



PHARMADRUG INC. PROVIDES UPDATE ON COVID-19 AND ANNOUNCES REQUEST FOR EXTENSION OF FILING FINANCIAL STATEMENTS AS WELL AS POSITIVE BUSINESS AND CORPORATE UPDATES

Toronto, Ontario - (April 24, 2020) - Pharmadrug Inc. (CSE: BUZZ) (OTC: LMLLF) (the “Company”) is providing an update on COVID-19 matters and an update on the status of filing its financial statements and accompanying management’s discussion and analysis, and related CEO and CFO certifications for the financial year ended December 31, 2019.

On March 18, 2020, the Canadian Securities Administrators (“CSA”) announced they would be providing issuers with a 45-day extension for filings required to be made on or prior to June 1, 2020 as a result of the COVID-19 pandemic. As such, the Ontario Securities Commission (“OSC”) has enacted Ontario Instrument 51-502 *Temporary Exemption from Certain Corporate Finance Requirements* (“OSC 51-502”). Pharmadrug Inc. will be relying on this extension period due to delays experienced as a result of the COVID-19 pandemic. More specifically, the Company intends to postpone the filing of its annual consolidated financial statements and accompanying management’s discussion and analysis and related CEO and CFO certificates for the financial period ended December 31, 2019, which are required to be filed by April 29, 2020, under sections 4.2 and 5.1(2) of National Instrument 51-102 – *Continuous Disclosure Obligations*.

A significant portion of the company’s staff and contractors as well as its auditor’s staff have been working from home, and travel for person to person meetings has been curtailed. This includes overseas travel from Toronto to Germany. While working remotely, the completion of audit procedures due to limited access to paper based supporting evidence and the entire audit process has been slowed. This has been exacerbated by the need to coordinate between staff members and auditors in both Toronto and Germany.

The Company is continuing to work diligently and expeditiously to file the Annual Filings and currently expects to have them filed before the deadline of June 15, 2020. In the meantime, the Company confirms that its management and other insiders are subject to an insider trading blackout policy that reflects the principals in section 9 of National Policy 11-207: Failure-to-File Cease Trade Orders and Revocations in Multiple Jurisdictions, such that they are in black-out period until the end of the second trading day after the filings have been disclosed by way of a news release.

Corporate Update

Sales volumes have been on the rise in 2019. January and February both saw volume increases in both the number of pharmacies we sell to and the total number of grams sold. The month of March had limited volumes due to a delay in a shipment of product for the Netherlands, but April is seeing the highest volumes of Medical Cannabis sold by the company to date. While the Company has

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experienced some limitations due to the COVID-19 pandemic, the sales efforts from our new sales team is bearing fruit. Germany has been under lockdown, but the effects on pharmacies have understandably been muted. Sales initiatives are not currently taking place in person, but volumes are climbing regardless. This makes us confident that a return to normal business should increase our growth rate, providing ample access to inventory, which continues to be tight in Germany.

While Pharmadrug continues to grow its Bedrocan volumes, the company is finalizing a second wholesale source of cannabis directly from another LP for product under their brand. We hope to begin selling that product in the next few months. Management is also in advanced discussions with two emerging producers out of Denmark. These relationships would be for Medical Cannabis to be sold by Pharmadrug under its own brand. Pharmadrug has also secured a GMP inspection date for one of the Canadian LPs it has a supply agreement with and the Company's supply partner in Israel is about to begin growing its first crop. With all of the developments, management is confident it will be able to both grow its available supply of Medical Cannabis considerably in the next 3-6 months and also be able to introduce product under its own brand in the second half of 2020.

Corporate Update

The LOI first mentioned in the press release dated February 07, 2020 is still in effect and the two parties are in active discussions. The intent of the deal remains the same, but valuation parameters have been affected on both sides by the recent market volatility and increased economic uncertainty. Regardless, both businesses have been able to see progress in their business plans and management feels confident a definitive agreement has a strong probability of being reached in the short term. In the meantime, management has also entered into discussions with two separate groups for possible deals in the psychedelic space.

About PharmaDrug Inc.

PharmaDrug Inc. is building an International cannabis business focused on Europe. The Company owns 80% of Pharmadrug GmbH, a German medical cannabis distributor, with a Schedule I European Union narcotics license allowing for the importation and distribution of medical cannabis to pharmacies in Germany and throughout the EU.

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Caution Regarding Forward-Looking Information:

THE CANADIAN SECURITIES EXCHANGE HAS NOT REVIEWED NOR DOES IT ACCEPT RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.

This news release may contain forward-looking statements and information based on current expectations. These statements should not be read as guarantees of future performance or results of the Company. Forward looking statements in this press release relate to the potential to complete the Proposed Transaction and the timing thereof and there is no certainty the Proposed Transaction will be completed. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by such statements. Although such statements are based on management's reasonable assumptions, there can be no assurance that such assumptions will prove to be correct. We assume no responsibility to update or revise them to reflect new events or circumstances. The Company's securities have not been registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or applicable state securities laws, and may not be offered or sold to, or for the account or benefit of, persons in the United States or "U.S. Persons", as such term is defined in Regulations under the U.S. Securities Act, absent registration or an applicable exemption from such registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in the United States or any jurisdiction in which such offer, solicitation or sale would be unlawful. Additionally, there are known and unknown risk factors which could cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information contained herein, such as, but not limited to dependence on obtaining regulatory approvals; the ability to locate additional supply of medical cannabis, owning interests in companies or projects that are engaged in activities currently considered illegal under United States federal law; changes in laws; limited operating history, reliance on management, requirements for additional financing, competition, hindering market growth; regulatory and political change. All forward-looking information herein is qualified in its entirety by this cautionary statement, and the Company disclaims any obligation to revise or update any such forward-looking information or to publicly announce the result of any revisions to any of the forward-looking information contained herein to reflect future results, events or developments, except as required by law.

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