

March 25, 2020



MediPharm Labs Ships Cannabis Topicals and Accelerates Development to Expand Topicals Presence in Medical and Adult-Use Markets

BARRIE, Ontario, March 25, 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 it has completed its first shipment of bottled cannabis topicals under a contract manufacturing agreement. The Company also announced it is accelerating its research and development program to expand the Company's presence in the growing Canadian, and future international, medical and adult-use topicals markets.

First Topical Shipments

Leveraging the Company's 25,000 sq. ft. licensed space, the Company completed its first shipment of topicals from its GMP-certified Barrie facility this week including the filling and packaging on behalf of its customer. The topicals, shipped yesterday, will be distributed to final medical or adult-use purchasers directly by the customer.

"We're pleased to be working with our brand-name customers in the field of topicals, a key product category under legalization 2.0 and for MediPharm Labs' customers," said Pat McCutcheon, Chief Executive Officer, MediPharm Labs. "We completed our first topical unit shipment direct to our customer earlier this week. As we continue to evolve our platform and add expertise in the area of topicals, we will be able to forge new agreements that will engage more of our capabilities including innovation services that extend customers' product solutions."

Topicals Development Program

The Company's focused R&D effort is dedicated to creating base compounds that are the foundation of cannabis topicals such as lotions, salves, gels and creams. The Company would look to commercialize its in-house developed compounds initially within Canada, and then in other international markets where permissible.

"Following Cannabis 2.0 legalization in Canada, it's clear there is demand for cannabis topicals. We also expect worldwide demand for topicals could increase as new cannabis markets start to come online and legalize concentrate based products. With our GMP-certified platform, and deep scientific resources, MediPharm Labs is capable of creating

novel, high-quality, high-potency base compounds that our customers and medical and adult-use consumers can trust,” said Pat McCutcheon, Chief Executive Officer, MediPharm Labs. “Today’s announcement that we’ve formed and accelerated our very own topicals R&D program should be interpreted for what it is: a clear sign that we can and will do more to innovate and drive our growth and presence in this important and growing space.”

In Canada, MediPharm Labs’ home country, cannabis-infused topicals are already legal providing an excellent near-term market opportunity. MediPharm Labs believes as new jurisdictions legalize cannabis concentrate products, including topicals, it is ideally positioned to become an essential part of the global topicals supply chain with its GMP-certified production capabilities, product traceability, manufacturing scale and deep knowledge of cannabis science.

About MediPharm Labs Corp.

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 in the process of commercializing its Australian extraction facility. MediPharm Labs Australia was established in 2017.

For more information:

Laura Lepore, VP, Investor Relations

Telephone: 705-719-7425 ext 216

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, among other things, legalization of cannabis topicals in international markets, forging new agreements, including for innovation services, creation and commercialization of base compounds and

new product development. 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.



Source: MediPharm Labs Corp.