

Medcolcanna Signs Letter of Intent with Top Medical Center and Completes Purchase of Innovative CBD Products

BOGOTÁ, Colombia – July 25, 2019 – **Medcolcanna Organics Inc.** (TSX-V: MCCN) (“**Medcolcanna**” or the “**Company**”), a Canadian medical cannabis company with operations in Colombia, is pleased to announce that it has signed a Letter of Intent (“**LOI**”) with the University Medical Center Groningen (“**UMCG**”).

“We are extremely honoured to have been chosen by the University Medical Center Groningen, a top 100 ranked university in the world, to conduct several research studies on the effects of various formulations of cannabinoids,” commented Felipe de la Vega, CEO of Medcolcanna. “As the largest health center in the Netherlands, and utilizing cutting edge technologies, this alliance will further our knowledge and correctly identify the optimum formulations for the treatment of twelve disease conditions, including our unique and successful formulation for Crohn’s disease. We are very excited to be working with the distinguished and accomplished staff of the UMCG.”

“Medcolcanna’s strategy is to become a leading pharmaceutical company that is at the forefront of providing medical cannabis innovation and production worldwide. By developing precise formulations, and differing methods of administration, we can maximize the effectiveness of each treatment for the patient. All of our protocols and studies will meet the stringent requirements of entities such as the FDA, Health Canada, EMA and INVIMA,” continued Mr. de la Vega.

University Medical Center Groningen

- Ranked among the top 100 universities in the world
- Hosts 1,000 medical doctors, 800 residents, 1,400 beds, and patient admissions of 34,600 per year
- Consultations of 815,300 cases and employs 12,000 staff
- One of the largest educational hubs in the EU

Multi centre cross-disease randomized placebo-controlled double-blinded parallel clinical trial will study the personalized efficacy and adverse effects of cannabinoids in human diseases

In collaboration, Medcolcanna and the UMCG will design the study protocols for the clinical trials for each disease. Each party will retain sole ownership of their existing intellectual property and new intellectual property will be based on each party’s contribution. The UMCG is willing to

transfer its potential rights on production, marketing, and distribution of the products to Medcolcanna under fair and reasonable conditions.

In addition, Medcolcanna will provide to the UMCG all formulations (ingredients, dosing, and form) to be trialed. All formulations will be trialed during research conducted by medically licensed doctors in all countries agreed upon with the UMCG.

Medcolcanna has agreed to pay approximately C\$150,000 to conduct the first phase of these studies, and the Company's medical board provided the UMCG and their researchers with all information necessary to conduct the trials at the end of June 2019.

The research will be comprised of four project phases and is expected to be conducted from November 2019 through to the fall of 2022.

Tentative Timelines:

Phase 1: July 2019 – September 2019

Phase 2: November 2019 – February 2020

Phase 3: April 2020

Phase 4: January 2022

The 12 fields of study consist primarily of the following disease conditions:

- Anxiety
- Insomnia
- Rheumatoid Arthritis
- Psoriasis
- Crohn's Disease
- Fibromyalgia
- Neuropathic Pain
- Eczema
- Menstrual Pain
- Endometriosis
- Osteoarthritis
- Autism

Appointment of Advisor

Medcolcanna has appointed Mr. James Kanter as Advisor. In this role, Mr. Kanter will provide the Company with specific knowledge for the process of taking the information gathered from clinical trials to a commercial product formulation. Mr. Kanter has over 25 years' experience managing all of the CMC aspects of small molecule drug development from pre-clinical through to commercialization.

Mr. Kanter has managed global drug products clinical and commercial supply chains, and he has extensive regulatory experience globally including the FDA, EMA, KFDA, AIFA and Health Canada.

“We are very pleased to have James on board as we enter a new phase of rapid development with our clinical trial programs. His deep knowledge of worldwide regulatory processes will be invaluable to us as we commercialize our products,” commented Mr. de la Vega.

In addition, on July 5th, 2019 Medcolcanna completed the closing of the previously announced purchase agreement for 100% of the issued and outstanding shares of Innovative CBD Products B.V. (“ICP”). ICP is the owner of various cannabinoid formulations and related intellectual property with respect to the development of cannabis and cannabis by-products as it pertains to Crohn’s disease, insomnia and rectal inflammation.

Medcolcanna is focused on the healthy, sustainable, and profitable expansion of medical cannabis around the world. The partnership with the UMCG, the appointment of Mr. Kanter, and the purchase of ICP are in line with that goal, and the Company looks forward to updating the market on the progress of these initiatives.

Issuance of Options

The Company has also issued options exercisable into a total of 700,000 common shares in the capital of the Company to the most recent appointee to the board of directors of the Company, Mr. Jose Joaquin Mora Hernandez. The options are exercisable at a price of \$0.40 per share and vest as to 1/3 immediately, 1/3 on the first anniversary of the date of grant and 1/3 on the second anniversary of the date of grant.

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 e-mail as soon as they are published, please subscribe here: <https://medcolcanna.com/contact-us/>

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

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Forward-Looking Statements

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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.