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Colombia Expands Distribution of Medical Cannabis to Pharmacies Nationwide and Opens Export Market for Dried Flower Medical Cannabis

- On July 23, 2021, the Colombian Government signed Decree 811 of 2021, expanding the regulatory framework for domestic and export medical cannabis markets in Colombia
- With the Decree, Colombia continues to serve as a regulatory leader and reference point for other countries in the region, having also approved universal insurance coverage for THC and CBD in late 2020
- The decree allows for 1) the expansion of medical cannabis distribution across most pharmacies in the country, 2) the expansion of CBD-based product portfolios within the country, and 3) the export of dried flower medical cannabis products to international markets, among others
- Khiron welcomes this regulation, which is expected to expand the Company's distribution network for patients and insurance companies within Colombia, while strengthening its supply chain for dried flower in Germany and UK
- With more than 10,000 medical cannabis patients served in Colombia to date, and more than 18,000 prescriptions sold in the first half of 2021 across Colombia, the new regulation will further enhance Khiron's leadership in the Colombian medical cannabis industry

TORONTO, July 26, 2021 /CNW/ - Khiron Life Sciences Corp. ("Khiron" or the "Company") (TSXV: KHRN)(OTCQX: KHRNF)(Frankfurt: A2JMZC), a vertically integrated medical cannabis leader with core operations in Latin America and Europe, today announces its support for amendments to Colombia's medical cannabis decree, signed July 23, 2021. With the enhanced regulations, Colombia continues to be a leader and reference point for medical cannabis regulations across Latin America.



Alvaro Torres, Khiron CEO and Director, comments, "Colombia has been a regional leader in medical cannabis laws since 2015 and this new Decree strengthens the Government's commitment to creating a robust and competitive industry. After naming the industry a National Strategic Priority and extending universal health coverage for THC and CBD medical cannabis products in late 2020, the new regulation expands the country's growth potential across various product categories in Colombia and through the export of dried flower."

Expansion of distribution network across pharmacies in Colombia

Since April 2020, Khiron has been dispensing medical cannabis to patients through its Zerenia™ pharmacy in Bogota, to more than 350 cities and municipalities across the country. With Decree 811 of 2021, the Government has significantly expanded the number of pharmacies eligible to carry and dispense medical cannabis products, from only a handful today to a network of more than 14,000 pharmacies nationwide.

Alvaro Torres, Khiron CEO and Director, comments, "Distribution expansion in pharmacies across Colombia is a key part of our growth strategy. As the Company continues to close medical cannabis agreements with insurance companies across Colombia, expansion of point of sales through the national pharmacy network becomes increasingly important. With today's changes, we look forward to expanding our partnerships with insurance companies, third-party pharmacies, and logistics operators to increase product awareness and provide patients with greater access to medical cannabis products and increased choice in how they receive their medication."

Allowance for Export of dried flower medical cannabis

Decree 811 of 2021 also creates a regulatory framework that gives Colombian producers the ability to export dried flower medical cannabis as a finished commercial product.

Franziska Katterbach, President of Khiron Europe, comments, "The Company began sales of Khiron-branded dried flower products in the UK in Q2 2020 and Germany in Q1 2021. To date, our asset-light approach has fueled sales growth, with Europe representing an increasing share of medical cannabis revenues and gross profits quarter over quarter. Colombia is well known for its medical cannabis cost advantages, and with positive market trends and our understanding of European regulations and robust control standards, we welcome the opportunity to improve the efficiency and profitability of our supply chain over the medium term."

About Khiron Life Sciences Corp.

Khiron is a leading vertically integrated medical cannabis company with core operations in Latin America and Europe. Leveraging wholly-owned medical health centres and proprietary telemedicine platforms, Khiron combines a patient-oriented approach, physician education programs, scientific expertise, product innovation, and agricultural infrastructure to drive prescriptions and brand loyalty with patients worldwide. The Company has a sales presence in Colombia, Peru, Germany, UK, and Brazil and is positioned to commence sales in Mexico in 2021. The Company is led by Co-founder and Chief Executive Officer, Alvaro Torres, together with an experienced and diverse executive team and Board of Directors.

Visit Khiron online at investors.khiron.ca and on Instagram @khironlife.

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