

ASX RELEASE

10 January 2019

MediPharm Labs management team increase shareholdings

MMJ Group Holdings Limited (ASX: MMJ) ("MMJ") is pleased to attach a copy of a news release by MediPharm Labs Inc ("MediPharm Labs") (TSX-V: LABS) (OTCQB: MLCPF) announcing that members of its management team and board have increased their combined shareholding in the company (by exercising share options) to over 39%.

MMJ owns approximately 4.4 million shares for a 4.3% shareholding (at a cost of CAD\$0.85 per share) and 2.9 million warrants (exercisable at CAD\$1.20 per share by October 2020) in MediPharm Labs.

Investor and Media Enquiries

Jason Conroy
Chief Executive Officer

About MMJ

MMJ Group Holdings Limited (ABN 91 601 236 417) is a global cannabis investment company. MMJ owns a portfolio of minority investments and aims to invest across the full range of emerging cannabis-related sectors including healthcare, technology, infrastructure, logistics, processing, cultivation, equipment and retail. For MMJ's latest investor presentation and news, please visit: <https://www.mmjgh.com.au/investors/>

Important Notice

This announcement contains reference to certain intentions, expectations, future plans, strategy and prospects of MMJ. Those intentions, expectations, future plans, strategy and prospects may or may not be achieved. They are based on certain assumptions, which may not be met or on which views may differ and may be affected by known and unknown risks. The performance and operations of MMJ may be influenced by a number of factors, many of which are outside the control of MMJ. No representation or warranty, express or implied, is made by MMJ, or any of its directors, officers, employees, advisers or agents that any intentions, expectations or plans will be achieved either totally or partially or that any particular rate of return will be achieved. Given the risks and uncertainties that may cause MMJ's actual future results, performance or achievements to be materially different from those expected, planned or intended, recipients should not place undue reliance on these intentions, expectations, future plans, strategy and prospects. MMJ does not warrant or represent that the actual results, performance or achievements will be as expected, planned or intended. Nothing in this material should be construed as either an offer to sell or a solicitation of an offer to buy or sell securities. It does not include all available information and should not be used in isolation as a basis to invest in MMJ. This document does not constitute any part of any offer to sell, or the solicitation of an offer to buy, any securities in the United States or to, or for the account or benefit of any "US person" as defined in Regulation S under the US Securities Act of 1993 ("Securities Act"). MMJ's shares have not been, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold in the United States or to any US person without being so registered or pursuant to an exemption from registration including an exemption for qualified institutional buyers.



TSXV: LABS OTCMKTS: MLCPF

MEDI PHARM LABS ANNOUNCES INCREASED MANAGEMENT SHAREHOLDINGS AND STOCK OPTION GRANT

FOR IMMEDIATE RELEASE

January 9, 2019 - Toronto, Ontario – 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.



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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.

For further information, please contact:

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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.