



EGF THERAMED HEALTH ENTERS JOINT VENTURE WITH ACQUISITION OF 30% INTEREST OF BIOSYNTHESIS COMPANY, PHARMADELIC LABS

Vancouver, B.C., May 4, 2020 – EGF THERAMED HEALTH CORP. (CSE: TMED, OTCQB: EVAHF) (the “**Company**”).

The Company is pleased to announce that it has entered into a definitive Joint Venture and Share Purchase Agreement with Pharmadelic Labs Corp. (“**Pharmadelic Labs**”) and its shareholders, pursuant to which the Company will acquire a 30% equity interest in Pharmadelic Labs, a private Nevada corporation with research facilities in British Columbia and Alberta.

Under the joint venture, the parties have agreed to collaborate at the Company’s lab facilities in Nevada, for the further development and commercial exploitation of certain of Pharmadelic’s intellectual property focused on creating biosynthesis pathways for psilocybin.

On closing, which is scheduled for May 6, 2020, the Company will issue an aggregate of 4,000,000 common shares (the “**Consideration Shares**”) in exchange for 26,550,000 common shares of Pharmadelic Labs, representing a 30% interest in Pharmadelic. The Company also has anti-dilution protection to participate in further equity issuances undertaken by Pharmadelic. The transaction is at arm’s length, will not constitute a fundamental change for the Company, nor will it result in a change of control of the Company within the meaning of applicable securities laws and the policies of the Canadian Securities Exchange. The Company will also issue 225,000 common shares in payment of finders’ fees to arm’s length parties.

The Consideration Shares will be subject to certain pooling restrictions with 2,395,480 of such shares being released in 12 monthly installments commencing four months from closing. The balance of the shares issued by the Company will be free of resale restrictions.

Jeffrey Lipton, the Chief Financial Officer of Pharmadelic Labs, will also join the Board of Directors of the Company on closing. Mr. Lipton has practiced corporate, tax and securities law for over three decades and was called to the Bar in the UK and Canada. He also has an MBA and is a CFA. Mr. Lipton has held posts as a regulator, manager, investment banker and senior executive across a wide and diversified group of companies and industries. With extensive experience in capital markets and technology, he lends managerial capacity and credibility to corporate endeavors.

About PHARMADELIC LABS CORP.

Pharmadelic Labs is genetically designing proprietary processes to help create pharmaceutical grade psilocybin-derived ingredients in a synthetic lab environment. Genetic engineering and biosynthesis expedite a process that creates unique modified psilocybin ingredients in a far more efficient and cost effective manner than a traditional greenhouse environment.

Further information can be found at www.pharmadeliclabs.com

Mental health is one of the biggest unsolved health problems in the world. It is pervasive; it is estimated that up to one quarter of Americans can suffer a mental disorder in any given year.¹ This has a striking economic impact; treating mental health is estimated to cost the US more than \$280 billion per year² - before economic losses due to time off work is calculated. The global antidepressants market is estimated to grow to over \$22 billion by 2025³ - this represents a huge potential market for Psychedelic drugs to enter.

Current treatments such as opioids have potentially harmful side effects such as addictiveness, but psychedelic drugs like psilocybin may avoid these downsides of addiction. An article published by Johns Hopkins University in 2018 recommended that the government downgrade Psilocybin's classification to Schedule IV: a drug with "low potential for abuse and low risk of dependence".⁴ It has shown promising results in treating depression, as well as in palliative care.

As the government and more pharmaceutical companies recognize the medical treatment potential of psychedelic substances, it is important that access to compounds like psilocybin is made easier. Pharmadelic Labs is aiming to achieve this by creating biosynthesis pathways for psilocybin.

Pharmadelic Labs Chief Scientific Officer, Brent Staples, said "Synthetic DNA taken from mushrooms will be spliced into the genome of industrial brewing yeasts. As a result, the final product will be made quicker, cheaper, and of a higher and more consistent quality than growing the product in a greenhouse". He emphasized the speed of the process, "growing the product using yeast biosynthetic process as a medium will take days, rather than weeks as it would for mushrooms. The process also will allow us access to rarer and more unique genetically designed compounds not normally found easily in nature that may offer great substantive value and utility."

George Anstey, Chief Executive Officer of Pharmadelic Labs, was excited about the partnership with EGF Theramed Health. "Theramed has recognized the huge potential of the psilocybin market in treating mental health, and their determination to remain at the forefront of the medical market has been shown by their commitment to this venture with Pharmadelic Labs." He went on to say,

¹ <https://www.healthypeople.gov/2020/leading-health-indicators/2020-lhi-topics/Mental-Health>

² <https://www.forbes.com/sites/jonathankaufman/2019/05/15/mindset-matters-how-venture-capitalists-are-reshaping-the-landscape-of-mental-health/#11ce2587204b>

³ <https://brandessenceresearch.biz/Lifesciences-and-Healthcare/Antidepressant-Drugs-Market-Size-Share-and-Forecast-to-2025/Summary>

⁴ <https://www.ncbi.nlm.nih.gov/pubmed/29753748>

“this process may not be restricted to psilocybin – as psychedelic research increases pace, we can apply it to new compounds and expand our patent portfolio.”

“Our partnership with Pharmadelic Labs will allow us to gain entry into an exciting new vertical market in health sciences. Advancements in psilocybin research compliments our current work in the CBD space, as both carry unique and undeniable health benefits. Our partnership with Pharmadelic Labs will allow us to continue to benefit from the ongoing expansion of their growing suite of intellectual property development,” commented David Bentil, the Company’s CEO.

For more information please contact:

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CSE Micro-site: <http://thecse.com/en/listings/technology/Theramed-Health-Corporation>

US OTC Markets (OTCQB): <http://www.otcmarkets.com/stock/EVAHF/news>

About EGF THERAMED HEALTH CORP. (CSE: TMED, OTCQB: EVAHF)

EGF Theramed Health Corp. is a consumer technology company engaged in the provision of biomedical online services for monitoring and treating common health problems. The Company, through its subsidiaries, has assets and technologies used in the extraction and purification of botanical extracts and the creation of extract formulations, as well as medical monitoring device technology. The Company is seeking to be the first company to offer a complete quality assured vertically integrated “Natural Products and Herbal Health System” for monitoring, dosing, and recording the effects of natural products on the cardiovascular system.

DISCLAIMERS

All statements in this press release, other than statements of historical fact, are “forward-looking information” with respect to the Company within the meaning of applicable securities laws, including with respect to: the closing of the transaction with Pharmadelic Labs; the ability of Pharmadelic Labs to successfully develop proprietary processes to help create pharmaceutical grade psilocybin-derived ingredients in a synthetic lab environment; the ability of Pharmadelic Labs to produce psilocybin quicker, cheaper and of a higher and more consistent quality than growing it in a greenhouse; the ability of Pharmadelic Labs to access rarer and more unique genetically designed compounds not normally found easily in nature that may offer great substantive value and utility; the partnership with Pharmadelic Labs allowing the Company to gain entry into a new vertical market in health sciences; the ability of psilocybin to treat mental health disorders; the market for psilocybin treating mental health; the Company’s mission to become the first company to offer a “Natural Products and Herbal Health System” for monitoring, dosing, and recording the effects of natural products on the cardiovascular system. The Company provides forward-looking statements for the purpose of conveying information about current expectations

and plans relating to the future and readers are cautioned that such statements may not be appropriate for other purposes. By its nature, this information is subject to inherent risks and uncertainties that may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, that assumptions may not be correct, and that objectives, strategic goals and priorities will not be achieved. These risks and uncertainties include but are not limited to those identified and reported in the Company's public filings under the Company's SEDAR profile at www.sedar.com. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. The Company disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise unless required by law.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities described herein in the United States. The securities described herein have not been registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities law and may not be offered or sold in the "United States", as such term is defined in Regulation S promulgated under the U.S. Securities Act, unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration requirements is available.