

May 27, 2020



MediPharm Labs and Argentia Gold to Bring Premium Cannabis-Infused Products to Atlantic Canada

BARRIE, Ontario, May 27, 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 and **Argentia Gold Corporation** (“Argentia Gold”), a Canadian vertically integrated licensed producer, today announced the formation of a supply arrangement to bring premium cannabis-infused products to Atlantic Canada.



Under the agreement, which has an initial 2-year term, MediPharm Labs will provide Argentia Gold-branded formulated tincture bottles of CBD cannabis resin and Argentia Gold will provide distribution, sales, and service to leading retailers in Newfoundland and

Labrador, Prince Edward Island, Nova Scotia and New Brunswick.

“We are committed to delivering the highest quality products to our customers throughout Atlantic Canada and doing so in partnership with MediPharm Labs is a virtual guarantee of success,” said Dave Thomson, President of Argentia Gold. “As our white-label supply partner, MediPharm Labs is able to address exactly what we need: reliable, responsive production that meets Good Manufacturing Practice (GMP) standards backed by some of the cannabis industry’s most knowledgeable scientists, pharmaceutical professionals and extraction specialists. Argentia Gold’s destination is market leadership and this agreement is an important milestone in our journey.”

Canadian consumption rates for cannabis are the highest per capita in Atlantic Canada (up to 26.8 percent in Nova Scotia, 25.2 per cent for Newfoundland, 23.2 per cent for Prince Edward Islandⁱ). In comparison, the cannabis consumption rate for Ontario is up to 18.1 per centⁱⁱ.

“Consumers in Atlantic Canada deserve only the very best quality cannabis-infused products and that’s exactly what they will receive as a result of this exciting partnership,” said Pat McCutcheon, CEO of MediPharm Labs. “Argentia Gold is deeply invested in their community, understands the market, knows local preferences and with a trusted portfolio of premium products will no doubt grow into one of Canada’s foremost licensed producers. We are very proud to play a formative role in the next stage of their development.”

About Argentia

Argentia Gold is one of Newfoundland and Labrador’s vertically integrated licensed producers fully authorized to cultivate and process premium cannabis, manufacture and package CBD and THC-infused products such as beverages, medical creams, and beauty items. Its facility, a former U.S. naval base turned industrial park on the deep-water Port of Argentia, encompasses approximately 80,000 square feet on 10 acres of land. With a focus on providing Canadians a top-level experience with cannabis-infused products, Argentia Gold leverages its technology, management team and key government collaboration to deliver a direct-to-retail experience rivaling other companies in the market.

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 is nearing commercialization of its Australian extraction facility. MediPharm Labs Australia was established in 2017.

For further information, please contact:

Laura Lepore, VP, Investor Relations and Communications
Telephone: 416-913-7425 ext. 1525
Email: investors@medipharmlabs.com
Website: www.medipharmlabs.com

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, supply of products to Argentia for distribution pursuant to the agreement; and further distribution by Argentia through licensed retailers in Atlantic Canada. 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 Argentia Gold was supplied by Argentia Gold for inclusion herein.

ⁱ <https://www150.statcan.gc.ca/n1/daily-quotidien/190207/t001b-eng.htm>

ⁱⁱ <https://www150.statcan.gc.ca/n1/daily-quotidien/190207/t001b-eng.htm>

A photo accompanying this announcement is available at
<https://www.globenewswire.com/NewsRoom/AttachmentNg/66d4921a-576d-4a85-96af-937d718becb3>



Source: MediPharm Labs Corp.