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MediPharm Labs Signs Large Multi-Year Cannabis Extraction Agreement With TerrAscend Marking Strong Start to 2019

TORONTO, Jan. 08, 2019 (GLOBE NEWSWIRE) -- MediPharm Labs Corp. (TSXV: LABS; OTCQB: MLCPF) (the “**Company**” or “**MediPharm Labs**”), a specialized, research-driven cannabis extraction business, fully licensed under the *Cannabis Act* (Canada) focused on downstream secondary extraction methodology, distillation, and cannabinoid isolation and purification, is pleased to announce that its wholly-owned subsidiary, MediPharm Labs Inc. (“**MediPharm**”), has entered into an initial three-year extraction agreement for processing of dried cannabis to cannabis oil concentrates (the “**Agreement**”) with TerrAscend Corp. (CSE: TER; OTCQX: TRSSF) (“**TerrAscend**”). This Agreement marks a strong start to 2019 for MediPharm as the Company continues to grow its base of multi-year cannabis extraction and processing customers, increasing asset utilization and recurring revenue expectations.

“We are off to a strong start in 2019 with the addition of TerrAscend to our portfolio of high-quality cannabis oil extraction partners,” said Mr. Pat McCutcheon, President and CEO, MediPharm Labs. “This Agreement and others like the one we’ve signed with TerrAscend, provide steady operational throughput, increased efficiency and a solid revenue base as we scale our business to 250,000 KG of dried cannabis extraction capacity annually.”

“We are excited to be working with TerrAscend through tolling as we continue building on our extraction expertise and techniques and advance our white label and bulk cannabis oil sales strategy to accelerate revenues. We are positioned with the capacity to grow with TerrAscend, servicing their future needs, as they pursue significant domestic and international opportunities, including supporting the growth of their patient network and consumer brands.”

Dr. Michael Nashat, CEO, TerrAscend, commented, “We are delighted to be working with MediPharm given their expertise in extraction and strong track record in delivering high-quality cannabinoid products. MediPharm’s focus on cannabinoid extraction makes them an ideal partner to support TerrAscend’s focus on diversifying our product offering in Canada and abroad.”

Under the terms of the Agreement, TerrAscend will supply bulk quantities of dried cannabis to MediPharm for processing on a fee for service basis into bulk resin or other premium cannabis oil derivative products sold under TerrAscend brands.

About TerrAscend Corp.

TerrAscend is a biopharmaceutical and wellness company that is committed to quality products, brands and services for the global cannabinoid market. TerrAscend provides support to patients and consumers through its wholly-owned subsidiaries, TerrAscend Canada Inc., a licensed producer of cannabis pursuant to the Cannabis Regulations under the Cannabis Act (Canada) that provides medical cannabis to patients through its online medical marketplace Solace Health, and Solace Health Network Inc., a clinical support program and education platform led by healthcare professionals. TerrAscend participates in the legal adult-use market in Canada through direct and indirect supply agreements in several provinces and intends to expand into the US market in states where cannabinoids have been legalized for therapeutic or adult-use. TerrAscend also launched Ascendant Labs, a company committed to the continuous improvement of cannabinoid expressing plants, which is a strategic joint venture with leading researchers Cistron Corp.

About MediPharm Labs Corp.

Founded in 2015, MediPharm Labs is a pioneer in the cannabis industry and has the distinction of being the first company in Canada to become a licensed producer for cannabis oil production under the *Access to Cannabis for Medical Purposes Regulations* (ACMPR) without first receiving a cannabis cultivation licence. This expert focus on cannabis concentrates from its cGMP (current Good Manufacturing Practices) and ISO standard-built clean rooms and critical environments laboratory, allows MediPharm Labs to work with its established, Health Canada-approved cultivation partners to produce pharmaceutical-grade cannabis oil with a competitive advantage. MediPharm Labs is research-driven and focused on downstream secondary extraction methodology, distillation, and cannabinoid isolation and purification. MediPharm Labs provides B2B contract processing of cannabis to Canadian authorized licensed producers and appropriate international growers, supplying integrity-assured cannabis oil to qualified companies for sale under their own brand. In addition, MediPharm Labs will supply raw materials, formulations, processing and packaging for the creation of ready-to-sell advanced derivative products. MediPharm Labs was awarded Start-Up Of The Year at the recent Canadian Cannabis Awards hosted by Lift & Co.

Through its subsidiary, MediPharm Labs Australia Pty. Ltd., MediPharm Labs has also completed its application process with the federal Office of Drug Control to extract and import medical cannabis products in Australia.

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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, that the transactions contemplated by the Agreement will proceed as intended by the parties and set out in the Agreement, increased revenue and asset utilization expectations, expected GMP certification and the establishment of operations in Australia. 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 to obtain adequate financing; and the delay or failure to receive regulatory approvals. 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 assumes no obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change.



Source: MediPharm Labs Corp.