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MediPharm Labs Announces Increased Management Shareholdings and Stock Option Grant

TORONTO, Jan. 09, 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 over the last week, members of MediPharm Board of Directors and management team have increased aggregate shareholdings following the exercise of 5,445,806 options. Together with prior holdings, total management shareholdings increased to over 39% of issued and outstanding common shares in the capital of the Company (“Shares”).

“Following a tremendous 2018, our Board of Directors and management team are extremely confident in the future of MediPharm and believe the Company is notably undervalued,” said Mr. Pat McCutcheon, President & CEO, MediPharm Labs. “The strategic investments we have made in people, custom-built equipment and leading extraction technology, will enable MediPharm to take advantage of several new near-term opportunities, including the second phase of cannabis legalization in Canada, to create significant shareholder value over the short and long term.”

The Company also announced the Board of Directors has approved a grant of stock options under its stock option plan to purchase an aggregate of 5,309,900 Shares at an exercise price of \$2 per Share, being the closing price of the Shares on the TSX Venture Exchange on January 8, 2019, for a five-year term expiring January 8, 2024. Each grant vests in five equal instalments, the first of which vests immediately with the four other instalments vesting on the dates which are six, twelve, eighteen and twenty-four months from the grant date. The stock options were granted to directors, officers, employees and consultants of the Company and are subject to any necessary regulatory approvals.

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, the expectation to create shareholder value in the short and long term, 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.