



ASX & MEDIA RELEASE

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NANOCBD™ UPDATE – FIRST EXPORT ORDER RECEIVED

- MDC's third and newest cannabinoid utilising MDC's proprietary delivery platform (NanoCelle)
- Allowing MDC to commercialise in countries that allow CBD from hemp as opposed to marijuana
- First export order to Hong Kong received for 1,500 units of NanoCBD™ and deposit paid
- Working with US potential clients for US market release
- Australian availability expected Christmas 2019
- Manufacturing of NanoCBD™ now commenced in a US FDA licenced facility

Medlab's NanoCBD™ product has been developed out of our US operations, with manufacturing underway at a licenced FDA facility, and has already received its first export order and deposit for 1,500 units to Hong Kong.

Australian delivery for use under the Special Access Scheme (SAS) is expected by Christmas 2019.

Other countries that allow CBD from Hemp as opposed to marijuana, specifically the US market are being investigated with potential partners.

This will be the third cannabinoid product Medlab has produced, and like the other 2 products, utilises Medlab's proprietary delivery system, NanoCelle™, and maintains all the rigors of quality in the manufacturing cycle. Further, NanoCBD™ allows for expanded commercial reach where Hemp products have been legalised. NanoCBD™ like MDC's other 2 cannabis products (NanaBis™ and NanaBidial™), are made under either an Australian (TGA) or US (FDA) approved drug manufacturer to ensure quality and consistency in the formulation.

NanoCBD™ is a standardised formulation containing 16.67 mg/mL cannabidiol (CBD) from hemp, as an active ingredient, in a sub-micron spray applied to the oro-buccal membrane. NanoCBD™ has local and global commercial opportunities.

- NanoCBD™ is manufactured in a U.S. Food and Drug Administration (FDA) approved, Good Manufacturing Practice (GMP) certified facility in California.
- Fundamental to Medlab is maintaining both quality and precision of the medicine.
- Uses NanoCelle™ patented delivery platform providing product differentiation
- Complies to US Farm Bill 2018.
- Expected Christmas 2019.

Medlab CEO, Dr Sean Hall said "NanoCBD™ is another example of the capabilities of Medlab's patented NanoCelle™ delivery platform. The order is the start of global expansion for the product, with opportunities in the USA to follow. Once manufactured, NanoCBD™ will be available in Australia under SAS."

PHARMACEUTICAL PROGRESS – Cannabis based drugs

Pharmaceuticals is one of three MDC divisions together with the Nutraceuticals' business and the Medlab technologies group focused on commercialisation of in-house developed NanoCelle™ delivery platform.

Fundamental to the Pharmaceutical division, Medlab's core objective is to achieve a Drug Registration with approved health claims, for example NanaBis™ where it continues to make progress through the Phase 2 Clinical Trial at Royal North Shore (ACTRN12617001480370). Trial progress and the pursuit of drug registration will underwrite a global opportunity in pain management.

In parallel with the drug registration process, Medlab continues to exercise numerous other paths of commercialisation including product sales in compassionate access schemes such as the Australian TGA SAS Category B scheme and other Over The Counter (OTC) opportunities globally. These initiatives provide valuable patient data and revenue.

The Pharmaceutical approach uniquely differentiates Medlab from others in the Cannabis sector, who are not exposed to the rigours of clinical trials, manufacturing at licenced drug facilities nor oversight and scrutiny from the TGA, FDA and the EMA.

Specific to this area, Medlab's portfolio of potential clinical claims now include:

1. NanaBis™ – Cancer pain, but also showing very encouraging data in neuropathic pain
2. NanaBidial™ – Seizures and chemotherapy induced nausea and vomiting
3. NanoCBD™ – Inflammation, Anxiety

The first NanoCBD™ sale offers validation of the product and differentiated delivery technology and points to the global prospects for Medlab developed products.

ISSUED FOR: MEDLAB CLINICAL LTD (ASX: MDC) – www.medlab.co

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ABOUT MEDLAB – www.medlab.co

Medlab Clinical is an Australian based medical life science company, developing therapeutic pathways for diagnosed chronic diseases. It is advanced in developing therapies for pain management, depression and obesity as well as earning revenue from sale of nutritional products in Australia and the United States. In pain management Medlab is developing cannabis-based medicines. The Medlab developed nano-particle medicine delivery system, NanoCelle™, is being applied to its medicines, nutritional products and off-patent drugs like statins. Medlab has a growing patent portfolio.