

March 20, 2020



## **Khiron Readies for First Medical Sales in Colombia and Provides Corporate Update**

- Effective immediately, Khiron is fully authorized to manufacture high- and low-THC medical cannabis, and to fill prescriptions for low-THC medical cannabis
- Khiron anticipates filling its first revenue generating patient prescriptions within days
- With successful lab certification, Khiron becomes the first company authorized to sell medical cannabis in Colombia
- Colombia has upwards of 6 million potential patients for medical cannabis products (Source: IMS Quintiles)
- Khiron also provides a general corporate update and response to Covid-19

TORONTO, March 20, 2020 /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, today announced the Company has received certification of Good Elaboration Practices for Magistral Preparations with Cannabis (GEP). As a result, the Company is now fully authorized to manufacture high- and low-THC magistral preparations in Colombia. The Company anticipates fulfilling its first prescriptions of full-spectrum, high CBD formulations within days. The Company anticipates that it will also be fully authorized to fulfill prescriptions and dispense psychoactive (high-THC) medical cannabis within the coming weeks, once the pharmacies are authorized by the Narcotics National Fund (FNE).



"Today is a hugely important milestone for Khiron. With this GEP certification we begin a new phase in commercializing our medical cannabis product pipeline and towards meeting our market potential. We have been preparing for this day for three years. We have the capacity, established patient network, and now full authorization to manufacture high- and low-THC magistral preparations, and to fulfill prescriptions for non-psychoactive medicinal cannabis within days," comments Alvaro Torres, Khiron CEO and director. "From day one our mission has always been to model our business on serving patient needs, and now we

are delivering on that focus, targeting the millions of patients in Colombia who have the potential to benefit from medical cannabis."

Khiron has an established patient network in Colombia through its ILANS medical facilities that treat over 120,000 patients with neurological, psychiatric, respiratory, urological and orthopedic diseases, among others. ILANS patients are serviced by the Colombian health insurance system. The Company also recently opened Zerenia, a 15,000 sq. ft facility in Bogota that increases the Company's patient capacity by 75%, offering a comprehensive suite of health and medical services in alignment with insurance company partners.

Under Colombian regulations, GEP certification is a manufacturing and processing certification that is a mandatory requirement for commercializing customized medical cannabis prescriptions, known as Magistral Preparations. Commercializing customized medical cannabis prescriptions in Colombia involves a lengthy and rigorous regulatory process that has seen the Company receive licenses to cultivate high-THC and low-THC cannabis for domestic and export sales, quotas to cultivate 9.3 tons of THC cannabis, and to extract THC cannabis in Colombia. To-date, Khiron is the only company in Colombia to meet all of these strict regulatory requirements, and, with the GEP certification received today, becomes the first Company authorized to sell medical cannabis in Colombia.

### **Investor Webcast**

The Company will host a webcast on **Friday, March 20<sup>th</sup> at 11:00 AM (ET)** to discuss the GEP certification development, first sales, and to take investor questions. Please register at <https://event.on24.com/wcc/r/2222096/A0AE8A305CA7960FF312F68069931C50>

### **Corporate Update**

As the world deals with the spread of Covid-19, Khiron provides the following corporate update on further commercial and operational activities. As global market conditions have changed dramatically the Company is implementing the following measures to ensure liquidity and increase focus of company resources.

- **Uruguay:** The Company has decided to suspend construction of cultivation assets in Uruguay for the time being.
- **Wellness/CPG:** The Company is significantly reducing sales and marketing spending for Kuida in the European and US markets. The Company intends to continue its current marketing efforts in Colombia.
- **Dixie JV:** In light of the announcement on March 9, 2020 by Dixie Brands Inc. ("Dixie") to merge with BR Brands, LLC, the Company and Dixie have mutually agreed to terminate the joint venture that was announced on January 30, 2019.

"We are now in the sales execution phase of our business plan and as such it is key that we remain focused on those areas of our business that have the greatest revenue potential and are scalable across our addressable markets. We have taken decisive action to protect our balance sheet and focus on our core medical businesses, in the most promising markets," comments Mr. Torres.

"With worldwide efforts underway to manage the spread of Covid-19, I wanted to personally

add that Khiron is in discussions with regulators in Colombia with the aim of ensuring that the Company is doing everything it can to assist authorities and communities with Covid-19 suppression efforts. We will provide updates on any specific initiatives, as appropriate," comments Mr. Torres. The Company has taken a number of precautionary measures during this time, including prohibiting international travel and work from home options for its staff.

### **About Khiron Life Sciences Corp.**

Khiron Life Sciences Corp. is the dominant integrated medical cannabis company in Latin America. Khiron has core operations in Latin America, along with activity in North America and Europe, and is 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 line of CBD cosmetic products on shelf in Colombia, and is fully authorized to manufacture high- and low-THC medical cannabis, and to fill prescriptions for low-THC medical cannabis in the country.

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.

Visit Khiron online at [www.khiron.ca](http://www.khiron.ca) and on Instagram @khironlife

### **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 on 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](http://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.

**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-readies-for-first-medical-sales-in-colombia-and-provides-corporate-update-301027474.html>

SOURCE Khiron Life Sciences Corp.