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Khiron Receives First Colombian Authorization to Commercialize High-THC Cannabis for Domestic and Export Sales

- Authorization for domestic and export purposes comes as a result of commercial quotas allocated to Khiron by the Colombian Technical Quotas Group ("TQG") for 2019
- Permits Company to cultivate and commercialize psychoactive cannabis
- Includes authorization to export of whole plant extract to Uruguay and Brazil
- Positions Khiron to as the first LP to manufacture high-THC whole plant extract and produce customized medical cannabis prescriptions for domestic use

TORONTO, Nov. 25, 2019 /PRNewswire/ - Khiron Life Sciences Corp. ("Khiron" or the "Company") (TSXV: [KHIRN](#)), (OTCQB: KHRNF), (Frankfurt: A2JMZC), a vertically integrated cannabis leader with core operations in Latin America, today announced that it has become the first and to date, only cannabis company in Colombia authorized to commercialize psychoactive, high-THC cannabis for both domestic and export purposes. Representing a key milestone towards Khiron's stated timeline to bring medical cannabis options to market, the authorization comes as a result of commercial quotas allocated to Khiron by the Colombian Technical Quotas Group ("TQG"), which permit the Company to cultivate and commercialize up to 560 kg – or approximately, 65,000 units – of psychoactive, high-THC cannabis in 2019.



Juan Diego Alvarez, Khiron Vice-President of Regulatory Affairs commented, "Today's receipt of cultivation quotas from the TQG is undoubtedly a game-changer. With these quotas, we become the first and only cannabis company in Colombia with the ability to commercialize high- and low-THC whole plant extract, both nationally and abroad. More importantly, however, it paves the way for our patients to receive high-THC medical cannabis prescriptions that treat key indications and improve their quality of life. That, ultimately, is our first priority."

In Colombia, production of "psychoactive cannabis" – defined as THC greater than or equal to 1% – is strictly regulated, involving a rigorous process that requires companies to register strains with the Colombian Agricultural Institute (ICA), complete product and stability testing, and prove legal demand for their products in order to receive commercial quotas. Upon completing this process, Khiron has received two key quotas for commercial cultivation and commercial fabrication from the TQG.

Commercial Cultivation Quotas

Under the commercial cultivation quotas allocated by the TQG, the Company is authorized to cultivate 560 kg of high-THC cannabis for commercial purposes in 2019. Commercial cultivation is expected to begin in Q4 2019, and will utilize Company strains registered in the ICA's National Cultivar Registry.

Commercial Fabrication Quotas

In addition to cultivation, commercial fabrication quotas granted by the TQG allow the Company to manufacture high-THC whole plant extract for both export and domestic commercialization. This includes export of whole plant extract as raw material to Uruguay, and through the Mercosur trading bloc, to the Brazilian medical cannabis market, valued at CAD \$18 billion in 2018. Further, Khiron is also authorized to manufacture high-THC whole plant extract for domestic use, positioning Khiron to be the first cannabis company to produce customized medical cannabis prescriptions, known as magistral preparations, in the country. Through these end products, the Company aims to treat up to 15,000 initial patients in Colombia with three specific indications, including chronic pain, anxiety and nausea. Manufacturing of high-THC whole plant extract is anticipated to begin Q1 2020.

About Khiron Life Sciences Corp.

Khiron Life Sciences Corp. is positioned to be the dominant integrated cannabis company in Latin America. Khiron has core operations in Latin America and is fully licensed in Colombia for the cultivation, production, domestic distribution, and international export of both tetrahydrocannabinol (THC) and cannabidiol (CBD) medical cannabis. The company delivers best in class regulatory compliance, has the first approved set of CBD cosmetic products on shelf in Colombia, and is currently facilitating testing to meet and surpass all license requirements for commercial cannabis derived products.

With a focused regional strategy and patient oriented approach, the Company combines global scientific expertise, agricultural advantages, branded product market entrance experience and education to drive prescription and brand loyalty to address priority medical conditions such as chronic pain, epilepsy, depression and anxiety in the Latin American market of over 620 million people. The Company is led by Co-founder and Chief Executive Officer, Alvaro Torres, together with an experienced executive team, and a knowledgeable Board of Directors that includes former President of Mexico, Vicente Fox.

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