



INVICTUS MD

Increasing Shareholder Value by Combining  
Organic Growth with a Disciplined Acquisition  
Philosophy

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PRESS RELEASE

November 18<sup>th</sup>, 2016

## Invictus MD closes 49% option on cannabis testing lab as part of North American cannabis lab roll up strategy

Vancouver, BC, November 18, 2016 - INVICTUS MD STRATEGIES CORP. ("**Invictus MD**" or the "**Company**") (CSE: IMH; OTC: IVITF; FRA: 8IS) is pleased to announce that it has finalized and closed the option agreement (the "**Option**") to acquire 49% of Zenalytic Laboratories Inc. ("**Zen Labs**"), located in Kelowna, BC, and a subsidiary of the GreenTec Bio-Pharmaceuticals Corp Group.

The transaction will require Invictus MD to pay Zen Labs \$300,000 CDN by way of issuance of common shares of Invictus MD based on the volume weighted average price of Invictus MD three (3) days prior to closing the definitive agreement ("**3 day VWAP**"). The Option may be exercised by Invictus MD by delivering a notice of exercise (the "**Option Exercise Notice**") to Zen Labs on or before the date that is 45 days after Zen Labs has notified Invictus MD that it has obtained a Section 56 Class Exemption Dealer's license (the "**License**") from Health Canada under the Narcotic Control Regulations (the "**License Approval**"). \$45,000 CDN will be paid to Zen Labs by way of issuance of common shares of Invictus MD based on the 3 day VWAP as consideration for the Option.

Zen Labs' Dealers License application #6-939 was confirmed in writing for acceptance on July 27<sup>th</sup>, 2016 by The Office of Controlled Substances - Controlled Drugs Section Authorizations Division, based on a 1500 square foot laboratory that has been fully built with an operating business license issued by the City of Kelowna. While awaiting its Section 56 Class Exemption Dealer's license from Health Canada, Zen Labs is revenue-generating as a fully functioning microbial and environmental analytical testing laboratory (more information about Zen Labs' various testing capabilities can be found on [www.zenlabs.ca](http://www.zenlabs.ca)).

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The Office of Controlled Substances has confirmed in writing that Zen Labs will receive a decision within 180 days of acceptance. If there are no deficiencies within the application, Zen Labs expects to be licensed by February 2017.

Zen Labs has spent over \$500,000 CDN to date on construction and laboratory equipment including (but not limited to):

- HPLC (High Performance Liquid Chromatography)
- GC-FID (Gas Chromatography Flame Ionization Detector)
- GC-MS (Gas Chromatography Mass Spectrometer)
- ICP-MS (Inductively Coupled Plasma Mass Spectrometer)
- ICP-OES (Inductively Coupled Plasma Optical Emission Spectrometer)
- IC (Ion Chromatography)
- Pathogen and Toxin license (Risk Group 2: human and animal pathogens)
- TheraCanSYSTEM Enterprise Relational Process (ERP) ISO 17025(2005) and Safe Quality Food (SQF) compliant Web-based software that provides the Laboratory Information Management System (LIMS) required by Health Canada for traceability and auditability of Zen Labs' sample handling.
- A secure and encrypted off-site private server to store data and information for auditability by Health Canada and the Zen Labs' QPICs.
- A state-of-the-art and compliant security system with a Level 7 vault (currently in construction) designed and installed by Paladin / BMS.

As per the Letter Of Intent announced on October 24<sup>th</sup>, 2016, Invictus MD's diligence team has reviewed all of the due diligence items provided by Zen Labs, which include (but are not limited to) Health Canada communication, full application, corporate structure, ISO / GLP compliance, current capital expenditures, future capital requirements and equipment audit, with which our team felt satisfied in all aspects and confident that Zen Labs will receive its Section 56 Class Exemption Dealer's license from Health Canada by Q1 of 2017.

Dan Kriznic, CEO of Invictus MD, commented, "We have been very pleased in working with Zen Labs in conducting diligence and finalizing the Option. This partnership will open doors for Invictus MD, Zen Labs and Future Harvest Development. The GreenTec

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/ Zen Labs Group has been a knowledgeable and trusted associate of ours and has many assets within the emerging legal cannabis and ancillary sector. Our vision for the team at Zen Labs is to increase market share within the cannabis laboratory and testing segment of the industry by way of acquiring additional laboratories in Canada and the United States as well as by increasing our expanding footprint by applying for licenses in various Provinces and States. The laboratory/testing industry is currently fragmented in terms of a standardized approach to testing cannabis and providing consistent and accurate results.”

#### **About Invictus MD Strategies Corp.**

Invictus MD targets companies with proven brands, strong customer focus, and significant growth potential. We provide not only capital to meet these objectives but also years of management experience from a team that has been successful in all facets of business, from establishing start-ups to running large international organizations. The fundamental core of our operations centres on the vast opportunities within fragmented industries.

Invictus MD works in partnership with management teams to increase shareholder value through business planning and process integration, developing and executing growth strategies, leveraging our experience and relationships, and structuring and deploying the proper capital to support long-term growth. Our prudent approach to both investing in and developing successful companies ensures successful execution of the business plan in both times of economic expansion and contraction.

For more information, please visit [www.invictus-md.com](http://www.invictus-md.com).

On Behalf of the Board,

*Dan Kriznic*

Chairman & CEO

604-368-6437

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*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. All statements in this news release, other than statements of historical facts, including statements regarding future estimates, plans, objectives, assumptions or expectations of future performance, including the timing and completion of the proposed spin-out of Future Harvest, are forward-looking statements and contain forward-looking information. Generally, forward-looking statements and information can be identified by the use of forward-looking terminology such as "intends" or "anticipates", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would" or "occur". 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, including the assumptions that the proposed spin-out of Future Harvest will occur as anticipated, that the Company will obtain all requisite approvals of the spin-out transaction, and they 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. Important factors that may cause actual results to vary, include, without limitation, the risk that the proposed spin-out may not occur as planned; the timing and receipt requisite approvals. 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 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 statement, forward-looking information or financial outlook that are incorporated by reference herein, except in accordance with applicable securities laws. We seek safe harbour.*

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