

PharmaDrug Signs Supply Agreement with European Cannabis Extractor for Medical Grade THC Oil to Be Sold Under PharmaDrug Brand

Toronto, Ontario--(Newsfile Corp. - May 14, 2021) - PharmaDrug Inc. (CSE: BUZZ) (OTC Pink: LMLLF) ("**PharmaDrug**" or the "**Company**") a specialty pharmaceutical company focused on the research, development and commercialization of controlled-substances and natural medicines such as psychedelics, cannabis and naturally-derived approved drugs, is pleased to announce that it has entered into a supply agreement (the "**Supply Agreement**") with an emerging Eurozone cannabis extractor for medical grade THC oil to be sold under PharmaDrug's own brand. The Company expects to receive product and begin selling in Germany by September of 2021.

Pursuant to the Supply Agreement, the Company's licensed German distributor, Pharmadrug Production GmbH ("**Pharmadrug Production**") will purchase PharmaDrug branded medical cannabis from the Eurozone cannabis extractor. The cannabis extractor recently had its EuGMP inspection from their local regulator with no noted major deficiencies. The Company expects them to receive their certification in this current quarter. Pharmadrug Production has already performed an initial inspection, but will perform a final inspection June to satisfy the company's own GMP supply chain requirements. The Company has already finalized the final specs of the product with the extractor and expects to register the product with German authorities in July.

PharmaDrug expects initial shipments and sales to begin in September of this year. The company plans to have a twofold strategy for the PharmaDrug THC oil. Firstly, it will supply local German cannabis wholesalers while also selling directly to the Company's own pharmacy distribution network. Pharmadrug Production recently hired a senior 20-year veteran German pharmaceutical sales executive to continue to expand the sales team and carry out this strategy.

As previously disclosed, PharmaDrug's primary obstacle to the significant growth of its cannabis distribution business is the lack of supply. As such, management sought to increase its supply through additional channels of already approved product. The Company announced a supply agreement with a Canadian based multinational cannabis company in February. Pharmadrug Production received its initial shipment of product and has already begun sales and shipments. The short-term strategy will be to use this new line to increase revenue and expand the Company's own direct pharmacy network. PharmaDrug also anticipates carrying the LP's THC oil line in the second quarter. The Company will also seek out more relationships with Global LPs to be able to add to their lines of third party branded medical cannabis products.

Management is continuing to negotiate agreements with suppliers for Medical Cannabis flowers to be sold under PharmaDrug's brand. On that note, the Company is seeing the natural shift away from flowers to oils that eventually happens as cannabis markets continue to evolve. Regardless of that shift, the synthetic THC oil is still commanding a significant market share and the company is in talks to develop its own brand of synthetic THC oil.

Chairman and CEO Daniel Cohen commented, "We are extremely excited to sign this agreement to finally launch medical cannabis in Germany under our own brand. The company is making several movers to significantly increase its presence and volumes in the German medical cannabis market. Our focus will continue to be on market share growth with a keen eye on revenue growth and profits. These goals can only be achieved through increased product lines, developing of our own brand, and expanding our market presence."

On a final note, the company has received its shipment of initial PharmaDrug branded CBD oils. As previously mentioned, the company will seek to distribute the product via distributors and e-commerce platforms. With an established supply chain in place and final consumer packaging now finalized, management will be able to test the market out and determine its strategy for CBD oils in Germany and potential other Eurozone countries.

About PharmaDrug Inc.

PharmaDrug is a specialty pharmaceutical company focused on the research, development and commercialization of controlled-substances and natural medicines such as psychedelics, cannabis and naturally-derived approved drugs. The Company owns 80% of Pharmadrug Production GmbH, a German medical cannabis distributor, with a Schedule I European Union narcotics license and German EuGMP certification allowing for the importation and distribution of medical cannabis to pharmacies in Germany and throughout the EU. The Company also owns 100% of Super Smart, a Dutch company building a modern adult use psychedelic retail business with an elevated and educational focus. PharmaDrug recently acquired Sairyo Therapeutics, a biotech company that specializes in researching and reformulating established natural medicines with a goal of bringing them through regulatory and research driven clinical trials.

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