

July 15, 2019



Khiron Provides Corporate Update on Commercial and Operational Activities

- Colombia commercial production anticipated to be commercialized in Q3. All cultivation, extraction and testing facilities operating and in optimal condition
- Potential addressable patient network of over 1 million individuals, represented by over 5,000 doctors through six medical association endorsements
- Core medical cannabis distribution channels secured with arrangement for over 900 retail locations
- Wellness line secured distribution agreements with largest retails of product category throughout Colombia, across 176 points of sale. Commenced jurisdictional and product portfolio expansion
- Current cultivation capacity of 25,000 kilograms and total potential modular capacity on licensed lands of 158,000 kilograms. Cultivation capacity in Colombia, Uruguay and Chile provides for variety of extractions and flower product mix targeted at domestic and international markets

TORONTO, July 15, 2019 /PRNewswire/ - Khiron Life Sciences Corp. (**Khiron**" or the **"Company"**) (TSXV: KHRN), (OTCQB: KHRNF), (Frankfurt: A2JMZC), a vertically integrated cannabis leader with core operations in Latin America, is pleased to provide a corporate update on core commercial and operational activities. The update includes a synopsis of the Company's position related to commercial revenue generating activities as well as an operational update on the status of the cultivation, extraction and testing facilities. As a result of the ILANS acquisition and launch of the Kuida® cosmeceutical brand, Khiron remains the only Colombian company to be generating cannabis revenues derived from legally approved production.

Khiron is pleased to report all activities are advancing with the objective of commercializing medical cannabis products in Colombia in accordance and adherence to all legal requirements. In doing so, the Company has progressed in the fastest timeframe possible from the issuance of new licenses, and leveraged the pre-established commercial distribution channels developed to generate scalable revenue generation and profit. These activities are focused on establishing consistent channels of education and engagement, building sustained relationships and generating scientific data. This data and these channel relationships are being utilized to develop and advance cannabis product availability in the market. This is achieved in coordination with government, medical and financial organizations to increase market awareness and knowledge. The overall goal being to continue to enhance Khiron's robust business model while working to improve access for patients, and make medical cannabis available and affordable throughout the markets in which the Company operates.

Additional filings relating to the Company's progress and milestones can be found on the Company investor website at www.investors.khiron.ca and all filings are available for review

on the Company's SEDAR profile at www.sedar.com.

Medical Cannabis Products

- Khiron has endorsements from six leading Latin American medical associations, which represent over 5,000 doctor relationships and approximately 1 million patients. Based on the Company's market research, this positions Khiron with the most established potential addressable patient network in Latin America and one of the largest established networks on a global basis. Medical endorsements have been achieved within Colombia and Mexico. Khiron continues to advance current relationships with these associations and seeks to expand medical association endorsements outside these initial countries. This network provides Khiron a competitive and defensible advantage, which has been established in advance of commercializing its medical cannabis products. It is anticipated the Company will commercialize its medical cannabis products in the third quarter.
- Khiron was the first company to launch medical cannabis trials for product development initiatives targeted at key indications within the Latin American market. The activities are focused on providing patients access to the highest quality products. These efforts will be completed in coordination with Khiron's ILANS neuropathic clinics in Bogota, which includes over 119,000 patients and over 60 in-house physicians and clinicians. This integrated approach to product development and research allows Khiron to quickly develop and customize products to meet the needs of patients. The ILANS acquisition integration has been advancing and the Company has continued to strengthen the platform, with the addition of new employees, integration of systems and controls, and training of doctors.
- Khiron remains focused on working with medical, government and financial organizations within the Latin American market, with the objective of increasing access and affordability of medical cannabis products. This includes ongoing discussions to provide broad based product distribution and financial reimbursement. In the context of advancing this initiative, Khiron secured an LOI with Copservir Ltda, a Colombian government administered pharmacy chain, which is the largest in the Colombian pharmacy network based on its 900 stores throughout the country. It is anticipated that the arrangement will ensure critical infrastructure for Khiron to distribute its made-to-order pharmaceutical compounds to more than 5 million potential patients (Source: Quintiles IMS) in Colombia.

Wellness Products

- Khiron the first company to introduce CBD skin care products in the Colombian market. Since the initial exclusive launch of the product with Colombian retailer Farmatodo, Khiron has secured distribution arrangements with many of the largest retailers in the Colombian market. These include Farmatodo, Fedco, Linio, Droguerías Cafam, Habib, Galenos, and Salud Market. Collectively, these companies represent over 176 retail points of sales as well as significant online distribution platforms. Khiron continues to advance discussions with other top retailers in Colombia with the objective of reaching 700 points of distribution in Colombia by the end of 2019. The Company has also launched six pop-up stores in key retail malls within four priority cities. The Company

plans to have 20 pop-up stores by the end of 2019.

- To complement the retail distribution strategy, Khiron has launched a broad-based marketing strategy including billboards in major high traffic areas throughout Colombia, print and online circulations, and radio advertisements. The Company has also increased the social influencers supporting the Kuida brand, with the addition of six highly relevant influencers that combined represent over 3 million active social media followers.
- Khiron continues to expand the breadth and scope of its wellness product lines, with additional product development activities underway and new international product markets identified. New product development initiatives including expanding the wellness portfolio to include products specifically for men. These products will also be positioned within North American, European and Latin American markets outside Colombia. As a result of the INVIMA approval Khiron has received for Kuida, the Company anticipates a continued streamlined process for the approval of additional products, and the entry of Kuida or similar products into new global markets.

Cultivation, Extraction and Testing Facilities

- Khiron has established cultivation activities within Colombia, Uruguay and Chile. These cultivation sites allow the company to provide cannabis consumers and patients with a full variety of flower and extract-based products for domestic and international consumption. These cultivation areas will facilitate upwards of approximately 25,000 kilograms of annual dried flower production capacity. At full capacity under the modular model, on completion of full construction of all licenced cultivation areas, the Company would have internally sourced capacity of producing upwards of 158,000 kilograms of annual dried flower at its disposal when needed.
- The Colombian operations are near commercialization and the strains, all of which are fully registered, have responded well to the grow environment, as anticipated. This includes an absence of any mold, fungus or parasites detrimental to cannabis plants. The testing results of the plants also verify an absence of any pesticides or other harmful compounds. As previously announced, the Colombian testing and extraction facilities have been completed and are currently operational, and are positioned for significant expansion of extraction and purification capabilities. The Company is currently working on GMP certification for the extraction facilities. Full commercialization of the grow site is anticipated in the third quarter. This will enable the Company to integrate its production into the established medical cannabis product distribution channels.

Management Commentary

Mr. Alvaro Torres, CEO and Director of Khiron, comments: "I am pleased to share an update on the commercial and operational status of the Company, as well as provide a statement on our current initiatives and future objectives. In this interim corporate progress update, my goal is to assure all our stakeholders that Khiron is on schedule for meeting its goals, and committed to going beyond the highest standards in the industry, from regulatory compliance, cultivation, extraction, production QAQC, innovation, market entrance and

distribution support, education and shareholder value creation."

About Khiron

Khiron Life Sciences Corp strives to be the dominant integrated cannabis company in Latin America. The Company has core operations in Latin America and is fully licensed for the cultivation, production, domestic distribution, and international export of both THC (tetrahydrocannabinol) and CBD (cannabidiol) medical cannabis. The company delivers best in class regulatory compliance, has the first approved CBD cosmetic products on shelf, while it facilitates testing to meet and surpass all license requirements for commercial cannabis derived products.

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 on Khiron Life Sciences can be found at <https://investors.khiron.ca/>

Cautionary Notes

Market and Industry Data

This press release contains market and industry data and forecasts that were obtained from third-party sources, industry publications and publicly available information. Third-party sources generally state that the information contained therein has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of included information. Although management believes it to be reliable, the Company has not independently verified any of the data from third-party sources referred to in this press release, or analyzed or verified the underlying studies or surveys relied upon or referred to by such sources, or ascertained the underlying economic assumptions relied upon by such sources.

Forward-Looking Statements

This press release may contain certain "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 may be identified by statements containing the words "believes", "anticipates", "plans", "intends", "will", "should", "expects", "continue", "estimate", "forecasts" and other similar expressions. Forward-looking statements herein include, but are not limited to, statements regarding the final acceptance of the TSXV and the commencement of sales in Mexico. Readers are cautioned to not place undue reliance on forward-looking information. Actual results and developments may differ materially from those contemplated by these statements. Khiron undertakes no obligation to comment analyses, expectations or statements made by third-parties in respect of Khiron, its securities, or financial or operating results (as applicable). Although Khiron believes that the

expectations reflected in forward-looking statements in this press release are reasonable, such forward-looking statement has been based on expectations, factors and assumptions concerning future events which may prove to be inaccurate and are subject to numerous risks and uncertainties, certain of which are beyond Khiron's control, including the risk factors discussed in Khiron's Annual Information Form which is available on Khiron's SEDAR profile at www.sedar.com. The forward-looking information contained in this press release is expressly qualified by this cautionary statement and are made as of the date hereof. Khiron disclaims any intention and has no obligation or responsibility, except as required by law, to update or revise any forward-looking information, whether as a result of new information, future events or otherwise.

United States Disclaimer

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons (as such term is defined in Regulation S under the U.S. Securities Act) unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available

Neither the 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.

Neither the 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.

View original content to download multimedia <http://www.prnewswire.com/news-releases/khiron-provides-corporate-update-on-commercial-and-operational-activities-300884541.html>

SOURCE Khiron Life Sciences Corp.