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## MediPharm Labs Enters Growing Latin American Medical Cannabis Market; Enters Supply Agreement With Cann Farm Peru

BARRIE, Ontario, Sept. 03, 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. will supply premium, formulated cannabis oil to **Cann Farm Peru S.A.C.**, a Lima-based producer and distributor serving Peruvian and other markets in Latin America.

This is MediPharm Labs first such agreement in Latin America and the most recent example of the Company’s international growth strategy in action. As part of this strategy, the Company has expanded its addressable medical, wellness and adult-use markets to parts of Asia Pacific, Europe and now Latin America.

MediPharm Labs is creating footholds in medical, wellness and adult-use markets around the world and in Latin American countries. With a combined population of approximately 580 million - and beginning with its fifth largest country Peru – Latin America factors highly in the Company’s business plan. As an early mover among Latin American countries, Peru has created a legal framework for producing, importing and selling cannabis for medical use. As a result, Peru’s market is advancing rapidly and offers the potential to register varied formats of cannabis based products. Using a range of pricing, consumption and patient datasets, the LATAM Cannabis Report™ by Prohibition Partners<sup>(1)</sup> forecasts that the LATAM market is expected to exceed US\$12 billion by 2028, offering “serious growth potential to global cannabis companies.”

“Peru is one of the top medical cannabis markets in the world and Cann Farm is one of very few cannabis companies which hold both a Droguería licence and cannabis importation licence which makes this agreement of outstanding strategic value to MediPharm Labs,” said Pat McCutcheon, CEO, MediPharm Labs. “As we pursue our global ambitions, it is vital for us to partner with companies of Cann Farm’s calibre who know their local markets intimately, have a real appreciation for the needs of patients, an ongoing commitment to scientific advancement and a sound plan for regional expansion. We expect great things from this collaboration.”

Under the one-year renewable agreement, MediPharm Labs Inc. will provide a variety of cannabis concentrate formats, with optionality for patient ready formulated products. The products will be distributed to patients through pharmacies in Peru. Cann Farm will in turn

obtain all Peruvian registrations, authorizations and approvals required for importation. In the future, Cann Farm may look to MediPharm Labs for further support in commercialization activities. MediPharm Labs anticipates delivery to begin in Q4 2020, pending regulatory approval by applicable health authorities.

“Cann Farm was created from our deep commitment to patients, who demand reliable, consistent high quality, and proven product integrity; therefore we choose our partners very carefully,” said Andres Vazquez Vargas, Executive President, Cann Farm Peru. “What impresses us most about MediPharm Labs is their focus on medical markets and their commitment to our production standards, as is seen with their GMP certification, which is the gold standard in pharma production. It’s rare to see GMP certification in the cannabis supply chain because it’s a complex and rigorous process to earn the qualification. This tells us all we need to know about their ability to meet our needs on not only a continuous, but consistent basis.”

### **About Peru’s Market**

Peru adopted Law 30681 in October 2017 with the objective of allowing access to medical cannabis. Peru’s medical cannabis market thus far is 100% dependent on imports. The law explicitly allows domestic production, importation and commercialization of cannabis for medical and scientific purposes and mandates the creation of a series of registries within its Ministry of Health. Only certified pharmaceutical laboratories can apply for a production license domestically and retail sales occur only in licensed pharmacies. However, as of mid-2020, no production license has been granted.<sup>(2)</sup> Physician prescriptions are required and multiple medical conditions can be prescribed cannabis.

### **About Cann Farm Peru S.A.C.**

Cann Farm is dedicated to cultivating and processing medicinal plants under the highest quality standards and developing from them a broad portfolio of innovative products for the health and well-being of the international community. In addition to the importation and marketing of products derived from cannabis and other plants for medicinal use and cultivation and processing of medicinal plants, both for the Peruvian market and for export, Cann Farm invests in scientific research projects in topics related to the application of medicinal plants for health, as well as in agronomic issues aimed at optimizing their production.

### **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 has fully commercialized its Australian extraction facility. MediPharm Labs Australia was

established in 2017.

1. <https://prohibitionpartners.com/wp-content/uploads/2019/07/The-LATAM-Cannabis-Report%E2%84%A2.pdf>
2. [https://mjbizdaily.com/wp-content/uploads/2020/08/latin-america-2020\\_FINAL.pdf](https://mjbizdaily.com/wp-content/uploads/2020/08/latin-america-2020_FINAL.pdf)

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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; forecasts regarding the growth of the Peruvian market; and providing further support and commercialization for Cann Farm in the future. 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](http://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 Cann Farm was supplied by Cann Farm for inclusion herein.



Source: MediPharm Labs Corp.