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ASX RELEASE

8 November 2018

MediPharm Labs production milestone

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) confirming achievement of the significant milestone of the purification and production of 150,000 grams of cannabis extract.

MMJ owns 5.2 million shares 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.



MediPharm Labs Corp. Completes Major Extraction Milestone

TORONTO, Nov. 07, 2018 -- MediPharm Labs Corp. (TSXV: LABS) (the “Company” or “MediPharm Labs”) is pleased to announce that it has reached a significant milestone by completing the purification and production of **150,000 g of cannabis extract**. Since concluding its Health Canada sales inspection on September 24, MediPharm Labs has commenced daily production and has achieved our first cannabis oil production target ahead of schedule using critical CO2 extraction and secondary purification processes. **This is a Canadian leading volume.**

“MediPharm Labs is becoming a global leader in pharmaceutical-grade cannabis concentrates. With laser focus, we are executing on that goal, producing at high rates of efficiency, quality, and purity in our operations,” says Pat McCutcheon, President and CEO of MediPharm Labs. “Since legalization in Canada, the demand for purified cannabis oil is high and trending higher from both medical patients and adult consumers. We are ready to service this market and are building for the future when advanced derivative products will be formulated with concentrates and isolates.”

MediPharm Labs is a first-mover in Canadian cannabis oil production and runs three concurrent supercritical CO2 extraction lines within its wholly-owned laboratory and facilities built to cGMP and ISO standards. This phase one of its operations has remaining capacity to significantly increase these throughput volumes, to a total estimated 100,000 kg (100,000,000 g) of dried cannabis annually. MediPharm Labs is moving aggressively on its funded Phase two expansion having taken receipt of two additional supercritical CO2 extractors for use in January 2019. The complete MediPharm Labs phase two expansion is on track to complete by Q2 2019.

MediPharm Labs has partnered with its suppliers to modify equipment for proprietary results. It has been building a stellar team of operators from across complimenting industries such as pharmaceuticals, consumer packaged goods and nutraceuticals. MediPharm Labs will continue to build on this foundation to remain global leaders in cannabis concentrate manufacturing and innovation.

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 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 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.

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, potential extraction and processing capacities, obtaining approval for a sales license, the timing of the Company’s phase two expansion 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.