

September 27, 2018



Khiron Life Sciences Signs Non-Binding MOU to Enter Chilean Medical Cannabis Market with Country's Only Licensed Producer, Fundacion Daya and DayaCann

Proposed agreement provides for increased cultivation capacity and access to 1.8 million patients

TORONTO, Sept. 27, 2018 /CNW/ - Khiron Life Sciences Corp. ("**Khiron**" or the "**Company**") (TSXV: KHRN) (OTCQB: KHRNF) (Frankfurt: A2JMZC), an integrated medical cannabis company with its core operations in Colombia, announced today that the Company has signed a non-binding memorandum of understanding with Fundacion Daya, Chile's leading medical cannabis institution and the holder of Chile's only medical cannabis license through DayaCann, a joint venture entity established between Fundacion Daya and AusCann Group Holdings Ltd.

Consistent with Khiron's multi-jurisdictional strategy, subject to the completion of a definitive agreement and applicable regulatory approvals including the approval of the TSX Venture Exchange, the Company now has the ability to enter the Chilean market with all applicable regulatory approvals and available cultivation capacity to participate in clinical trials and develop and distribute medical cannabis products across Chile. Fundacion Daya is an ideal partner for Khiron as they have an established presence in Chile through their relationships with hospitals, patients, and pharmaceutical distributors, and, through DayaCann, will be able to expand their cultivation operation in order to meet Khiron's anticipated sales and distribution needs. In keeping with its educational strategy, Khiron will work with Fundacion Daya to support medical cannabis training and education for health professionals in Chile.

Mr. Alvaro Torres, Chief Executive Officer of Khiron stated, "This agreement with Fundacion Daya to enter the Chilean market gives us access to more than 1.8 Million potential patients in Chile, and is consistent with our stated objective of becoming the dominant medical cannabis company in Latin America. Fundacion Daya was selected as an ideal partner due to their deep regulatory knowledge, strong patient relationships, and cultivation capacity through its DayaCann joint venture, as holders of the only cultivation license issued in Chile."

This proposed collaboration and services agreement with Fundacion Daya complements Khiron's stated focus to market high quality and clinically validated medical cannabis products. Upon closing of the partnership, Fundacion Daya and Khiron expect to:

- Cultivate a minimum of 5 tonnes of dried flower in Chile exclusively for Khiron to be used to formulate two products targeting patients with neuropathic pain and epilepsy;
- Commence clinical trials led by medical teams directed by Khiron and Fundacion Daya;
- Manufacture products at a GMP lab to be constructed by DayaCann. It is anticipated

that the lab will be completed in 2019; and

- Target distribution of products by the first quarter of 2020.
- Khiron will provide Fundacion Daya the equivalent of \$1 million USD over a period of 2 years

Chile is located on the western portion of South America and has a population of 18 million people. With a GDP of over US\$24,000 per capita, Chile has the strongest economy in Latin America and is considered the most stable and prosperous nation in the region. The market has an established cannabis culture and represents a medical cannabis market of 1.8 million potential patients (Source: Quintiles IMS). Chile was the first country in Latin America to adopt legislation to allow the cultivation of cannabis for medicinal purposes and Fundacion Daya has been at the forefront of the legalization process.

Ana Maria Gazmuri, Fundacion Daya Executive Director stated, "Medicinal cannabis has had a great impact, especially in pediatric patients with neurological conditions, such as epilepsy and autism, and in adult patients with chronic pain. Already patients are using cannabis, allowing to reduce the requirement of more dangerous drugs, with more frequent adverse effects, such as opiates and tranquilizers. This is a win for patients and a far safer solution in the country. Daya Foundation has played a key role in all aspects of this process and agreements like these allow us to expand the reach of our community work."

Nicolás Dormal, DayaCann Director stated, "As the first organization to establish a national industry for cannabis cultivation with medical purposes in Chile this agreement with Khiron reflects the seriousness with which we have worked, and the high standards achieved in the agricultural development of cannabis. The alliance is an opportunity to continue making a positive impact, contributing to the scientific and technological development in this area, as well as contributing to the creation of new jobs, particularly in rural areas."

About DayaCann

DayaCann is a joint venture entity established by Fundacion Daya and its Australian partner AusCann Group Holdings Ltd. DayaCann has been cultivating for 2 years and holds the only medical cannabis cultivation license to be issued in Chile.

About Fundacion Daya

Fundacion Daya is a non-profit Chilean organisation. Its objective is the research and promotion of medicinal cannabis, aimed at relieving human suffering as well as advising on the design of public policies that promote the physical and well-being of people. The foundation's therapists advise patients about the use of medicinal cannabis and the different avenues of access to these therapies. DayaCann, its business unit currently holds the only medical cannabis cultivation license to be issued in Chile. For information visit www.fundaciondaya.org/.

About Khiron Life Sciences Corp.

Khiron is positioned to be dominant leading integrated medical cannabis company in Latin America. The Company has core operations in Colombia and is fully licensed in the country for the cultivation, production, domestic distribution, and international export of both tetrahydrocannabinol (THC) and cannabidiol (CBD) medical cannabis. In May 2018, Khiron

listed on the TSX Venture Exchange, becoming the first Colombian based medical cannabis company to trade on any exchange globally.

With a focused regional strategy and patient oriented approach, the Company combines global scientific expertise, agricultural advantages, branded product market entrance experience and education to drive prescription and brand loyalty to address priority medical conditions such as chronic pain, epilepsy, depression and anxiety in the Latin American market of over 620 million people. Khiron is led by Co-founder and Chief Executive Officer, Alvaro Torres, together with an experienced executive team, and a knowledgeable Board of Directors that includes former President of Mexico, Vicente Fox.

Further information about Khiron can be found at www.khiron.ca and on its SEDAR profile at www.SEDAR.com.

Forward-Looking Statements

This news release may contain "forward-looking information" and "forward-looking statements" within the meaning of applicable Canadian securities legislation. All information contained herein that is not historical in nature may constitute forward-looking information. Forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking statements herein include but are not limited to statements regarding the completion of a definitive agreement, operations and sales in Chile, the size of the Chilean market, and the receipt of requisite TSX Venture Exchange and securities regulatory approvals. Forward-looking statements are necessarily based upon a number of assumptions that, while considered reasonable by management, are inherently subject to business, market and economic risks, uncertainties and contingencies that may cause actual results, performance or achievements to be materially different from those expressed or implied by forward-looking statements. Except as required by law, the Company disclaims any obligation to update or revise any forward-looking statements. Readers are cautioned not to put undue reliance on these forward-looking statements.

Neither the TSX Venture Exchange Inc. ("TSXV") nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this press release.

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