MediPharm Labs

Extracting Value

A Trusted Global Leader in High-quality, Industrial-scale Cannabinoid-based Derivatives

TSX-V: LABS   OTCQB: MLCPF

Management Presentation
February 2019

medipharmlabs.com

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MediPharm Labs

The front-runner in cannabis extraction and purification.

State-of-the-art technology,
cutting edge **proprietary methodologies**.

A trusted partner, delivering **pure, safe and precisely dosable cannabis concentrates** for **private label** advanced derivative products.

MediPharm Labs – A Differentiated Cannabis Growth Opportunity

Leader Extraction Only

Canada's premier cannabis oil extraction leader

High Growth + Margin

Strategic focus on high growth & high margin segment

1st Mover Advantage

Technology, expertise, licensing & scale

Scale

Highly scaled operations – 250,000 kg by Q2 2019

Revenue

$10 million revenue – first month sales

December 2018

Predictable Cash Flow

4 large private label sale agreements

5 multi-year processing agreements, *more to come*

International Opportunities

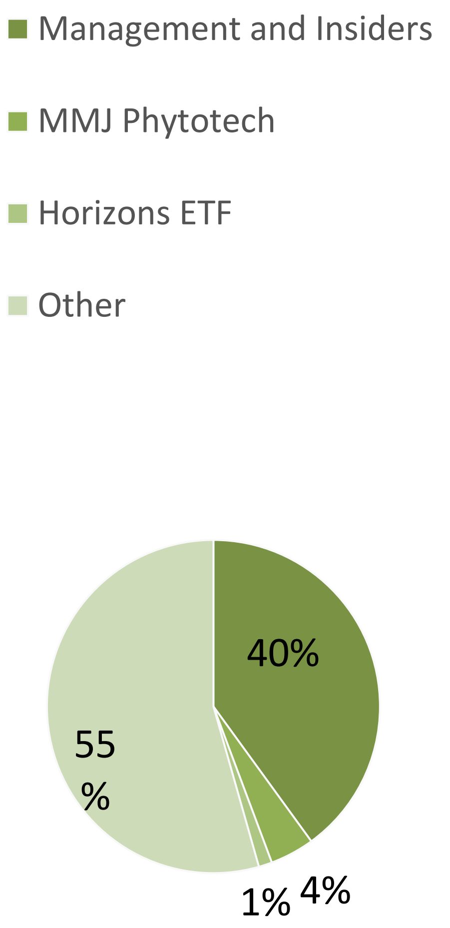
Australia and Asia Pacific targets, European export

Capital Structure and Ownership

Stock Performance TSX-V:LABS – Initiated Trading October 4, 2018

Analyst Coverage	FY19e Revenue	FY20e Revenue	FY19e EBITDA	FYE20e EBITDA	Target Price
Canaccord	$115M	$239M	$27.4M	$68.4M	$4.75
PI Financial	$86M	$137M	$7.5M	$31.6M	$4.25

Ownership



Capital Structure	
Common Shares o/s	103.6 million
Options	$9.9 million
Warrants	$24.1 million
Fully diluted	139 million
Total potential influx from Options & Warrants	**$39.1 million**

Balance Sheet (at September 30, 2018)	
Cash Position	$6.3 million
Debt	$6.0 million

Share Performance	
Market Close Feb 25, 2019	$2.89
Market Capitalization	**$300 million**

Key Milestones - First Fully Licensed Extraction Company in Canada

1. **Oct 4, 2018** — "LABS" trades on TSX-V
2. **Nov 12, 2018** — Sales Licence approved
3. Supreme. TSXV:FIRE — **Nov 14, 2018** — 3 yr. tolling signed
4. **Nov 29, 2018** — 900 kg/18 month extract agreement — CANOPY GROWTH CORPORATION
5. **Dec 24, 2018** — Health Canada approves expansion
6. **Jan 7, 2019** — "MLCPF" trades on OTCQB
7. TERRASCEND — **Jan 8, 2019** — Large tolling agreement signed
8. **Jan 16, 2019** — **$10 million sales** in 1st month
9. **Feb 12, 2019** — **$35 million oil sale –** $7.5 million upfront
10. **Feb 12, 2019** — **$85 million** projected revenue/15 months
11. **Feb 21, 2019** — 1st international wholesale with AusCann Export to Australia

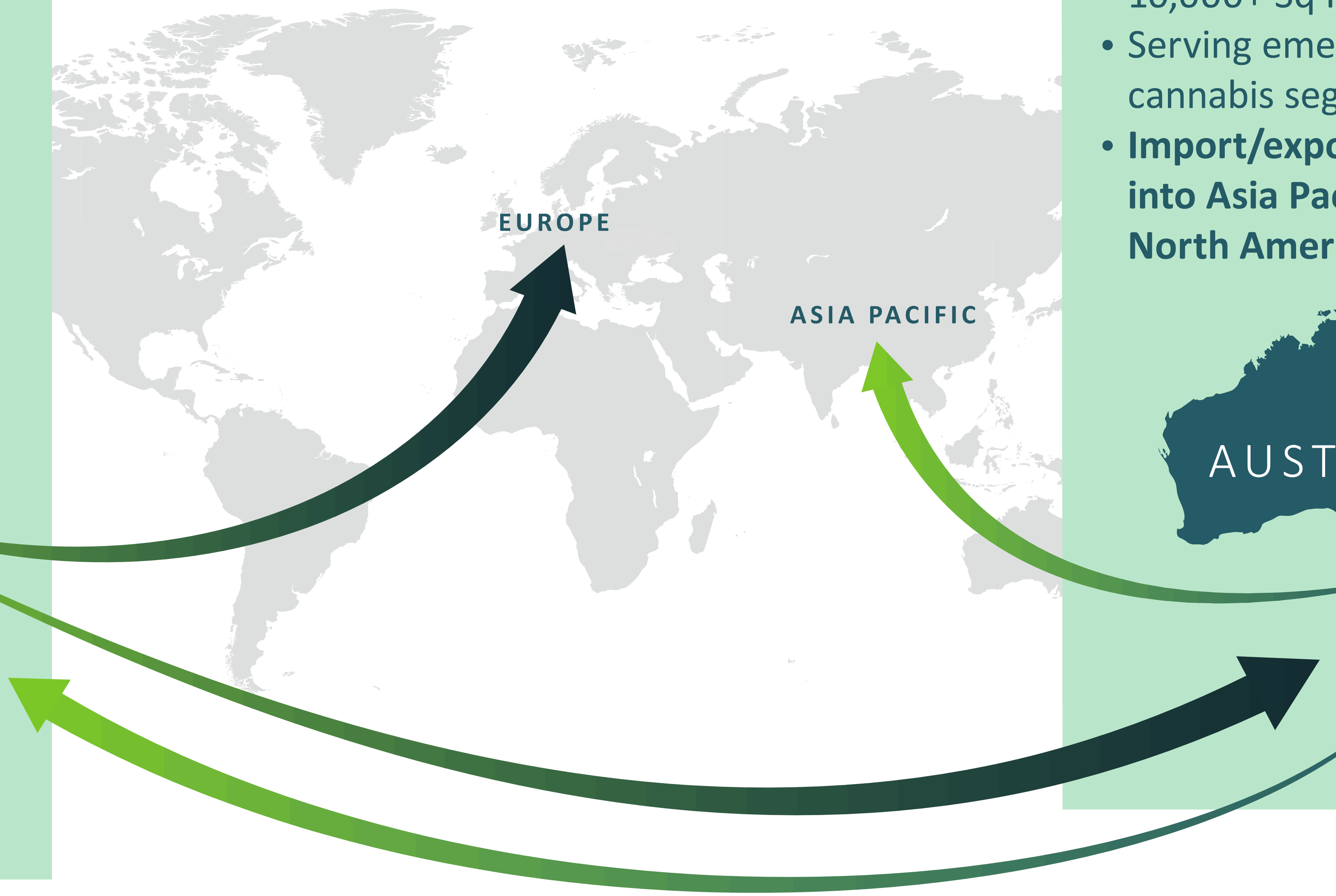
Largest Canadian Extraction Footprint – Domestic & Global Distribution

Canadian LP with production and sales licence

BARRIE, ONTARIO

- 70,000 Sq Ft with 150,000 kg capacity
- **Expanding to 250,000 kg capacity by Q2/19**
- ISO standard critical environments
- Built to exceed cGMP standards
- EU GMP Certification pending

MediPharm Labs



VICTORIA, AUSTRALIA

- 10,000+ Sq Ft facility
- Serving emerging medical cannabis segment
- **Import/export hub into Asia Pacific and North America**

Exceptional Management Team with Deep Experience

Pat McCutcheon
Chief Executive Officer
15-year career in pharmaceutical sales and marketing for a wide range of products. Recently led the Hospital Division for Renal and Mental Health products at Janssen Pharmaceuticals (J & J).

Keith Strachan
President, Co-Founder
A healthcare business development expert, bringing government Supply Chain Management experience from government ministries, and consultancy in Public Sector RFPs, compliance, licensing and planning.

David Mayers
Chief Operating Officer
28 years of pharmaceutical leadership in multi-national and small organizations. Experienced in management of Controlled Substances, R&D, Quality, Lean Sigma, Supply Chain and strategy.

Ahmed Shehata
General Counsel & Head of Corporate Development
10 years in Business Law focused on securities, mergers and acquisitions, and corporate finance. Previously counsel for numerous cannabis companies and going public transactions.

Kirk Binns
Executive VP, Global Markets
A serial entrepreneur in the North American deregulated energy markets, leading market expansions, client acquisitions and managed up to 100 reports across multiple markets.

Chris Hobbs
Chief Financial Officer
18-year career in Finance, Chris has acted as Chief Financial Officer for several private and public companies operating in the resource, health sciences and technology sectors.

Sybil Taylor
Chief Marketing Officer
25-year marketing career in consumer-packaged goods. Experienced in strategic brand and product development and fully integrated communications in regulated alcohol and cannabis industries.

Jason Nalewany
VP Finance
A CPA-CA with cannabis experience, Jason has provided financial expertise to public entities in capital market strategies, M&A advisory, valuation, financial forecasting and due diligence.

Laura Lepore
VP Investor Relations & Communications
Award winning Investor Relations and Communications Executive experienced in corporate and financial communications, public relations and capital markets for global organizations.

Exceptional Management Team with Deep Experience

Michael Perron
Vice President, Business Development
A CPA with a MAcc, Mike has spent over 10 years in professional services focused in Management Consulting, Enterprise Risk, and Transaction Advisory Services, leading the national cannabis practice.

Dr. Chris Talpas
Vice President, Quality & Scientific Affairs
A Chromatography expert with 24-years in the bio-pharmaceutical field. Deep experience in the qualification/validation of complex quality systems, processes and equipment.

Dr. Ina Dubinsky
Lead Scientist – Secondary Processing
Experienced in R&D, testing and extraction of cannabis/hemp, isolation and purification of cannabinoids by vacuum distillation/filtration and RF column chromatography within FDA/GMP.

Anuja Siwakoti
Director of Global Regulatory and Scientific Affairs
Anuja is a senior leader in cannabis research, academia and regulated cannabis consulting, specializing in GPP/GMP audits, Health Canada licensing and navigating global regulations.

Warren Everitt
Managing Director, MediPharm Labs Australia
Warren brings senior leadership in Asia Pacific through his international digital marketing agency, and career in sales and marketing, consulting to some of the world's biggest companies.

Dr. Jake Golding
Director of Quality – Australia
20-years in bio-tech, with expertise in chemistry, commercial production and operations as well as quality systems. Experience includes registration and qualification of facilities, processes and equipment.

Saravan Subramaniam
Director, Project Management Office
Saravan has expertise leading engineering and technical services projects in the pharmaceutical and automotive industries including product launches and complex manufacturing facility designs.

Lorna Willner
Director of Human Resources
Lorna has a 25-year career as a collaborative leader developing best practices in recruitment, onboarding and coaching to build high performing teams aligned to company goals and values.

Paul Hamelin
Director of Security
Paul has a 35-year career in policing. He is the Executive Director of Ontario Police Technology Information Co-operative and former president of the Ontario Association of Chiefs of Police.

Extraction Revenue Streams – Wholesale + Private Label + Processing

WHOLESALE/ PRIVATE LABEL PRODUCTION

SUPPLY AGREEMENTS
(DRIED CANNABIS "IN")

- Long term and spot purchases of dried cannabis (flower/trim) purchases

SALE AGREEMENTS
(CANNABIS OIL "OUT")

- Extract, purify and formulate to specifications of LP customers
- Sell purified concentrates and/or finished products at wholesale price
- LPs retail to patients or consumers under their brand
- Tincture bottles, gel caps, vape pens, packaging and distribution

+

CONTRACT PROCESSING ("Tolling")

CANNABIS CONCENTRATE PROGRAM AGREEMENTS

- Receive dried cannabis (flower/trim) from qualified Health Canada – and Office of Drug Control Australia-approved LPs
- Extract/purify/concentrate cannabis oil and return to LP
- Collect tolling fee for service

Wholesale + Private Label + Processing Agreements Completed

WHOLESALE/ PRIVATE LABEL PRODUCTION

+15 SUPPLY AGREEMENTS
(DRIED CANNABIS "IN")

Supreme. TSXV:FIRE

UP Cannabis

CRONOS GROUP

OTHER one-off bulk wholesale purchases completed from other LPs

+5 SALE AGREEMENTS
(CANNABIS OIL "OUT")

CANOPY GROWTH CORPORATION

- 18-month term **450 kg** cannabis oil + optional up to 450 kg = **900 kg**
- Large Oil Sale $35M + $13.7M
- AusCann Oil Sale – Export to Australia

+

CONTRACT PROCESSING ("Tolling")

+5 CANNABIS CONCENTRATE PROGRAM AGREEMENTS

JWC James E. Wagner Cultivation

emerald™ HEALTH THERAPEUTICS

INDIVA OUR ROOTS RUN DEEP

Supreme. TSXV:FIRE

TERRASCEND

Market Opportunity: Retail Revenue Potential Sensitivity

150,000 kg Funded Annual Capacity Increasing to 250,000 kg by Q2/19

Facility Capacity (Flower)	**(kg)**	**150,000**	**150,000**	**250,000**
Capacity Utilization	(%)	50%	100%	50%
Process Throughput (Flower)	**(kg)**	**75,000**	**150,000**	**125,000**
Flower to active cannabinoid conversion (Note A)	(%)	10%	10%	10%
Active Cannabinoid Content	**(kg)**	**5,000**	**15,000**	**12,500**
Active Cannabinoid Content	(mg) M	8,000M	15,000M	12,500M
Price per active component (Note B)	(mg)	$0.11	$0.11	$0.11
Revenue at retail per annum	**($) B**	**$0.880B**	**$1.65B**	**$1.37B**

Note A
Cannabinoid recovery from flower ranges between 10% – 20%; active cannabinoid concentration in crude ranges from 70% – 80%

Note B
Source: Based on aggregated pricing data per mg on Harvest Medicine website: https://hmed.ca/pricewatch/ ranging between $0.10 – $0.12 per mg.

Potential retail revenue is not reflective of future revenue guidance or management expectations for actual financial results.

Pricing reflects retail pricing to end consumer in Canadian market inclusive of excise tax of approximately 10%.

Unique 1st MOVER: Ahead of Extraction Pack

Growth Company with a Significant Value Creation Opportunity

	Health Canada Oil Production License	Health Canada Oil Sales License	Licensed Cultivator Partnerships	Licensed Capacity Dried Cannabis	Cultivation/ Brands	Market Capitalization
MediPharm Labs (TSXV: LABS)	✓ Mar-18	✓ Nov-18	✓ +5 private label sales +5 tolling +15 dried cannabis supply	150,000 kg (250,000 kg by Q2/19)	X	$300M
Neptune (TSX:NEPT)	✓ Jan-19	X	1 tolling	100,000 kg (200,000 kg by Q2/19)	X	$387M
Radient (TSX-V:RTI)	✓ Feb-19	X	X 1 invested	N/A	X	$260M

*Approximate non-diluted Market Cap as of close of trading on February 25, 2019

Executing on International Growth

First Move: Victoria, Australia expected operational H2 2019 pending licensing

- Gateway to Asia Pacific markets
- Short term: hub for import/export
- Long term: production facility
- Actively seeking import/export opportunities (where federally permissible)
- Construction is underway with launch expected H2 2019
- 1 hour south-east of Melbourne
- Manufacturing licence application submitted for review (Australian Office of Drug Control)
- Working with 30 cultivation partners
- Majority holder (80%) of subsidiary MediPharm Labs Australia Pty. Ltd.

Summary and Future Catalysts

Leader Extraction Only

High Growth + Margin

1st Mover Advantage

Scale

Revenue

Predictable Cash Flow

International Growth Opportunities

Upcoming catalysts

- Expansion to 250,000 kg annual capacity by Q2 2019
- EU GMP Certification H2 2019
- Wholesale/Private label production and distribution agreements
- Large purchases of dried cannabis supply
- Completion of first international oil shipment to AusCann in Australia
- Completion of Australian extraction facility
- M&A or JV opportunities

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Please Contact for Additional Information

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Start-Up of the Year

Awarded 2018 Start-Up of the Year by Lift & CO.

Voted on by a judging committee, and chosen using these award criteria:

"This company exemplifies the qualities that define promising start-ups: plucky, innovative and creative. Its top-notch team identifies and solves industry problems and contributes beneficially to the cannabis sector at-large."

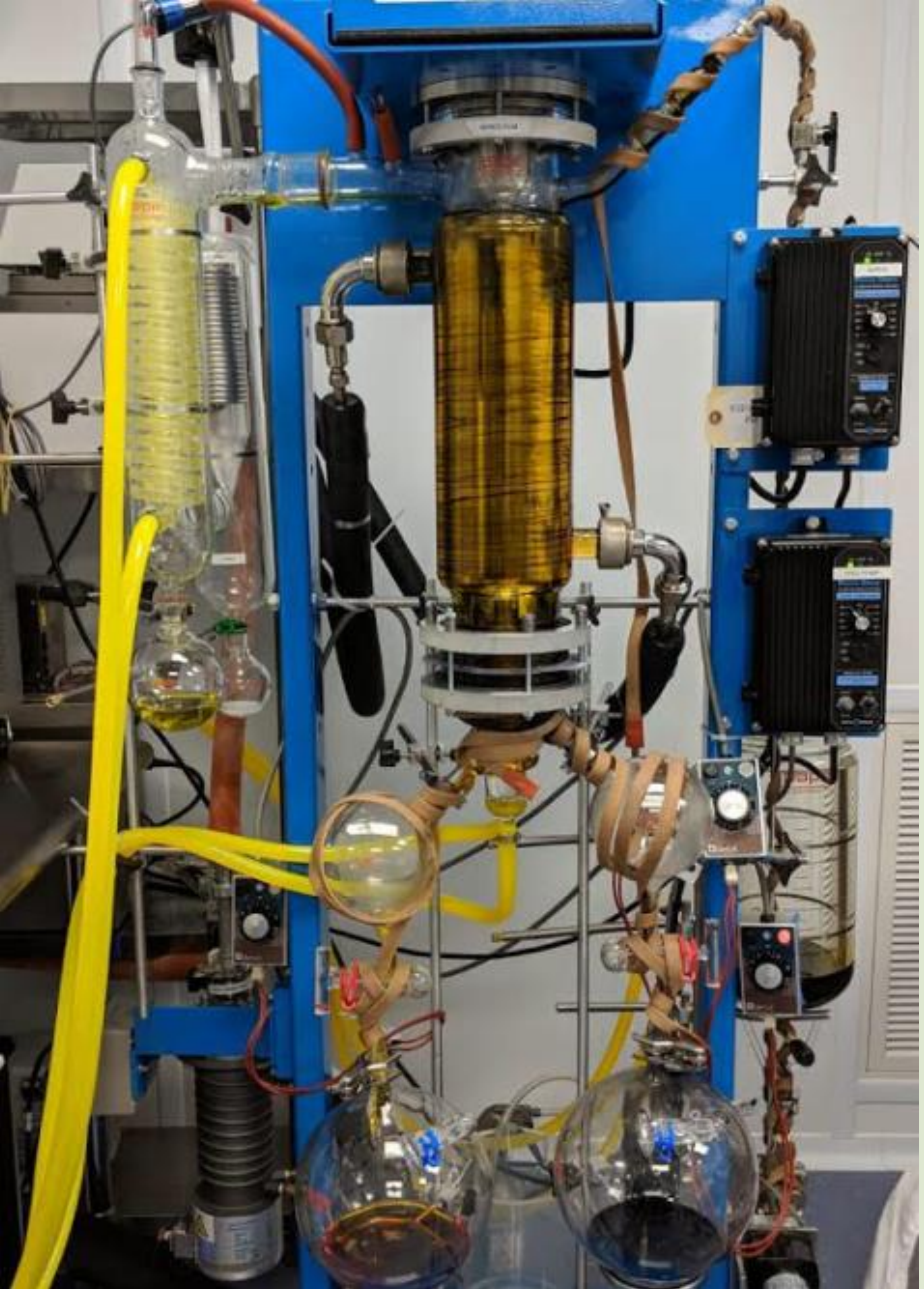
Significant *White Label Cannabis Oil Sale Agreement* with Canopy Growth Corporation – Q4 2018

- First sale of cannabis oil extract to world's largest cannabis company demonstrates strong endorsement of MediPharm's specialized extraction model
- MediPharm will refine its own inventory of dried flower into high quality cannabis oil extract for sale to Canopy Growth
- Agreement is for an initial purchase commitment of 450 kg and additional purchase options for 450 kg, for total volume of up to 900 kg of cannabis oil extract
- First installment of committed purchase of cannabis oil extract delivered in Q4 2018
- Balance of oil purchase commitments are scheduled to occur monthly through 2019. Additional purchase options available from January 2019 through mid-2020
- Significant excess capacity to fulfill the role as an agnostic supplier of pharma-grade cannabis oil concentrates to the global cannabis industry

Largest Cannabis Oil Footprint in Canada Fully Operational and Producing Purified Cannabis Oil

PHASE 1 – BUILT and OPERATIONAL

- **150,000 kg annual capacity**
- **70,000** sq ft facility for **significant future processing expansion**
- 10,000 sq ft of pharma-grade manufacturing
- 5 PRIMARY EXTRACTION lines
- Daily average Cannabis resin production of 10 kg
- Commercial scale distillation and chromatography R&D



Scaling State-of-the-Art Facility Build-out of Secondary Processing for Highest Margin

PHASE 2 – EXPANSION UNDERWAY

- **250,000 kg annual capacity to existing facility by Q2 2019**
- 2 larger volume **EXTRACTION LINES**
- 2 industrial scale **DISTILLATION SYSTEMS**
- 1 industrial scale **COLUMN CHROMATOGRAPHY**
- Expected online H2 2019

Deep Operational Expertise and Scientific Approach To Extraction

Industry leading expertise in the production of pharma-grade cannabis concentrates

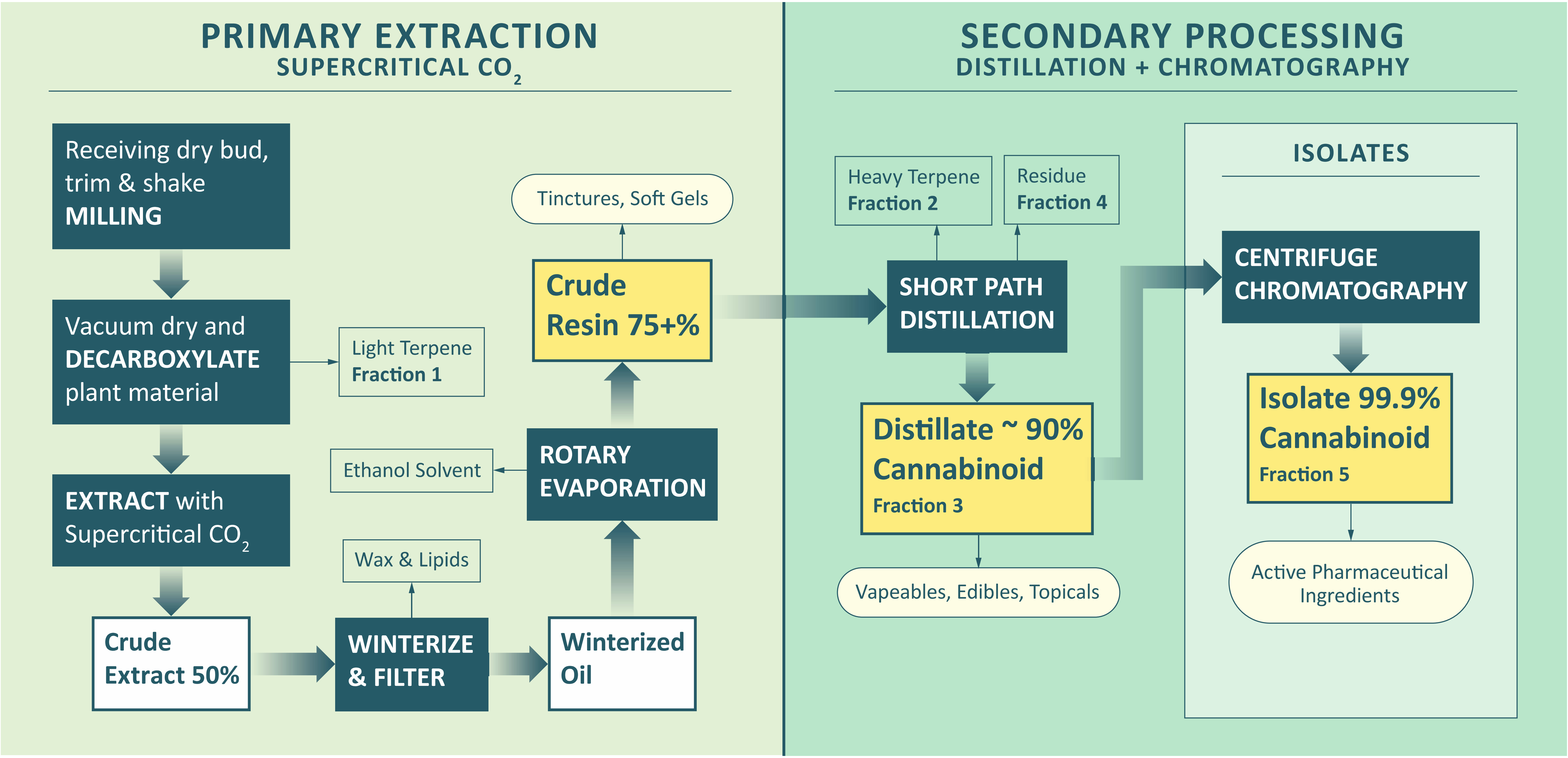
Operations specialists with deep expertise in cannabis extraction, complemented by years of pharmaceutical production experience to GMP standards

Proprietary methodologies and operational efficiencies leveraged to build a growing library of purified concentrates and distillates. Utilizing Supercritical CO_2 Extraction process

Adjunct cannabis consultants provide additional knowledge from their home markets:

- California Derivative Product specialist (adult-use since Jan 2018 – 150 allowable products)
- 20+ years Chromatography Expert from UK associated with German Equipment Manufacturer
- 50 years Extraction Expert with world-renowned leading in-house research and training

MediPharm Labs Extraction Processes



Cannabis Sector Peer Comparison

	Share Price	Equity Value[1]	Enterprise Value[1]	% of 52 Wk-High	Revenue		EBITDA		Funded Capacity[2]	Trading Multiples: EV / Revenue		Trading Multiples: EV / EBITDA		Short Interest
					CY19	CY20	CY19	CY20		CY19	CY20	CY19	CY20	
	(C$ / share)	(C$ mm)	(C$ mm)	(%)	(C$ mm)	(C$ mm)	(C$ mm)	(C$ mm)	(000 kgs)	(ratio)	(ratio)	(ratio)	(ratio)	(ratio)
Canadian Based Cannabis Producers														
Canopy	$58.51	$28,428	$17,508	76%	$653	$1,269	($91)	$203	n.a.	26.8x	13.8x	nmf	86.1x	1.59
Cronos	$28.81	$12,545	$8,713	87%	$100	$239	$28	$92	117	86.8x	36.4x	310.0x	95.0x	0.52
Tilray	$103.86	$10,490	$10,251	37%	$192	$447	$29	$105	n.a.	53.3x	22.9x	349.6x	97.8x	1.13
Aurora	$9.14	$9,933	$9,501	56%	$586	$1,167	$63	$363	570	16.2x	8.1x	151.4x	26.2x	1.36
Aphria	$13.31	$3,434	$2,974	61%	$552	$998	$76	$184	255	5.4x	3.0x	39.0x	16.1x	n.a.
HEXO	$7.75	$1,982	$1,508	87%	$142	$267	$22	$75	108	10.6x	5.6x	68.9x	20.2x	1.30
CannTrust	$12.59	$1,472	$1,304	85%	$168	$286	$51	$89	104	7.8x	4.6x	25.5x	14.7x	0.54
Terrascend	$8.04	$1,286	$1,168	64%	n.a.	n.a.	n.a.	n.a.	3	n.a.	n.a.	n.a.	n.a.	n.a.
OrganiGram	$7.74	$1,271	$1,124	94%	$159	$281	$62	$95	113	7.1x	4.0x	18.3x	11.8x	2.52
TGOD	$3.70	$1,188	$724	42%	$196	$579	$2	$125	219	3.7x	1.3x	336.7x	5.8x	1.51
Aleafia	$2.55	$832	$739	64%	$149	$300	$30	$84	138	5.0x	2.5x	24.9x	8.8x	2.54
Village Farms	$14.13	$751	$759	100%	$244	$269	$40	$69	38	3.1x	2.8x	19.2x	11.0x	0.35
Supreme	$1.94	$712	$615	80%	$104	$177	$31	$63	50	5.9x	3.5x	20.1x	9.8x	0.52
Flowr	$4.87	$697	$635	70%	$19	$140	($2)	$46	n.a.	32.9x	4.6x	nmf	13.8x	2.36
Emerald	$3.89	$593	$476	61%	n.a.	n.a.	n.a.	n.a.	59	n.a.	n.a.	n.a.	n.a.	1.37
Auxly	$0.73	$446	$220	39%	$51	$152	($15)	$22	130	4.4x	1.5x	nmf	10.0x	1.59
VIVO	$1.00	$315	$239	41%	$75	$196	$11	$54	57	3.2x	1.2x	20.8x	4.4x	0.11
Emblem	$1.78	$283	$209	84%	$74	$142	$11	$36	17	2.8x	1.5x	18.8x	5.8x	0.07
Newstrike	$0.44	$255	$138	35%	n.a.	n.a.	n.a.	n.a.	33	n.a.	n.a.	n.a.	n.a.	0.22
Wayland	$1.08	$242	$204	38%	$124	$176	$16	$43	97	1.6x	1.2x	13.1x	4.7x	n.a.
WeedMD	$1.88	$220	$173	76%	$63	$132	$18	$42	52	2.7x	1.3x	9.8x	4.1x	0.12
Delta 9	$1.48	$133	$104	59%	$104	$174	$23	$32	18	1.0x	0.6x	4.5x	3.2x	4.20
Mean				**65%**						**14.8x**	**6.3x**	**89.4x**	**23.6x**	**1.26**
Median				**64%**						**5.4x**	**3.0x**	**22.9x**	**11.0x**	**1.30**
Canadian Based Extraction Companies														
Neptune	$4.84	$439	$400	73%	$53	$119	$10	$28	n.a.	7.6x	3.4x	38.8x	14.1x	6.88
MediPharm Labs	$2.76	$367	$320	92%	$78	$166	$12	$42	n.a.	4.1x	1.9x	26.4x	7.7x	0.50
Valens	$3.07	$332	$271	99%	$43	$119	$20	$59	n.a.	6.3x	2.3x	13.2x	4.6x	0.00
Radient	$0.94	$280	$230	57%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	0.51
Mean				**80%**						**6.0x**	**2.5x**	**26.2x**	**8.8x**	**1.97**
Median				**82%**						**6.3x**	**2.3x**	**26.4x**	**7.7x**	**0.50**

Source: Bloomberg; company filings, FactSet - Note: Market data as of 22-Feb-19; adjusted for any subsequent announced and closed events; forward estimates based on street research as per FactSet.
1. On an F.D. ITM basis 2. Funded capacity uses consensus if company figures not available.