



Verdemed, a Canadian medical cannabis company focused on doing business in Latin America, announces that it has raised US\$12.7M to fund its business plan

TORONTO, Ontario, April 16, 2019 /CNW/ – VERDEMED HOLDINGS INC. (“Verdemed” or the “Company”) is pleased to announce that it has succeeded in raising a total of US\$12.7M to fund its business plan for building the brand of choice for medical cannabis in Latin America. Verdemed secured US\$650,000 in seed funding in late 2018. In March 2019, the Company confirmed the successful completion of a first round of financing, after raising US\$12M from qualified Latin American private investors. This investment is to be completed in two stages: an initial capital instalment of US\$6M in convertible debt, and a second instalment of US\$6M in equity investment. Verdemed will use the proceeds to complete the acquisition of strategic assets in Colombia and Brazil announced on October 2, 2018, and to continue the development of its business plans in Chile and Mexico.

Verdemed holds a significant interest in Greenfarma, a fully integrated Colombian licenced producer (LP) operating in Cali, with indoor growing and industrial extraction facilities totalling 3,000 square feet. The Company also holds an option to purchase the remaining interest in Greenfarma in the near term. Greenfarma is operational and fully licensed to plant, grow, extract, formulate and sell medical cannabis products.

Verdemed plans to use the capital it has raised to acquire 435,000 square feet of ready-to-plant land adjacent to its extraction facilities in Cali. Greenfarma will build outdoor cannabis greenhouses with a total area of 60,000 square feet for the growth and extraction of THC/CBD oil, with a first crop planned in late 2019. Plans for further expansion in 2020 include another 60,000-square-foot facility for the cultivation of hemp and extraction of CBD oil. Greenfarma expects to generate revenues of US\$3M in its first full year of commercial operation, with annual revenues of US\$12M on an ongoing basis from operations at its existing industrial facilities and the planned expansion of outdoor production.

Verdemed plans to use its share of these revenues to acquire a pharmaceutical laboratory with import licenses and quality control facilities that will be ready to commercialize controlled substances in the state of São Paulo, Brazil. In late January 2019, Verdemed had a successful formal meeting with Anvisa (the Brazilian Health Regulatory Agency), at which it presented its regulatory strategy. Verdemed discussed its drug development plans for CBD and THC/CBD-based products and its clinical trials protocols for testing a proprietary THC/CBD formulation intended as a treatment for sleep disorders.

Verdemed has senior management in Brazil, Chile, Colombia and Canada. The Company business plan includes building management teams and pharmaceutical regulatory affairs partnerships in Argentina, Mexico and Peru. Verdemed intends to establish an extensive business footprint for medical cannabis and cannabinoid-based pharmaceuticals covering all of the largest jurisdictions in Latin America.

For more information, please visit www.verdemed.com

José Bacellar

President and CEO

About Verdemed

Verdemed is a Canadian medical cannabis company working to improve the health of millions of patients in Latin America. Based in Toronto, Verdemed's multi-level and multi-market approach seeks to bridge the gap between the pharmaceutical and medical cannabis landscapes in Europe and North America and the clinical needs of patients and doctors in Latin America.

The Company's international footprint provides strategic access to both familiar and effective cannabis therapies and novel and innovative new products. Verdemed plans to offer a wide range of cannabinoid-based medications to Latin America in the coming years, and expects these products to be fully approved by the regulatory agencies in the region, such as ANMAT, Anvisa, COFEPRIS, DIGEMID, Invima and ISP.

With its Canadian-based products, Verdemed is uniquely positioned to address the high Latin American regulatory hurdles. The Company aspires to become the platform of choice for global innovators seeking to enter Latin America with new medical cannabis products.

Verdemed combines Canadian cannabis industry expertise with smart Latin American capital, general pharmaceutical business knowledge, superior regulatory affairs capabilities and top-tier medical experience.

Cautionary Note Regarding Forward-Looking Statements: This release includes certain statements and information that may constitute forward-looking information within the meaning of applicable Canadian securities laws or forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on certain material assumptions and analysis made by the Company and the opinions and estimates of management as of the date of this press release. These forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking statements or forward-looking information. Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements or forward-looking information, there may be other factors that cause actual results not to be as anticipated, estimated or intended. 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 forward-looking statements and forward-looking information. Readers are cautioned that reliance on such information may not be appropriate for other purposes. The Company does not undertake to update any forward-looking statements, forward-looking information or financial outlook that are incorporated by reference herein, except as required by applicable securities laws.

