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Khiron Initiates Construction of Cultivation and Processing Facility in Uruguay, Expanding Multi-Jurisdiction and Export Capacity

- Facility in Juan Lacaze includes GAP-compliant 8,000 m² (86,111 sq.ft) cultivation area and a GMP-compliant 1,800 m² (19,375 sq.ft) processing plant, with a production capacity of 17 tons per year
- Increases Khiron's total production capacity and strengthens ability to export and supply cannabis across the Mercosur trading bloc, with access to Brazil and Europe
- Medical cannabis markets in Brazil and Europe are expected to be respectively worth \$144.3 billion USD and €115.7 Billion by 2028 (Source: Prohibition Partners)
- Construction scheduled for completion in mid Q3 2020

TORONTO, Sept. 4, 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, announced today that it has commenced construction of a 9,800 m² (105,486 sq.ft) cultivation and processing facility in Juan Lacaze, Uruguay. With a production capacity of 17 tons per year, the Company's investment in this state-of-the-art facility represents a significant increase in Khiron's total production capacity, strengthening its ability to export and supply cannabis to key international markets, including Brazil and Europe. Construction is underway and is scheduled for completion in mid Q3 2020.



Located strategically within an hour's distance from the international airport and port, the facility will include 8,000 m² of covered area for cultivation, where controlled conditions of irrigation, temperature, humidity and light will be implemented for optimum crop development. An 1,800 m² processing plant will also be built on site for drying and

processing crops, with pharmaceutical-grade design standards in place to ensure quality control across the analysis process. The cultivation area and processing plant will be built to meet the requirements of Good Agricultural Practices (GAP) and Good Manufacturing Practices (GMP), respectively, in keeping with Khiron's continued expertise and core commitment to regulatory and operational compliance.

Alvaro Torres, CEO and Director of Khiron Life Sciences, commented: "With construction of our facility in Juan Lacaze, we are actively executing on our strategy to build a dominant position in Latin America and further expand our global reach. Through its inclusion in the Mercosur trade bloc, Uruguay is poised to become a key source to supply the global medical cannabis industry. Our production in the country will target domestic use in Uruguay and export across one of the world's largest trading blocs, beginning with export to Brazil, home to 208 million people, and from there, we expect to move quickly across the bloc's trading countries in Latin America."

Uruguay was the first country globally to establish cannabis legislation. Building upon Khiron's previously announced acquisition of NettaGrowth International Inc. ("**NettaGrowth**") and its wholly-owned subsidiary Dormul S.A. ("**Dormul**"), which obtained the first licence in Uruguay to produce and export medical cannabis with THC for commercialization, the Company is now initiating construction of the cultivation and processing facility. Khiron has also begun pre-clinical studies in the country as part of an initiative co-sponsored by the government of Uruguay using the Company's strains. Identified as one of the most significant private-public medical cannabis studies underway in Latin America, the research program has received matching government funding for its medical innovation.

About Khiron Life Sciences Corp.

Khiron Life Sciences Corp. is positioned to be the dominant integrated cannabis company in Latin America. Khiron has core operations in Latin America and is fully licensed in Colombia for the cultivation, production, domestic distribution, and international export of both tetrahydrocannabinol (THC) and cannabidiol (CBD) medical cannabis. The company delivers best in class regulatory compliance, has the first approved set of CBD cosmetic products on shelf in Colombia, and is currently facilitating 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. The Company 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.

Cautionary Notes

Forward-Looking Statements

This press release may contain certain "forward-looking information" and "forward-looking statements" within the meaning of applicable securities legislation. All information contained herein that is not historical in nature may constitute forward-looking information. Khiron undertakes no obligation to comment analyses, expectations or statements made by third-

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Further information in respect of the Company can be found at www.khiron.ca.





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