

## **NEWS RELEASE**

## ORION NUTRACEUTICALS INCREASES CAPACITY AND LOWERS PRODUCTION COSTS THROUGH FCM GLOBAL PARTNERSHIP

Vancouver, BC, and Medellin, CO, November 29, 2018– Orion Nutraceuticals Inc., (CSE: ORI) (the "Company" or "Orion") a cannabis life science company, is pleased to announce continued milestone advancement by its Colombian-based strategic ally and supply partner, FCM Global S.A.S. ("FCM"). Orion benefits from FCM's ability to supply low-cost, high-quality extracts, enabling Orion to win sizable long-term purchase orders for their finished products from top-tier international clients, including retailers, wholesalers, homeopathic and pharmaceutical sales channels, and world-class sports organizations.

FCM Global, a producer and supplier of cannabis extracts, full spectrum oils, CBD isolates, and microemulsions, has begun its final large-scale planting phase at its La Ceja, Colombia cultivation greenhouse, following a sequence of successful test harvests. With a capacity of over 40,000 plants, FCM's indoor greenhouse is a fully enclosed and tightly controlled environment which is operated to GAP standards. Supplemental lighting, irrigation, nutrition, humidity, plant health, and pest management are all systematically monitored in real-time and managed by FCM's team of experienced agronomists.

By combining modern agro-tech methods with Colombia's equatorial climate, 12/12/365 light cycle, abundant natural resources and La Ceja's 7,200 ft elevation, which provides optimal rainfall, drainage, and temperature, FCM will realize the equivalent of 3-4 harvests per year and has achieved a production cost from clone to dried flower of under US 4¢ per gram.

FCM is also in the final stage of Q1 2019 completion for its centralized La Ceja extraction laboratory. Integrating proven ethanol-based methods with the latest ultrasonic and molecular distillation technologies, the streamlined FCM extraction lab will flexibly produce a range oils and isolates in industrial yields at an all-in direct production cost for full spectrum oil of under US 45¢ per gram.

"FCM Global's Co-Source Colombia model complements Orion Nutraceutical's downstream product development focus, providing critical low-cost inputs without compromising consistency, quality, or traceability. For the cannabis industry to reach its full potential, it must develop innovative consumer and patient products that are safe, affordable, non-addictive, readily available, and add value over traditional alternatives," said Jonathan Fiteni, CEO of Orion. "Each of these requirements are key strengths of Orion and areas which FCM Global is well-positioned to support through their unique high-CBD strains and efficient soil-to-oil platform."

Collaborating in partnership with Orion, FCM continues to execute a clearly defined multi-phase expansion strategy to extend their first mover advantage in Colombia. FCM has secured significant additional prime agricultural land suitable for industrial-scale cultivation, extraction, and distribution. By 2021, FCM expects to produce over 185 tons of dried flower per annum, in 1.8 million square feet of cultivation space, and more than 27 tons of cannabis oil.



"FCM Global was founded on two beliefs. The first, which we have in common with Orion, is that cannabinoids represent the medical science market of the future, with the potential to improve millions of lives and offer a compelling alternative to conventional pharmaceutical, medicine, and wellness options," said Carlos Velasquez, CEO of FCM Global. "The second belief is that Colombia may well be the best place on Earth to sustainably produce high-quality cannabis inputs at large scale and low cost. FCM Global is proud to be Orion's trusted supply partner as they evolve and expand their product line of cannabinoid extracts and oils, nutraceuticals, pharmaceuticals, and sports therapies for international distribution."

## **About Orion Nutraceuticals Inc.**

Orion Nutraceuticals Inc. aims to set a new standard in cannabis life science by producing and developing innovative products with key strategic partners in the industry. In conjunction with its professional sports strategic alliances, the company is poised to advance research and development in the plant science sector, deliver science-based products and services, and market CBD therapies to the mainstream with proprietary brands and products. Medic-Oasis, Orion's subsidiary, has submitted its application for an ACMPR license and is currently under review with Health Canada. Build out is expected to begin in Q1 2019, with completion of the 30,000 square foot facility expected by Q3 2019. Orion Nutraceuticals is partners with Colombian based medical cannabis corporation FCM Global. FCM supplies pharmaceutical, nutritional, wellness, and cosmetic companies in legal markets worldwide with customized medical cannabis extracts, oils, and isolates at commercial scale. Orion shares trade in Canada on the CSE under the symbol ORI.

## About FCM Global S.A.S.

FCM Global S.A.S. is a fully licensed Colombian medical cannabis company producing a range of full spectrum oils, CBD isolates, and micro-emulsions in support of finished goods manufacturers in legal markets worldwide. Headquartered in Medellin, with a 235,800 ft2 production facility in La Ceja, the FCM Global platform encompasses genetics, cultivation, extraction, quality testing, formulation, and distribution. FCM Global's "Co-Sourced Colombia" model reliably delivers lower production costs and high-quality inputs at scale to its clients in the nutritional, wellness, pharmaceutical, and research sectors. FCM Global will soon break ground on FCM Tolima, a planned 450 hectare cultivation and production site which will produce over 1,000 tons of cannabis oil at full capacity. Please see <a href="https://www.fcm-global.com">www.fcm-global.com</a> for additional information.

ON BEHALF OF THE ORION BOARD

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