

MEDCOLCANNA ORGANICS INC. IS GRANTED THC PSYCHOACTIVE QUOTA TO BE USED IN MAGISTRAL FORMULATIONS AND OTHER MEDICINAL APPLICATIONS

Bogotá, Colombia—(Newsfile Corp. - February 11, 2021) - **Medcolcanna Organics Inc. (NEO: MCCN)** ("Medcolcanna", "MCCN" or the "Company"), a Canadian integrated medical cannabis company with operations in Colombia, is pleased to announce it has been granted a Psychoactive Quota for the production of THC Derivates by the Ministry of Health and Social Protection in Colombia. This comes as the result of Medcolcanna's ability to meet regulatory requirements and the Company's commitment to provide access to cannabis based medication to patients in Colombia.

Following the November 2020 INVIMA certification of MCCN's laboratory under its Good Elaboration Practices for Magistral Preparations with Cannabis (GEP) program, authorizing the Company to manufacture high- and low-THC magistral preparations domestically, the grant of this latest THC Quota positions the Company as one of the few cannabis companies in the country with a certified lab for finished medicinal products.

In accordance with the Ministry's regulations, prescriptions will be filled by MCCN's Good Manufacturing Practices (GMP) compliant lab, Soluciones Magistrales. The grant allows the Company to produce and supply capsules, oils, sprays, transdermal gel, creams, and almost all pharmaceutical forms of cannabis to be distributed through the Company's own clinic and affiliated medical centers, its partnership with physician networks such as Grupo Curativa and its licensed pharmacy networks.

The Company will augment the market penetration of its magistral formulations by launching its telemedicine platform and e-health services. This will allow patients in need of these medicines to more easily consult a knowledgeable physician trained in prescribing these medications, educate themselves on the various formulations and receive these prescriptions in a safe manner, reducing the need to consult with physicians in person.

Through MCCN's research and development (R&D) leveraging the ICP acquisition in 2019 and the agreement with Grupo Curativa and their extensive knowledge and proven formulations, the Company has secured an outstanding portfolio to treat several conditions, including Crohn's disease, irritable bowel syndrome, chronic pain, psoriasis, nausea, insomnia, anxiety, epilepsy, multiple sclerosis, as well as others. According to PWC's 2017 projections (Colombia Productiva -Planes de negocio

Industria del Cannabis Medicinal) the potential patient base in the country is 2.5 million people with conditions that can benefit from medicinal cannabis. The estimated price of the average prescription is approximately CAD\$50, with most patients needing monthly or bi-monthly refills of their medication. The expected market size for medicinal cannabis in Colombia in 2032 is approximately \$480 million USD.

Through Masana (formerly Medicina Nueva), MCCN's network of clinics specializing in cannabis formulations, and Grupo Curativa's network of clinics, more than 4,000 patients are expected to have immediate access to MCCN's portfolio of medicinal cannabis products.

Felipe de la Vega, President and CEO of the Company, said: "This is an important milestone achieved on our strategy to become a global leader in low cost commodity supply and high value-added medical products. With a population of 50 million the Colombian market represents an important market for the Company. In addition, healthcare insurance has started providing coverage for cannabis prescriptions, thus increasing our target population.

"The Company's strategy for commercialization and access to patients include its agreement with Curativa, the opening by Masana (owned 50.1% by MCCN) of a licensed pharmacy on the clinic premises in March 2021, and two additional similar clinic/pharmacy locations with whom the Company has entered into an agreement.

"Company management and clinic leadership expect that through these initiatives we should be able to reach 4000 prescriptions per month by the third quarter with significant growth to follow."

ABOUT MEDCOLCANNA

Medcolcanna is a Canadian integrated medical cannabis company, whose fully licensed operations are based in Colombia. Led by a proven and successful management team, Medcolcanna has facilities in optimal growing locations which positions the Company to become a global leader in the medical cannabis market.

Medcolcanna employs state of the art organic agricultural technology and innovative pharmaceutical processes to produce high-quality products. The Company's scalable production model and network of pharmaceutical partnerships globally ensures that they remain at the forefront of the medical cannabis industry.

If you would like to receive News Releases via email as soon as they are published, please subscribe here: <https://medcolcanna.com/contact-us/> or write to info@medcolcanna.com.

Additional information about Medcolcanna can be found on its web site at www.medcolcanna.com

Medcolcanna Investor Relations Contact:

Chris Reid, CFO
Carrera 49b # 93-62
Bogotá, Colombia
Phone: +571 642-9113
Email: info@medcolcanna.com

Forward-Looking Statements

*This news release contains “forward-looking information” and “forward-looking statements” (collectively, “**forward-looking statements**”) within the meaning of the applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release. Any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as “expects”, or “does not expect”, “is expected”, “anticipates” or “does not anticipate”, “plans”, “budget”, “scheduled”, “forecasts”, “estimates”, “believes” or “intends” or variations of such words and phrases or stating that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to general business, economic, competitive, political and social uncertainties; and the delay or failure to receive board, shareholder or regulatory approvals for any proposed transaction, including those discussed herein. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on the forward-looking statements and information contained in this news release.*

Medcolcanna assumes no obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change, except as required by law.