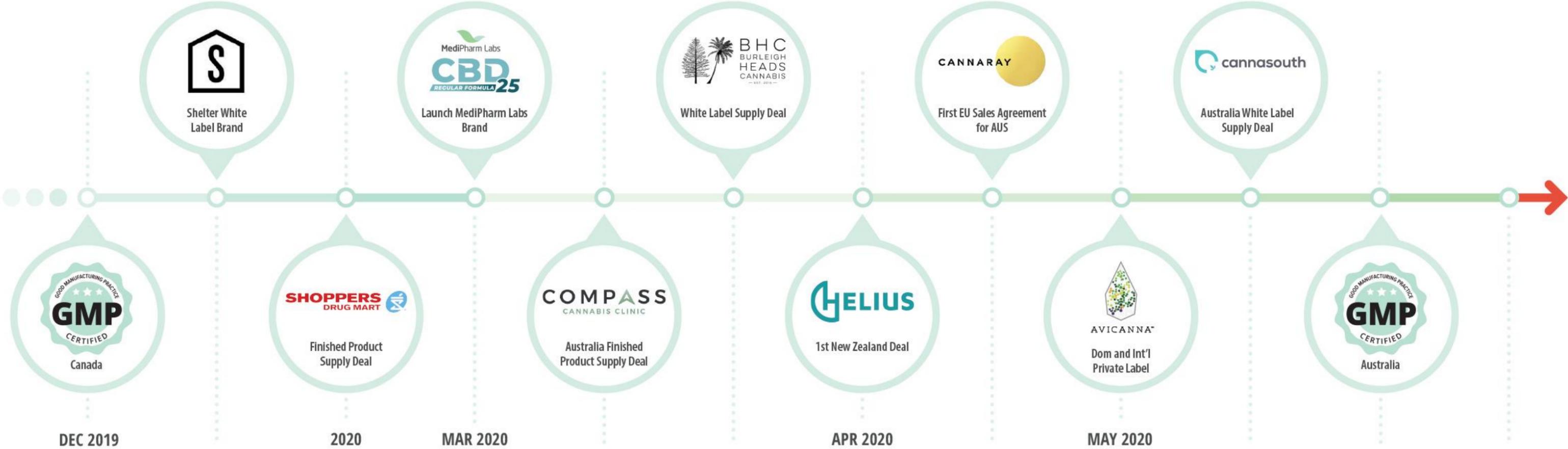
# Q1/20 Financial Summary

(\$000s)	Three Months Ended		
	March 31, 2020	March 31, 2019	
<b>Revenue</b>	<b>\$11,089</b>	<b>\$21,950</b>	<b>A</b>
Gross profit (loss)	(\$10,882)	\$6,862	
<i>Gross margin %</i>	<i>(98%)</i>	<i>31%</i>	<b>B</b>
<b>Net income before tax / (loss)</b>	<b>(\$22,029)</b>	<b>(\$325)</b>	<b>C</b>
<b>Adjusted EBITDA <sup>(1)</sup></b>	<b>(\$5,657)</b>	<b>\$4,310</b>	<b>D</b>
<i>Adjusted EBITDA margin %</i>	<i>(51%)</i>	<i>20%</i>	
<b>Cash and cash equivalents</b>	<b>\$21,366</b>	<b>\$8,400</b>	<b>E</b>

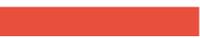
- A** • Revenue of \$11.1 million, a 49.5% decrease vs Q1/19
  - Reflects reduction in average selling price and volume of bulk concentrates sold
- B** • Gross margin (98%) vs. 31% in Q1/19
  - Reflects \$12.8m write-down of inventory, and a reduction in the average selling price and volume of bulk extracts sold
- C** • Net income (loss) of (\$22m) vs. (\$325k) in Q1/19
  - Reflects \$12.8m write-down of inventory, a reduction in average selling price, and \$2.8m in share-based compensation expense
- D** • Adjusted EBITDA <sup>(1)</sup> (\$5.7m), a 231% decrease vs. \$4.3M in Q1/19
  - Reflects an increase in headcount and ERP implementation expenses relative to early stage commercialization
- E** • Cash position of \$21.4m

(1) Adjusted EBITDA is not a recognized performance measure under IFRS, does not have a standardized meaning and therefore may not be comparable to similar measures presented by other issuers. A reconciliation of the Company's operating income/(loss) to Adjusted EBITDA and further information is available under "Reconciliation of non-IFRS measures" in the MediPharm Labs' Management's Discussion and Analysis for the three months ended March 31, 2020

# Key Milestones – First Licensed Extraction-Only Company in Canada



# Achieving GMP Certification to Access Emerging Global



PURPOSE-BUILT FACILITIES



SOPHISTICATED EQUIPMENT



EXPERT TEAM AND TRAINED PERSONNEL



CERTIFICATIONS AND LICENSES

**GMP CERTIFIED**  
Good Manufacturing Practices

STANDARD OPERATING PROCEDURES FOR REPEATABILITY IN MANUFACTURING



DATA CAPTURE FOR PROCESS OPTIMIZATION



QUALITY CONTROL, QUALITY ASSURANCE AND TESTING



SPECIALIZED GMP PACKAGING



# Global Operating Footprint – Selling to Multiple International Markets

**FACILITY 1:**  
**CANADA**  
BARRIE, ONTARIO

- TGA GMP Certified
- EU GMP Pending
- Facility Currently Scaling
- 70,000 sq. ft.

**CANADA** | **GMP CERTIFIED**

Extract / finished product export to Europe for distribution

**UNITED KINGDOM**  
**GERMANY**  
**DENMARK**  
**ITALY**  
**POLAND**

**AUSTRALIA** | **GMP CERTIFIED**

Extract / finished product sent to Asia Pacific for distribution

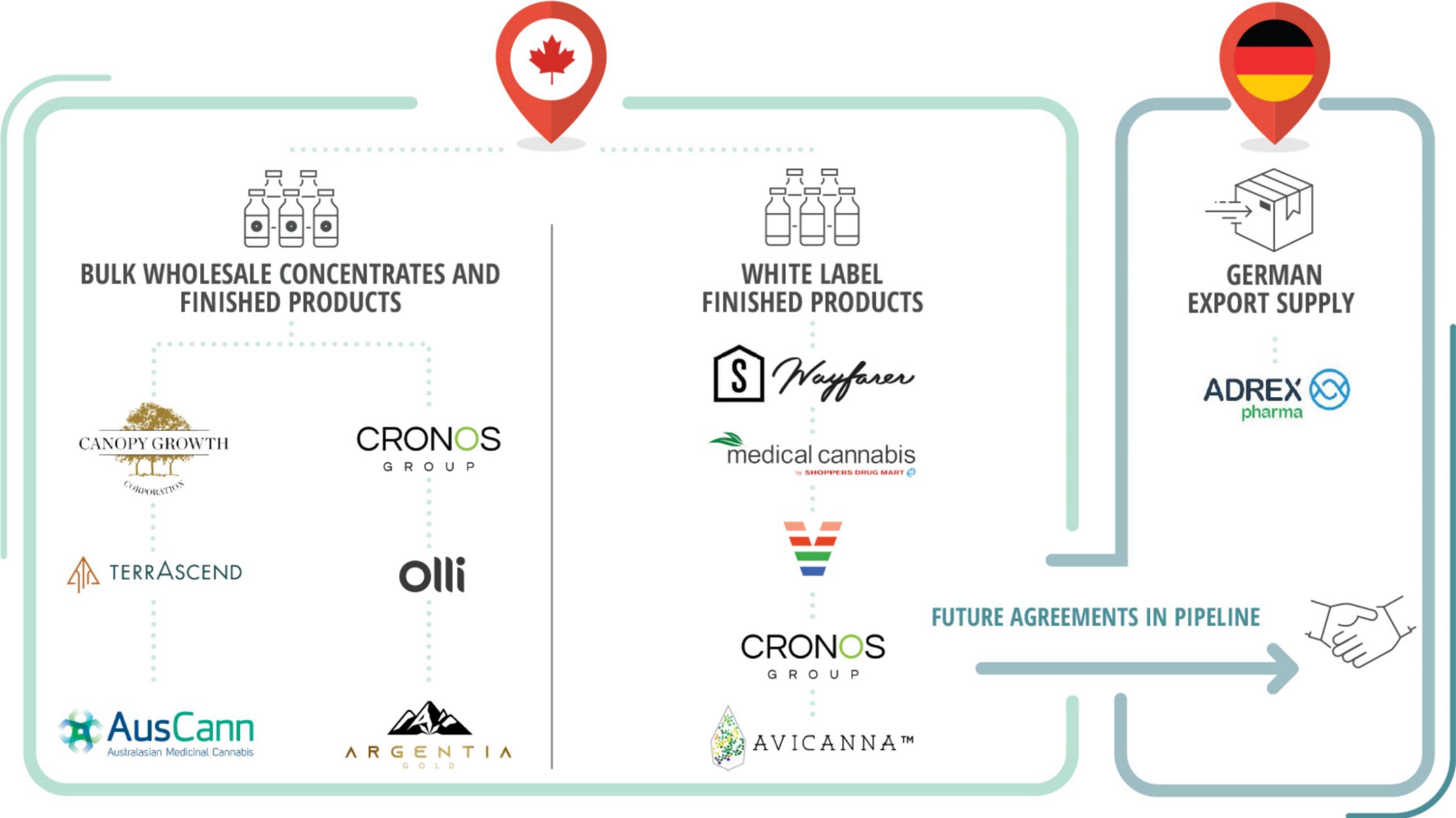
**FACILITY 2:**  
**AUSTRALIA**  
VICTORIA, AUSTRALIA

- TGA GMP Certified
- 10,000 sq. ft.
- Domestic Medicinal Cannabis Market
- Asia Pacific Gateway

Current Operations  
Targeted Areas of Expansion

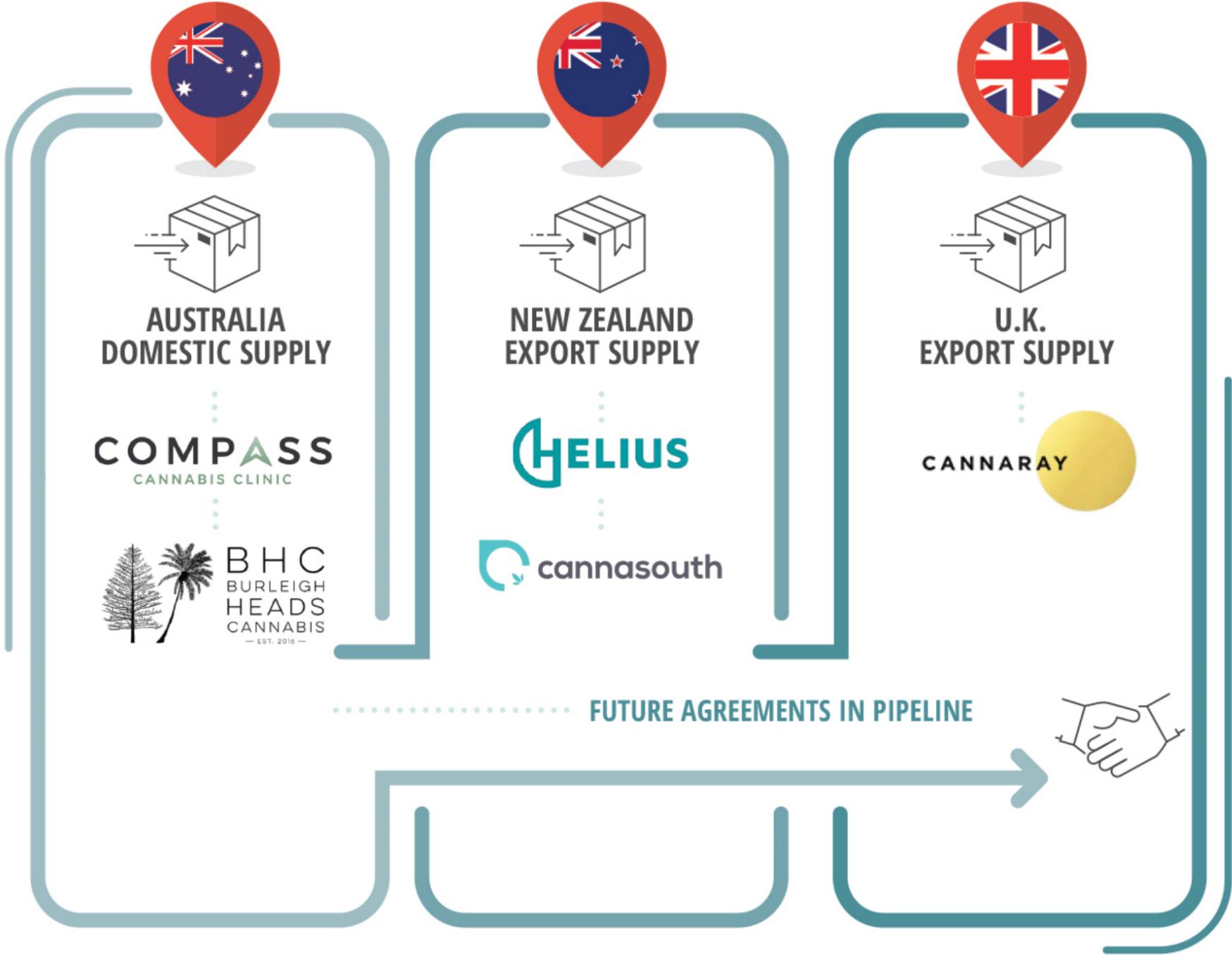
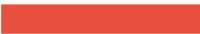
# Multiple Strategic Private and White Label Supply Customers

## Canada



# Multiple Strategic Private and White Label Supply Agreements

## Australia



# MediPharm Labs Branded Product Family

AVAILABLE NOW



## CBD25:5 Release Formula CBD50 Plus Formula CBD25 Regular Formula

Available in select private retail stores as well as Medical Cannabis by Shoppers, Saskatchewan, BC, Alberta and Manitoba



# Ace Valley

AVAILABLE NOW



ACE VALLEY

Sativa  
Indica  
CBD Vapes

Available in select private retail stores as well as Ontario, Saskatchewan, BC, Alberta and Manitoba.



# Wayfarer

AVAILABLE NOW

*Wayfarer*

Blue Dream  
Northern Lights  
2:1 CBD:THC  
Pink Kush  
GG4

Available in select private retail stores as well as Ontario, Saskatchewan, BC, Alberta and Manitoba and Medical Cannabis by Shoppers.



# Argentia Gold

INTRODUCING



## Premium Cannabis-Infused Products

Argentia Gold will provide distribution, sales, and service to leading retailers in Newfoundland and Labrador, Prince Edward Island, Nova Scotia and New Brunswick.



# Avicanna

INTRODUCING



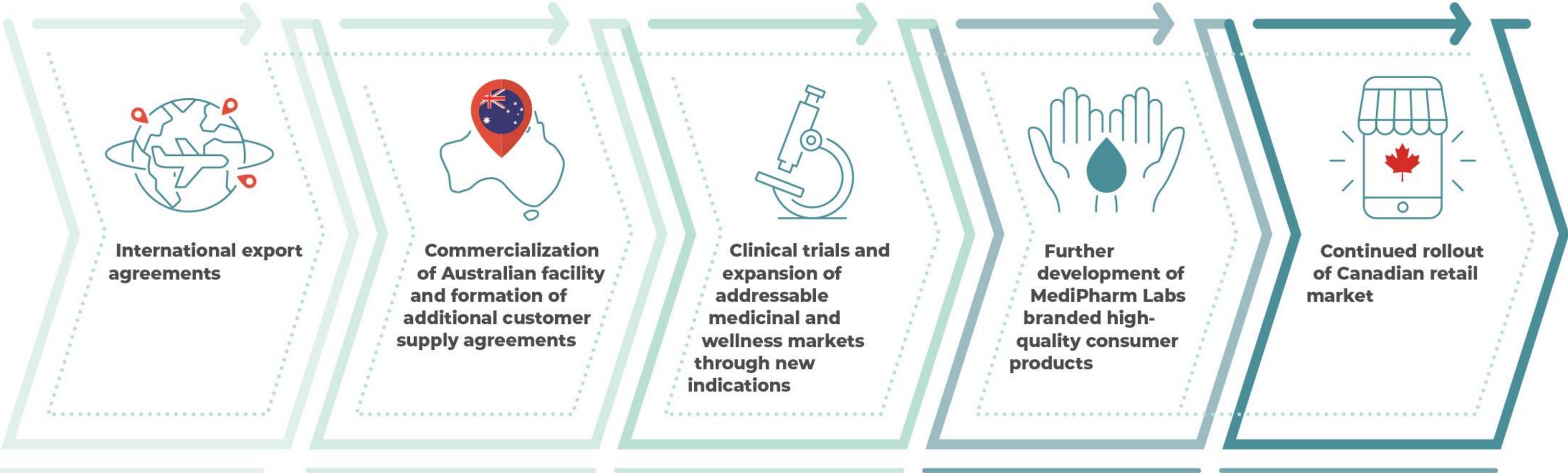
AVICANNA™

## RHO Phyto - CBD and CBD/THC Oils

Sprays and topicals coming soon.



# Summary and Upcoming Catalysts

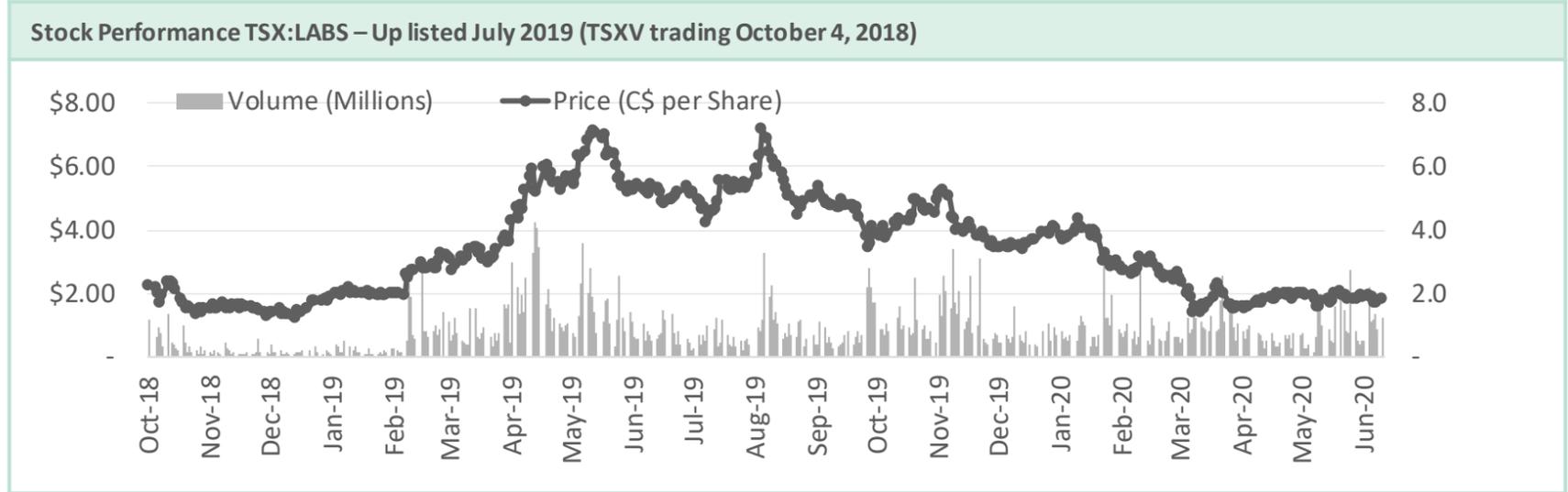


# MediPharm Labs – A Differentiated Global Growth Opportunity



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# Capital Structure and Ownership



**Current Analyst Coverage**

<b>Capital Structure (as at March 31, 2020)</b>	
<b>Security</b>	<b>Number (millions)</b>
Common Shares <sup>(1)</sup>	131.5
Options <sup>(1)</sup>	11.9
Warrants <sup>(1)</sup>	9.3
<b>Fully Diluted Shares<sup>(1)</sup></b>	<b>152.7</b>
<b>Total Potential Proceeds From Warrants<sup>(1)</sup></b>	<b>\$8.4 million</b>

<b>Cash Position</b>	
Cash Position (as at March 31, 2019)	\$21.4 million
<b>Share Price</b>	
Market Close (June 15, 2020)	\$1.79
<b>Basic Market Capitalization<sup>(1)</sup></b>	<b>\$235.4 million</b>

(1) Numbers indicate common shares issuable upon exercise of warrants. The Company has received no indication of an intention to exercise from the warrant holders and such exercise may not occur in a timely manner or at all.

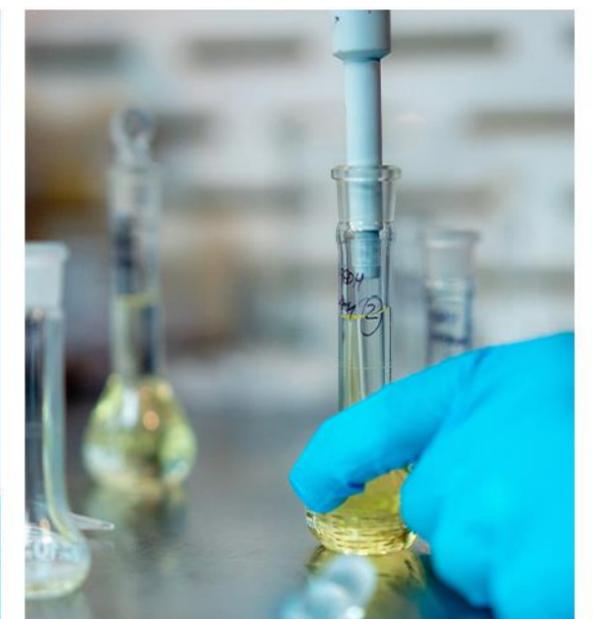
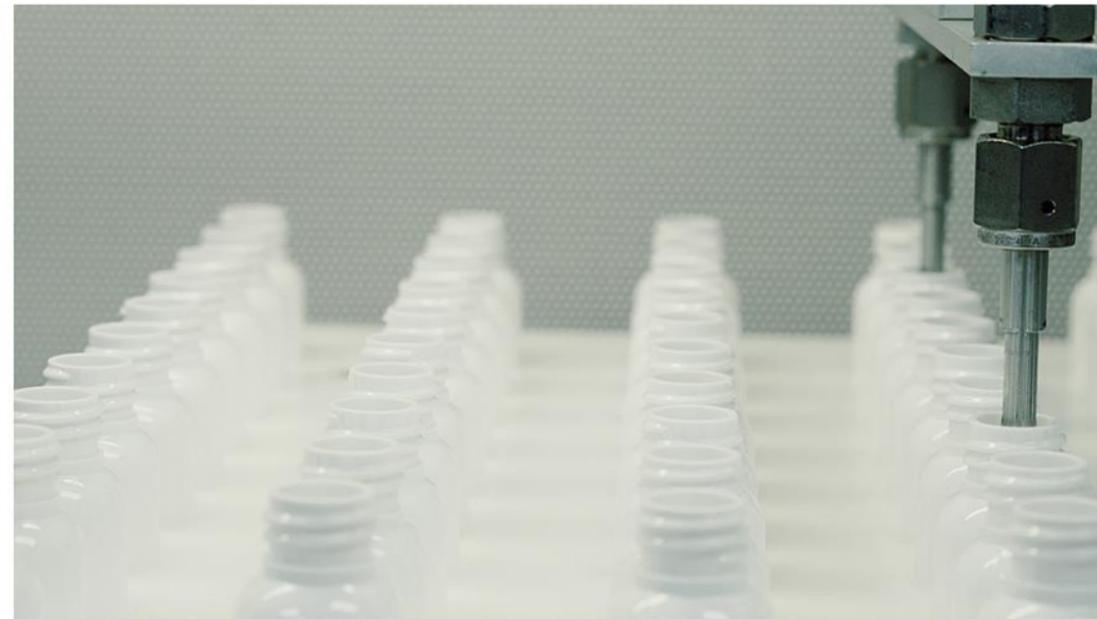
# Appendix

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# Exceptional Management Team with Deep Experience



**Pat McCutcheon**  
*Chief Executive Officer*

15-year career in pharmaceutical sales and marketing for a wide range of products. Recently led the Hospital Division for Renal and Mental Health products at Janssen Pharmaceuticals (J & J).



**Keith Strachan**  
*President, Co-Founder*

A healthcare business development expert, bringing government Supply Chain Management experience from government ministries, and consultancy in Public Sector RFPs, compliance, licensing and planning.



**Bobby Kwon**  
*Chief Financial Officer*

25-year career in international consumer-packaged goods, retail & pharmaceutical industries, with senior roles in finance, M&A, strategic planning, & operations. Drove global initiative, saving \$1Billion.



**Kirk Binns**  
*Executive VP, Global Markets*

A serial entrepreneur in the North American deregulated energy markets, leading market expansions and client acquisitions across multiple markets.



**Sybil Taylor**  
*Chief Marketing Officer*

25-year marketing career in consumer-packaged goods. Experienced in strategic brand and product development and fully integrated communications in regulated alcohol and cannabis industries.



**Ahmed Shehata**  
*General Counsel & Head of Corporate Development*

10 years in Business Law focused on securities, mergers and acquisitions, and corporate finance. Previously counsel for numerous cannabis companies and going public transactions.



**Laura Lepore**  
*VP Investor Relations & Communications*

Award winning Investor Relations and Communications Executive experienced in corporate and financial communications, public relations and capital markets for global organizations.



**Brett Moon**  
*VP Sales*

10-year career in sales, marketing & CPG Brett has led sales in the cannabis industry, working & consulting for some of largest LPs. Previously VP at Mosaic Sales Solutions for top CPG brands.





# Exceptional Management Team with Deep Experience



**Dr. Chris Talpas**  
*Vice President, Quality & Scientific Affairs*

A Chromatography expert with 24-years in the bio-pharmaceutical field. Deep experience in the qualification/validation of complex quality systems, processes and equipment.



**Nigel Dewbury**  
*Head of Quality*

Pharmaceutical & Medical Device industry professional with 18 years leadership experience in quality assurance, regulatory affairs, sterility assurance & laboratory operations. Six Sigma Green Belt & Certified GMP Professional.



**Michael Perron**  
*Vice President, Business Development*

A CPA with a MAcc, Mike has spent over 10 years in professional services focused in Management Consulting, Enterprise Risk, and Transaction Advisory Services. Leading the national cannabis practice.



**Ryan Merkley**  
*Vice President, Supply Chain*

A Supply Chain Operations professional experienced in building Operating Plans, overseeing Demand Planning, optimizing Supply Chain and commercializing Innovation to deliver efficiencies & cost savings.



**Jason Nalewany**  
*Vice President, Finance*

A CPA-CA with cannabis experience, Jason has provided financial expertise to public entities in capital market strategies, M&A advisory, valuation, financial forecasting and due diligence.



**Paul Hamelin**  
*Vice President, Security & IT*

Paul has a 35-year career in policing with current focus on cybercrime. Exec Director of Ontario Police Technology Information Co-operative & former President of the Ontario Association of Chiefs of Police.



**Anuja Siwakoti**  
*Director of Global Regulatory and Scientific Affairs*

Anuja is a senior leader in cannabis research, academia and regulated cannabis consulting, specializing in GPP/GMP audits, Health Canada licensing and navigating global regulations.



**Lorna Willner**  
*Director of Human Resources*

Lorna has a 25-year career as a collaborative leader developing best practices in recruitment, onboarding and coaching to build high performing teams aligned to company goals and values.



**Saravan Subramaniam**  
*Senior Director, Project Management & Facilities*

Saravan has expertise leading engineering and technical services projects in the pharmaceutical and automotive industries including product launches and complex manufacturing facility designs.





# Exceptional Management Team with Deep Experience



**Warren Everitt**  
*Chief Executive Officer, Asia Pacific*

Warren brings senior leadership in Asia Pacific through his international digital marketing agency, and career in sales and marketing, consulting to some of the world's biggest companies.



**Dr. Jake Golding**  
*Head of Quality, Australia*

20-years in bio-tech, with expertise in chemistry, commercial production and operations as well as quality systems. Experience includes registration and qualification of facilities, processes and equipment.



**Adam Miller**  
*Head of Strategic Accounts, Australia*

8-year career in B2B consultancy, building strategy, product development, sales and project management within education, investment and medicinal cannabis. Founder and board member of The Medical Cannabis Council.



**Kate Larson**  
*Senior Regulatory Advisory, Australia*

A senior expert in international pharmaceutical and nutrition industries' regulatory compliance and registration for innovator product development and manufacturing including quality testing, clinical trials, safety, toxicity, and import/export processes.



**Rebecca Bond**  
*Financial Controller, Australia*

An Australia & NZ CA<sup>22</sup> with experience working as a pharmaceutical Financial Analyst, a global technology company's Financial Controller and Chief Financial Officer for a research-led conservation organization.



**Andrew Cormack**  
*Head of Production*

A senior production manager in GMP pharmaceutical, nutraceutical and food companies, who managed product launches, facility buildouts and large workforces to achieve quality, cost and safety targets.



**James Lee**  
*Senior Project Manager, Australia*

An accredited Project Manager (PMP®, CPPP®) working 15 years in multiple, highly regulated GMP pharmaceutical manufacturing and commercial industries here he managed, led and mentor specialist engineering project and maintenance teams.



**Andrew Collett**  
*General Counsel, Asia Pacific*

12-year career in private practice & in-house counsel for multinational corporation involved in full supply chain spectrum incl. M&A, joint ventures, regulatory compliance & corporate governance.



# Research and Development

## Health Canada Cannabis Research Licence

Cannabis Research Licence under Health Canada's Cannabis Act and Cannabis Regulations.

**This licence permits MediPharm Labs to conduct controlled human administration trials** of dried cannabis, cannabis extracts and concentrates, distillates, oil, edibles, topicals and terpenes at its state-of-the-art production facilities, built to EU-GMP standards, in Barrie following quality assurance testing. Cannabis companies with this licence can use sensory experiments through **smell, sight, touch and taste**, thus expanding our understanding of the profile of the raw material, in-process material and finished products, and the consumer or patient preferences to these.

This is an advantage for innovative Cannabis 2.0 product development.



**Dr. Tait Gale**

*Manager of Research and Development*

An expert in natural plant product isolation and a leader in cannabis research, process optimization & product development projects. A PhD in Biochemistry from McMaster University.



**Dr. Petro Czupiel**

*Formulation Scientist*

A Bioengineering and Biomedical Engineering PhD graduate, Dr. Czupiel is an expert in cannabinoid research, dosage forms, nanoparticle cannabinoid solutions and cannabinoid-based medical science.



**Andrew Judd**

*Research and Development Scientist*

With an MSc in Biochemistry & experience in academic research and GMP manufacturing, Andrew is an expert in commercial product development, cannabinoid isolation and production optimization.

# Science Advisory Committee (SAC)



The SAC will collaborate with the MediPharm Labs management team on advancements in the emerging fields of cannabinoid extraction and cannabinoid-based derivative science. This work will serve to further enhance the Company's manufacturing platform and research practices, assist management in evaluating commercial opportunities related to technologies, testing and methodologies and provide guidance on partnerships with globally preeminent academic and medical institutions for cannabis research.

The SAC's mandate is to advise and assist MediPharm Labs in harnessing the potential of cannabis through innovation, best practices, thought leadership and strategic alliances in support of MediPharm Labs' vision of being *The Trusted Global Leader in Industrial-Scale Manufacturing of High-Quality, Cannabinoid-Based Derivatives*.

## Board of Directors oversight by Science Committee Members



**Miriam McDonald,**  
Pharmacist, MSc



**Dr. Paul Tam,**  
MBBS, FRCP(C), FACP



### **Dr. Arshad Hack, MHA, MD**

*A practicing family physician with over 10 years of clinical experience and a widely respected patient advocate, visionary leader and innovator in his role as Chief of Family Medicine at Joseph Brant Hospital, Burlington Ontario.*



### **Jerry King, PhD**

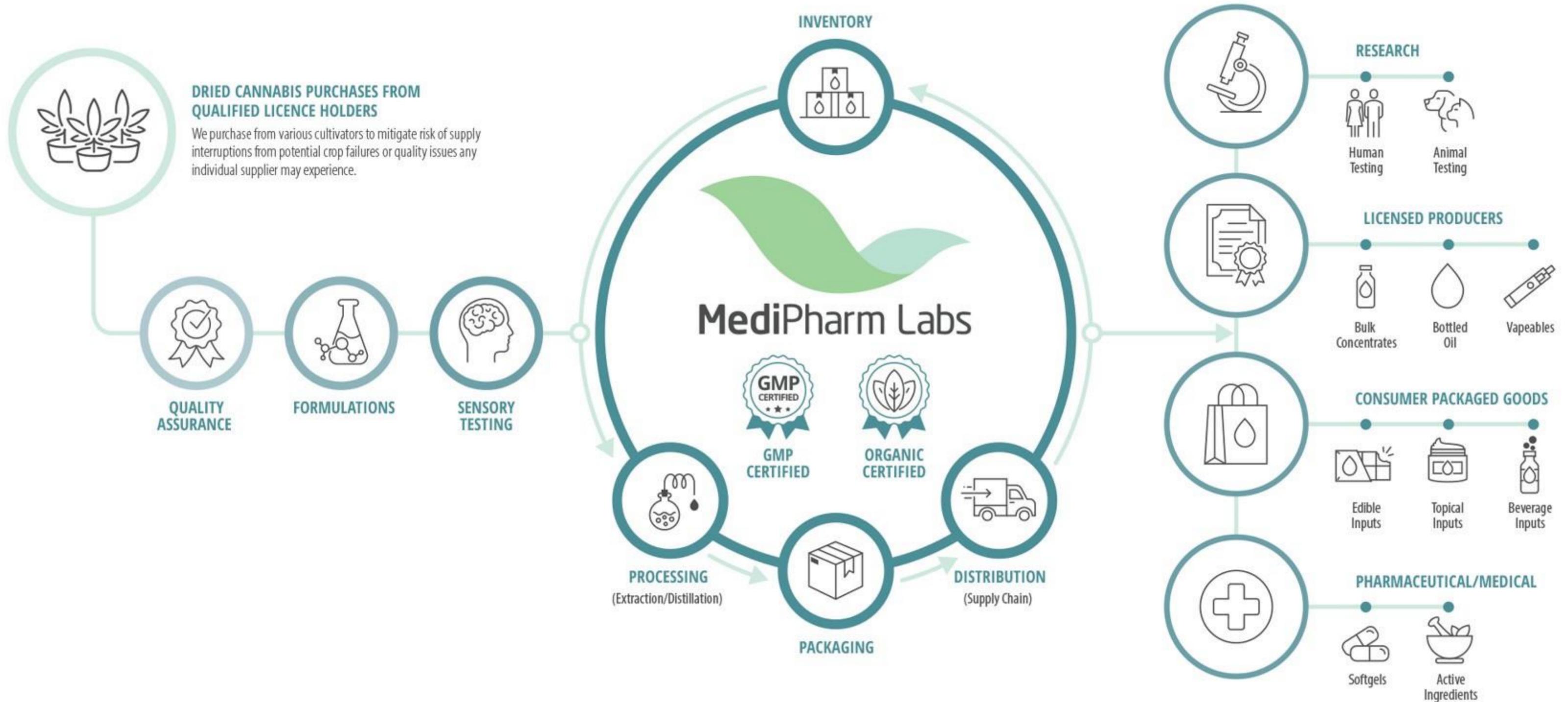
*A world-renowned extraction expert with experience in supercritical fluid technology, chemical separations, chromatography and applied chemical engineering and chemistry.*



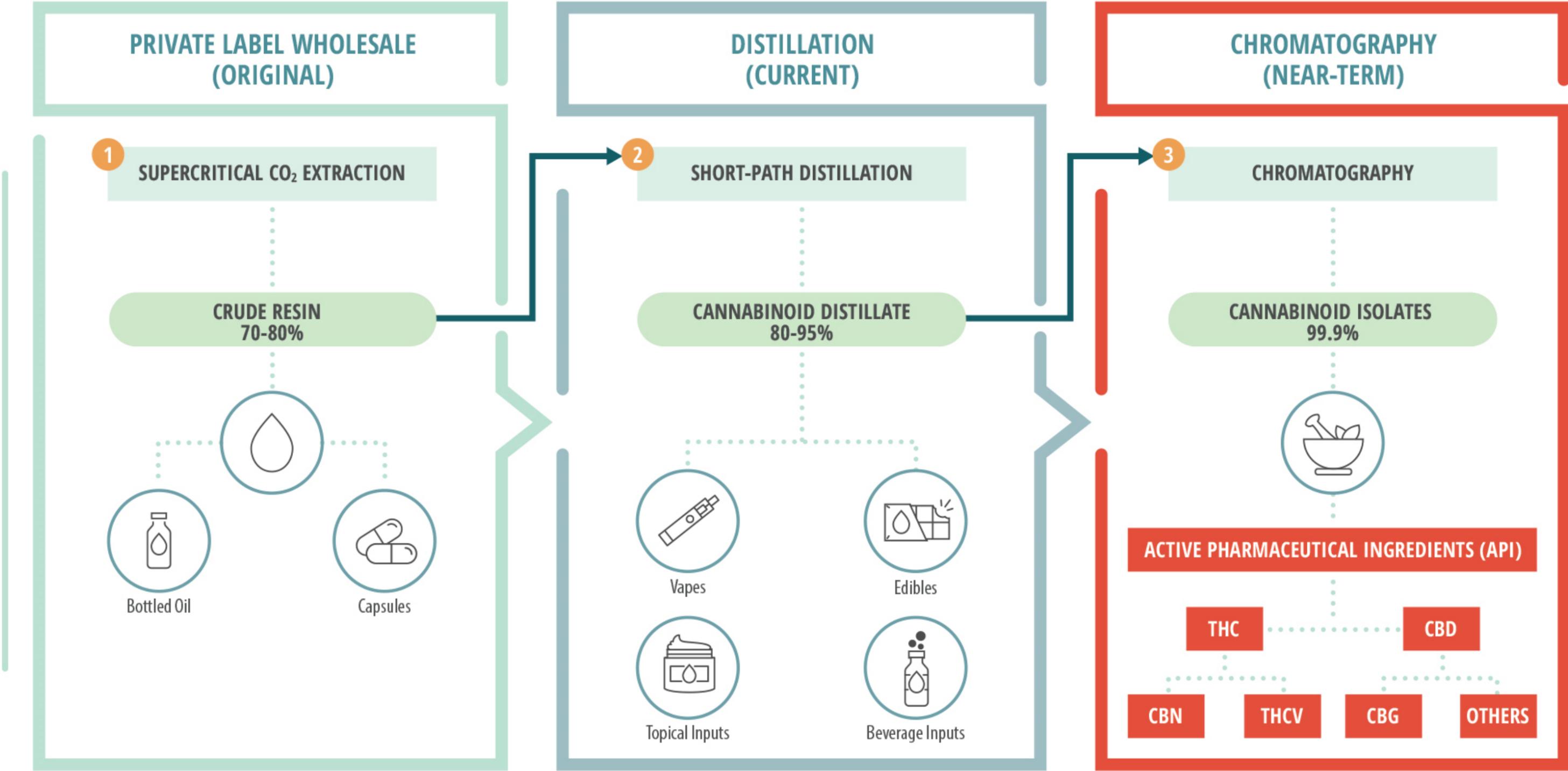
### **Dr. Carolina Landolt-Marticorena MD, PhD**

*A specialist in the field of cannabinoid medicine, treating degenerative autoimmune disorders through her specialty-run clinic. Highly published and awarded, she has also developed accredited training programs for healthcare practitioners in this field.*

# Flexible Business Model: Wholesale and White Label Platform



# GMP Extraction Technology Platform to Drive Future Growth



Forward Looking Information™.

# Fiscal 2019 Financial Summary<sup>(1)</sup>

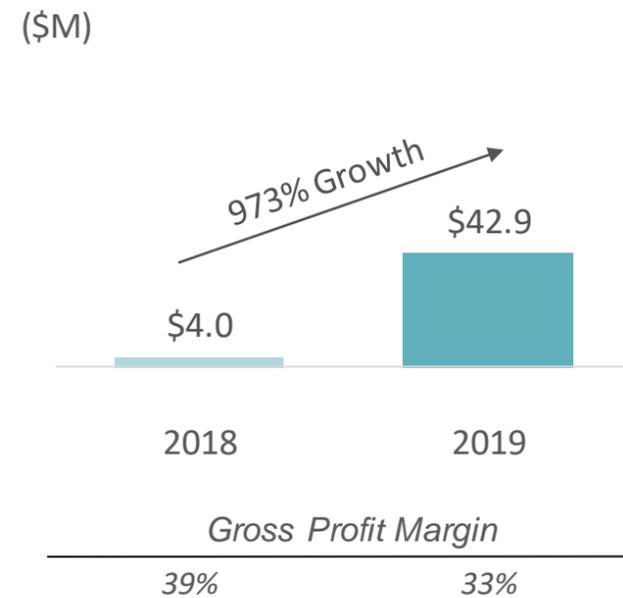
## Revenue

- \$129.3M in FY/19, a 1,168% increase vs. \$10.2M in 2018
  - Reflects scaling of sales from private label and wholesale activities



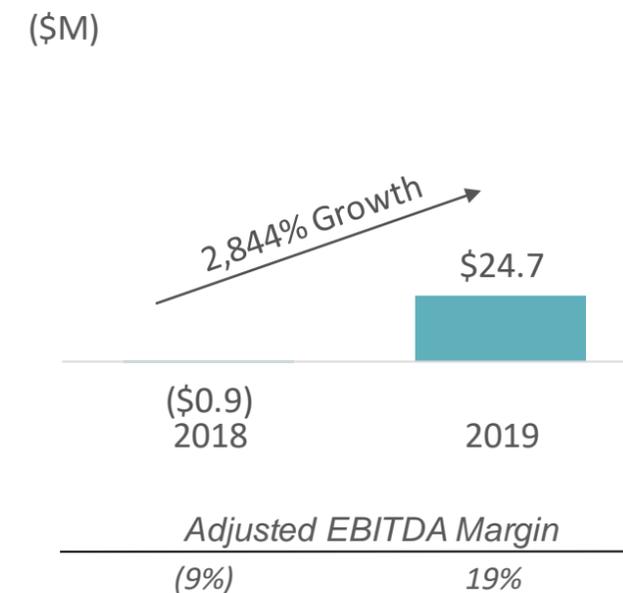
## Gross Profit

- \$42.9 M in FY/19, a 973% increase vs. \$4M in 2018
  - Reflects increase in revenue



## Adjusted EBITDA<sup>(1)</sup> (Loss)

- \$24.7M in FY/19, a 2,844% increase vs. (\$0.9M) in 2018
  - Reflects the increase of revenue and gross profit



## Net Income (Loss) Before Tax

- \$6.8M in FY/19, a 180% increase vs. (\$8.5M) in 2018
  - Reflects the increase of revenue and gross profit



(1) MediPharm Labs commenced commercial operations in the fourth quarter of December 2018, and the year-over-year results may therefore be comparable. Historical results, and growth rates, are not indicative of future performance.

(2) Adjusted EBITDA is not a recognized performance measure under IFRS, does not have a standardized meaning and therefore may not be comparable to similar measures presented by other issuers. A reconciliation of the Company's operating income/(loss) to Adjusted EBITDA and further information is available under "Reconciliation of non-IFRS measures" in the MediPharm Labs' Management's Discussion and Analysis for three months ending March 31, 2020

## Please Contact for Additional Information

**Pat McCutcheon**  
*Chief Executive Officer*

**Laura Lepore**  
*Vice President, Investor Relations  
and Communications*

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Phone: +1 416 913 7425 ext. 1525



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