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MustGrow Biologics Corp. (MGRO-CSE) Announces Cannabis Biopesticide R&D Program with a Canadian Federal Research Organization

SASKATOON, Saskatchewan, July 11, 2019 – MustGrow Biologics Corp. (MGRO-CSE) ("MustGrow" or the "Company"), an agricultural biotech company developing and commercializing a portfolio of natural biopesticides and biofertilizers for the cannabis industry, is pleased to announce that a biopesticide R&D program is underway with the National Research Council Canada ("NRC").

The NRC and MustGrow are conducting a series of efficacy assessments of MustGrow's patented natural biopesticide as a natural pre-plant, pre-pot soil treatment for soil-borne pests and diseases that affect cannabis production. MustGrow intends to seek Health Canada approval of its natural biopesticide for eventual use by Canada's licensed cannabis producers. The R&D program is currently targeting a number of soil-borne pests and diseases that have been particularly problematic for many of Canada's licensed cannabis producers, including but not limited to:

- **Botrytis (gray mold, bud rot)**, a serious and common disease often brought into facilities via contaminated soil.
- **Fusarium and Rhizoctonia (root rot)**, known to destroy entire cannabis rooms and can lay dormant in both soil and waterlines for years before becoming active and detrimental.

Health Canada: Mandatory Cannabis Testing for Pesticides

Requirements published by <u>Health Canada</u> necessitate mandatory testing for pesticides in cannabis (effective January 2, 2019), as outlined below. MustGrow is well-positioned to provide a compliant cannabis label through tailoring of its natural biopesticide, which is already approved for use in fruits and vegetables.

"To meet the testing requirements, licence holders under the Cannabis Regulations must demonstrate that none of the unauthorized pesticide active ingredients, as listed in the Mandatory cannabis testing for pesticide active ingredients - List and limits published by Health Canada, are used to treat their products or have contaminated their products."

Using the following Health Canada-defined *Purposes* as a framework, MustGrow is advancing a number of natural biopesticide and biofertilizer labels.

- "The requirements of the Pest Control Products Act and the Cannabis Act related to the use of pest control products (PCPs) are met
- Individuals have access to quality-controlled cannabis products that have not been treated or contaminated with unauthorized PCPs
- Individuals have accessible and accurate information to make informed decisions"



Soil-Borne Pests and Diseases Contaminate Cannabis Cultivation Facilities

Through MustGrow's eventual suite of biopesticides and biofertilizers, Canadian cannabis licence-holders may have access to products that aid in production of compliant, pest-free cannabis. MustGrow's pre-plant/pot soil treatment has already demonstrated control of many soil-borne diseases and pests that affect cannabis production, including the following: Pythium root rot, Rhizoctonia fungus, Fusarium, nematodes, Verticillium wilt, Phytophthora root rot and Sclerotinia.

MustGrow's Signature Products

MustGrow's signature, patented products are derived from mustard seed, utilizing the plant's natural defense mechanism as a pre-plant soil biopesticide. Organic compounds found within mustard (Brassica) plants, combined with water, form allyl isothiocyanate (AITC), which is the active ingredient in MustGrow's signature products. The Company feels that the natural AITC chemical has untapped potential to benefit agricultural production – both as a biopesticide/fungicide and biofertilizer – and has yet to be fully explored and commercialized. MustGrow has concentrated the active ingredient in both granular and liquid form to maximize safety and efficacy.

In addition to its signature biopesticides, MustGrow is compiling a science-based suite of biological products, assessing potential product labels from third parties. These products will be natural and/or organic biopesticides and biofertilizers, and MustGrow is working toward inlicensing private labels and/or distributing current third-party product brands to Canadian cannabis licensed producers (LPs) exclusively through MustGrow.

Agriculture Chemistries vs. Biologicals

MustGrow's signature mustard-derived products have consistently demonstrated efficacious benefits similar to synthetic "chemical" products without the harmful safety profile often associated with these chemical products. "Biological" products are typically less efficacious than chemical products and typically only have suppression labels, which is less than 75% control, requiring frequent reentry and reapplication intervals. However, MustGrow's product testing in soil used for fruits and vegetables has indicated greater than 95% control (more than just suppression) of soil-borne pests and diseases – in some cases 100% control of root-knot nematodes (parasitic worms) compared to the dangerous synthetic chemical methyl bromide.

About MustGrow Biologics Corp.

MustGrow is an agricultural biotech company focused on developing and commercializing its patented natural biologic product that acts as a pesticide, fungicide nematicide and fertilizer. Targeting the fruit, vegetable, turf, ornamentals and cannabis industries, MustGrow has designed a United States EPA-approved organic solution that uses the mustard seed's natural defence mechanisms to protect plants from pests and diseases. Approximately \$9 million has previously been spent and 110 independent tests completed, validating MustGrow's remarkably safe and effective granular product.

MustGrow's granular product is EPA-approved across all key U.S. states as a fertilizer and pesticide (currently limited to fertilizer in California) and is designated by Health Canada's PMRA (Pest Management Regulatory Agency) as a fruit, vegetable, turf and ornamental biopesticide and biofertilizer.

In cannabis, MustGrow is currently developing reliable, safe and biological solutions that adhere to Health Canada's strict regulations. MustGrow is positioning its signature product as an effective pre-plant soil treatment, reducing the chance for any added soil introduced to a greenhouse to bring in pests or diseases. MustGrow expects its biopesticide and biofertilizer will help licensed cannabis producers control the same conditions addressed in fruit and vegetable crops.

The Company has 25.0 million basic common shares issued and outstanding and 36.9 million on a fully-diluted basis. For further details, including MustGrow's corporate presentation, please visit www.mustgrow.ca.

ON BEHALF OF THE BOARD

"Corey Giasson" Director & CEO

Forward-Looking Statements

Certain statements included in this website constitute "forward-looking statements" which involve known and unknown risks, uncertainties and other factors that may affect the results, performance or achievements of MustGrow.

Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects", "is expected", "budget", "estimates", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might", "occur" or "be achieved".

Forward-looking statements are subject to a number of risks and uncertainties that may cause the actual results of MustGrow to differ materially from those discussed in such forward-looking statements, and even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on, MustGrow.

These risks are described in more detail in MustGrow's Prospectus and other continuous disclosure documents filed by MustGrow with the applicable securities regulatory authorities and available at www.sedar.com. Readers are referred to such documents for more detailed information about MustGrow, which is subject to the qualifications, assumptions and notes set forth therein.

