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## ASX RELEASE

8 October 2018

### MediPharm Labs corporate update

**MMJ PhytoTech Limited (ASX: MMJ) ("MMJ")** is pleased to attach a release from MediPharm Labs Inc. ("MediPharm Labs") (TSX-V: LABS) providing a corporate update highlighting their achievements and ongoing activities.

Specifically, MMJ notes that:

- MediPharm Labs is currently operating with a processing capacity of 100,000 kilograms of dry cannabis flower and/or trim per year, giving them one of the largest extraction capacities in Canada; and
- Fully funded expansion is underway to increase customised processing capacity to an expected 250,000 kilograms of dry cannabis per year by Q2 2019.

MMJ has CAD\$5 million of equity invested in MediPharm Labs with 5.88 million shares (CAD\$0.85 cost per share) and 2.94 million warrants (exercisable at CAD\$1.20 per share by October 2020).

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#### Investor and Media Enquiries

Jason Conroy  
Chief Executive Officer

#### About MMJ

*MMJ 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: [mmjphytotech.com.au/investors/](http://mmjphytotech.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.*

October 4, 2018



## MediPharm Labs Corp. (TSXV: LABS) (Formerly POCML 4 Inc.) Provides Corporate Update Upon Commencement of Trading on the TSXV

TORONTO, Oct. 04, 2018 (GLOBE NEWSWIRE) -- MediPharm Labs Corp. (TSXV: LABS) ("**MediPharm Labs**" or the "**Company**") (formerly POCML 4 Inc.; TSXV: POCM) is pleased to provide a corporate update to highlight its achievements and ongoing activities upon the commencement of trading of its common shares on the TSX Venture Exchange (the "**TSXV**") on October 4, 2018 under the ticker symbol "LABS".



MediPharm Labs' Barrie facility



MediPharm Labs' Barrie facility

MediPharm Labs is a medicinal cannabis company specializing in the pharmaceutical grade production of cannabis oil products as a Licensed Producer by Health Canada under the *Access to Cannabis for Medical Purposes Regulations* (ACMPR), and is the first company in Canada to become a Licensed Producer for cannabis oil production without first receiving a cannabis cultivation license. MediPharm Labs is research-driven and focused on downstream secondary extraction methodology, distillation, and cannabinoid isolation and purification. This expert focus on cannabis concentrates under cGMP (current Good Manufacturing Practices) standards utilizing ISO rated standard clean rooms and critical environment laboratories, allows MediPharm Labs to work with Health Canada approved cultivation partners to produce pharmaceutical grade cannabis oil with a proprietary and competitive advantage.

“Our public listing marks a tremendous milestone for MediPharm Labs and will allow us to further enhance our position as an industry leader in the production and supply of pharmaceutical grade extracted cannabis products in Canada and globally, backed by our diverse team of highly sophisticated and accomplished professionals,” stated Patrick McCutcheon, Chief Executive Officer of the Company.

MediPharm Labs has curated a unique position in the cannabis industry by exclusively focusing on the high-margin segment of extraction and extraction related activities based on its proprietary methodologies and relationships. Purified cannabis concentrates have emerged as a preferred basis for consumption and is also the critical element for isolate and infused products for both the medical and adult use markets where legal globally. Leveraging the Company’s specialized methodologies and existing purchase and extraction arrangements with innovative and well-established industry participants. MediPharm Labs has been actively building an inventory of specialized consumer products in anticipation of federal legalization of the adult-use market in Canada. As a trusted specialized extractor and approved supplier of the Ontario Cannabis Stores, MediPharm Labs is well positioned to be a leader in this emerging market. Outside of the Canadian market, the Company is advancing the development of MediPharm Labs Australia facility, which will be a purpose-built state of the art centre of excellence and strategic component of the Company’s international growth strategy, in addition to developing strategic arrangements with industry leaders around the globe.

## **Operational Update**

- Phase one build-out of the Company’s critical environment labs utilizing state-of-the-art customized cannabis extraction, fractionation and distillation equipment has been completed in the Company’s wholly-owned cGMP pharmaceutical facility, complete with purpose built laboratory and manufacturing equipment fully executing the Company’s proprietary processes.
- The Company is currently operating with a processing capacity of 100,000 kilograms of dry cannabis flower and/or trim per year, giving MediPharm Labs one of the largest extraction capacities in Canada.

- Fully funded expansion underway to increase customized processing capacity to an expected 250,000 kilograms of dry cannabis per year by Q2 2019.
- Executed cannabis concentrate program agreements in place with Licensed Producers James E. Wagner, Bonify, INDIVA and UP Cannabis/Newstrike Brands Ltd., with further arrangement in process with additional Licensed Producers and industry participants, subject to standard conditions for such arrangements including receipt of requisite licenses.
- Completed numerous bulk wholesale purchases from various Licensed Producers to bolster inventory in preparation for federal legalization of the adult-use market.
- Named as one of only 32 Licensed Producer suppliers for the Ontario Cannabis Stores.
- Positioned to generate revenue immediately upon receipt of sales licence (sales inspection has been completed and pending approval).
- MediPharm Labs has rights and plans to open four retail stores in the province of Manitoba in 2019 through its Joint Venture Partnership “Garden Variety” with Avana Canada Inc. of Ontario, Fisher River Cree Nation of Manitoba, Chippewas of the Thames of Ontario.
- Research-driven, bio-pharmaceutical team established as lead by Dr. Chris Talpas, chromatography expert.
- MediPharm Labs Australia PTY facility, which will be a purpose built state-of-the-art extraction facility designed to produce the same superior pharmaceutical grade cannabis oil as the Company’s purpose-built Health Canada licensed cannabis oil production facility in Barrie, Ontario is under development and is anticipated to be operational in spring 2019 pending licensing. MediPharm Labs’ Australian facility in Wonthaggi is expected to serve both the Australian domestic market as well as facilitate international supply chain and logistics opportunities, subject to receipt of applicable licenses.
- Development of additional specialized intellectual property, focused on downstream proprietary fractionation, isolation and chromatography underway.
- Advanced activities underway targeting strategic partnerships, development of proprietary products and international opportunities.

For additional information on MediPharm Labs please visit [medipharmlabs.com](http://medipharmlabs.com).

PowerOne Capital Markets Limited and Canaccord Genuity Corp. acted as agents to the Company for its financing in connection with the Company’s “Qualifying Transaction” with POCML 4 Inc., as such term is defined in the policies of the TSXV (the “**Transaction**”).

**Directors, Officers and Auditor**

The directors and officers of the Company following closing of the Transaction are:

**Patrick McCutcheon, President and Chief Executive Officer and Director**- In his 15 years in the pharmaceutical industry, Pat has successfully launched a wide range of medicinal products. Before arriving at MediPharm, Pat most recently led the hospital division for renal and mental health products for Jansen Pharmaceuticals (Johnson & Johnson).

**Keith Strachan, Vice President, Business Development and Director** - Keith is a supply chain management expert and has held numerous positions in the public sector. With a focus on procurement, Keith has worked for ministries and agencies including correctional services, policing, transportation and healthcare.

**Miriam McDonald, Director** - Miriam is currently the Director of Pharmacy at Health Sciences North, Northern Ontario's largest hospital located in Sudbury. She holds a Bachelor of Science in Pharmacy from the University of Toronto and a Master of Science in Pharmacology from Queens University. Her career has encompassed positions as the Executive Director of Community Development at the Northern Ontario School of Medicine, and CEO of the Northeastern Ontario Medical Education Corporation (NOMECE) wherein she worked throughout northern Ontario to facilitate community-based medical clinical education. She also served as Director of Planning and Development of Cambrian College, Executive Director of Cambrian Foundation, and Director of Pharmacy, Director of Rehabilitation Services and Assistant Executive Director of Therapeutic Services at Laurentian Hospital. She was Project Coordinator for the planning and construction of the Glenn Crombie Special Needs Centre, the Northern Centre for Advanced Technology (NORCAT), and the Northeastern Cancer Centre. She is the author and co-author of a number of health-related papers and studies and is very active in the community both on a personal and professional level.

**Marufur Raza, Director** - Maruf is one of the leaders of MNP LLP's Access to Cannabis for Medical Purposes Regulation (ACMPR) team with a great depth of experience and expansive network in the industry internationally. Maruf is considered a thought leader in the practical application of the IFRS biological asset standard and measurement of fair value of the assets. He has experience with the medical marijuana sector internationally and has assisted with these companies listing in Canada. Maruf has helped numerous Canadian and international companies go public in Canada. He has worked around the globe, with a special focus on Latin America and Africa and specializes in helping finance these companies in Canada, either through public or private transactions. Maruf also serves as a strategic advisor to and private companies planning on going public through direct initial public offerings or reverse mergers.

**Christopher Hobbs, Chief Financial Officer and Director** - Chris has over 25 years of diversified finance and accounting experience with a focus on assisting growth companies raise capital and listing in Canada. Chris has acted as Chief Financial Officer for several public and private companies operating in the resource, health sciences and technology sectors. Chris is a Chartered Professional Accountant (CPA), qualifying as a Chartered Accountant (CA) in 1992 while at KPMG LLP and holds a Bachelors of Business Administration from the Schulich School of Business at York University.

In connection with the Transaction, the Company has appointed Dale Matheson Carr-Hilton Labonte LLP as auditor of the Company, replacing MNP LLP. There are no reportable events, including disagreements, consultations or unresolved issues, as such terms are defined in National Instrument 51-102 *Continuous Disclosure Obligations*.

### **About MediPharm Labs Corp.**

MediPharm Labs, through its subsidiary, 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 our cGMP (current Good Manufacturing Practices) and ISO standard 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, through its subsidiary, 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.

MediPharm Labs will supply raw materials, formulations, processing and packaging for the creation of ready-to-sell advanced derivative products. 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.

### **Further Information**

For further information, please contact:

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Investors are cautioned that, except as disclosed in the filing statement of the Company prepared in connection with the Transaction and dated as of September 24, 2018, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon.

***The TSXV has neither approved nor disapproved the contents of this news release. Neither the TSXV nor its Regulation Service Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this release.***

**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 anticipated trading date of the common shares of MediPharm Labs on the TSXV, planned investments to be made in the build-out of environment labs and the acquisition of equipment, potential extraction and processing capacities, obtaining approval for a sales license 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 the Company 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, the Company assumes no obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change.

Photos accompanying this announcement are available at

[globenewswire.com/NewsRoom/AttachmentNg/d39a379c-a22d-45a6-a5bd-f521e3395b0e](http://globenewswire.com/NewsRoom/AttachmentNg/d39a379c-a22d-45a6-a5bd-f521e3395b0e)

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Source: MediPharm Labs Inc.