

MediPharm Labs Raises Concerns About Poorly Qualified Dissident Nominees



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MediPharm Labs Corp. →
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TORONTO, May 15, 2025 /PRNewswire/ - MediPharm Labs Corp. (TSX: LABS) ("**MediPharm**" or the "**Company**"), a pharmaceutical company specialized in precision-based cannabinoids, today provided its shareholders with additional information about the six nominees for its board of directors (the "**Dissident Nominees**") submitted by Apollo Technology Capital Corporation ("**Apollo**").

The Dissident Nominees were listed and described in a dissident proxy circular filed on May 7, 2025 (the "**Dissident Circular**") and are expected to stand for election at the Company's Annual and Special Meeting of Shareholders on June 16, 2025.

The Board's overall concerns with the Dissident Nominees

Following an initial review, the MediPharm Board of Directors (the "**Board**") has identified a number of concerns about the qualifications of the Dissident Nominees both individually and collectively. These concerns include:



- Insufficient experience in the cannabis and pharmaceutical sectors
- Limited public company board experience
- Interlocking relationships among the nominees
- Troublesome track record of the lead dissident
- Potential conflicts of interest
- Limited career experience and skills
- Lack of diversity

Chris Taves, Chair of MediPharm, comments:

"Serving as a director of a public company carries significant responsibility and requires substantial experience. As a whole, the Board must possess a wide range of specific skills in order to effectively carry out its fiduciary responsibilities, including amongst other things, adherence to proper corporate governance. While some of the Dissident Nominees have had relevant career experience, we are concerned that this group, collectively, does not have the mix of qualifications necessary to run a complex international business like MediPharm."

The Dissident Nominees include the following individuals:

- Regan McGee
- Scott Walters
- David Lontini
- Demetrios Mallios
- John Fowler
- Alan D. Lewis II

The Board's concerns about the Dissident Nominees can be summarized as follows.

Insufficient experience in the cannabis and pharmaceutical sectors

Only two of the Dissident Nominees, Mr. Fowler and Mr. Walters, have any experience in the cannabis sector. Their cannabis experience has primarily been in the recreational space, which is significantly different from the medical space where the Company's focus lies. The medical cannabis sector requires

specialized understanding of pharmaceutical manufacturing standards, global regulatory compliance, and medical distribution channels — expertise which none of the nominees appear to possess. The Company's business is now seeing meaningful growth in the international markets, as a result of it building out its international medical business, where it has a clear competitive advantage and ability to create shareholder value. No Dissident Nominee appears to have any experience in the pharmaceutical sector, in which MediPharm operates.

Limited public company director experience

The Dissident Circular indicates that the Dissident Nominees currently serve as directors of five public companies. Of these, at least four appear to be non-operating companies or speculative entities that would not typically provide a director with opportunities to acquire the type of skills and experience relevant for an active, complex business like MediPharm. Those five companies generate a median revenue of zero, and have a combined market capitalization that is roughly equal to that of MediPharm. They include:

- Check-Cap Ltd. (Mr. Lontini) is a reverse merger candidate with no revenue whose value is based primarily on its public listing and its declining cash balance.
- Big Gold Inc. (Mr. Walters) is an exploration-stage mining company with a market capitalization below C\$1 million.
- Maxus Mining Inc. (Mr. Walters) is an exploration-stage mining company whose shares began to trade on the Canadian Securities Exchange on May 8, 2025.
- Invent Ventures Inc. (Mr. Lewis) is "an incubator that builds, acquires, and invests in transformative businesses." Its market capitalization and annual revenue are both below USD\$1 million, more than seven years after Mr. Lewis and Mr. Mallios became controlling shareholders of Invent through their firm, The Aeon Group, and began to serve personally as officers and directors.
- Paragon Technologies Inc. (Mr. Lontini), a holding company with a market capitalization of approximately USD\$15 million, appears to be the largest public company on the list. Mr. Lontini has been a director for less than six months.

The Board is not aware of Mr. McGee, who seeks to become Chairman of MediPharm, ever having served on a public company board of directors.

Interlocking relationships among the nominees

There are multiple instances of the Dissident Nominees working together at other companies, serving together on other boards and otherwise having close commercial ties. Such interlocked relationships could lead to groupthink, lack of independent thought, and decisions that may be influenced by factors external to the Company. Examples of interlock include the following:

- Mr. Lewis and Mr. Mallios are both officers of The Aeon Group. In addition, Mr. Lewis is a director of Invent Ventures Inc., a company controlled by Aeon Group, and for which Mr. Mallios serves as CEO.
- Mr. Lontini is Active Chairman, and Mr. Lewis is Chief Financial Officer, of Check-Cap Ltd., a company which has entered a Business Combination Agreement with Nobul AI Inc., a company where Mr. McGee serves as Chairman, CEO and controlling shareholder.
- Mr. Fowler and Mr. Walters previously served together as directors and management of The Supreme Cannabis Company, Inc., and continue to collaborate on business interests at companies including Blaise Ventures Inc. and The BIG Concentrates Company.

The Canadian Coalition for Good Governance ("**CCGG**") recommends: "that a company's directors should be independent of each other. To maintain that independence, an issuer should implement a policy limiting interlocking board relationships ... CCGG believes that too many interlocking board relationships create interconnected interests that could be harmful to director independence."

Troublesome track record of the lead dissident

Regan McGee, Apollo's Chairman and CEO and the lead dissident, has a troublesome track record and a career marked by conflict and controversy. Nobul Technologies Inc. ("**Nobul Tech**"), a wholly owned Apollo subsidiary where Mr. McGee serves as Chairman and CEO, has been marred by a lawsuit in which it sued several of its former directors and investors who alleged that Nobul Tech was misrepresenting the source of its revenues, and that Mr. McGee was siphoning funds for his personal use. In his dealings with MediPharm, Mr. McGee has engaged in pressure tactics to acquire MediPharm shares improperly, and also threatened and defamed directors of the Company, among other improprieties. The Board is doubtful about Mr. McGee's appropriateness for a director role at any public company.

As communicated in previous MediPharm news releases, Mr. McGee has offered no alternative vision for the Company, including who he considers fit to manage the Company. The Board understands that Mr. McGee has been communicating with former senior executives of the Company.

Potential conflict of interest

The Dissident Nominee Mr. Fowler serves as president of a company, Muskoka Grown Ltd. and was formerly its CEO. (Mr. Fowler was identified as "president and CEO" of Muskoka Grown in Apollo's Advance Notice letter sent to the Company on May 1, 2025, but by the time the Dissident Circular was published on May 7, 2025, he no longer held the CEO title.) As disclosed in the Dissident Circular, Muskoka Grown is a supplier of cannabis products to MediPharm and negotiates the commercial terms of such arrangement with the Company. The Board believes it would not be possible for Mr. Fowler to exercise independent judgement on potential transactions relating to the Company that would also benefit him in other ways personally.

Limited career experience and skills

Mr. Lontini landed his first public company director role in January 2024 and added a second director role in December 2024. Prior to these appointments, his experience offers little indication that he would be considered a qualified candidate to be a public company director.

The biography presented to shareholders when he first became a director at Check-Cap Ltd. in January 2024, stated he had "completed M&A transactions" and mentioned "senior leadership positions." Based on publicly available information, including Mr. Lontini's LinkedIn profile, it is unclear whether he has ever held an executive role at any operating company outside of those he founded. His profile lists his title as president or owner at three separate entities he founded, including a home renovation business, a soccer consulting agency and a consulting firm established the same month he first became a director.

Lack of diversity

The dissident slate includes no female nominees, contrary to established best practices in corporate governance, including diversity expectations outlined by the Canadian Securities Administrators, proxy advisors and institutional stewardship policies.

MediPharm's refreshed Board and highly qualified nominees

In contrast to the underqualified Dissident Nominees, MediPharm has proposed seven highly qualified individuals for election to the Board. These nominees include David Pidduck, Chris Halyk, Chris Taves, Shelley Potts, Emily Jameson, John Medland and Keith Strachan.

Ms. Jameson and Mr. Medland are first-time nominees to the MediPharm Board, and if elected, would be fully independent directors with no connections to any existing directors of the Company. In particular, the addition of Ms. Jameson and Mr. Medland reflects the Company's intent to deepen capital markets expertise and M&A execution capabilities, which are increasingly relevant as MediPharm scales internationally and evaluates strategic growth opportunities.

Details about the Company's nominees can be found in the Management Information Circular recently sent to shareholders and filed by the Company on the SEDAR+ website at www.sedarplus.ca. Shareholders are also encouraged to visit www.medipharmlabsagm.com for nominees' biographies and other up-to-date information on the matters relating to the Annual and Special Meeting.

In light of the Board's serious concerns about the Dissident Nominees' qualifications and suitability, shareholders are urged to vote only using the GREEN proxy or GREEN voting instruction form in support of all of the Company's nominees and resolutions.

Proxy materials are currently being mailed and should arrive in the coming days, no later than next week.

In the meantime, to ensure your vote is counted, shareholders are encouraged to proactively contact their broker to obtain their 16-digit control number associated with the GREEN management proxy. Once received, you can cast your vote by visiting www.medipharmlabsagm.com.

You may receive materials or outreach from the dissident — please disregard any such communications and vote only using the GREEN proxy in support of the Company's nominees.

About MediPharm Labs

Founded in 2015, MediPharm Labs specializes in the development and manufacture of purified, pharmaceutical-quality cannabis concentrates, active pharmaceutical ingredients (API) and advanced derivative products utilizing a Good Manufacturing Practices certified facility with ISO standard-built clean

rooms. MediPharm Labs has invested in an expert, research driven team, state-of-the-art technology, downstream purification methodologies and purpose-built facilities for delivery of pure, trusted and precision-dosed cannabis products for its customers. MediPharm Labs develops, formulates, processes, packages and distributes cannabis and advanced cannabinoid-based products to domestic and international medical markets.

In 2021, MediPharm Labs received a Pharmaceutical Drug Establishment License from Health Canada, becoming the only company in North America to hold a commercial-scale domestic Good Manufacturing Practices License for the extraction of multiple natural cannabinoids. This GMP license was the first step in the Company's current foreign drug manufacturing site registration with the US FDA.

In 2023, MediPharm acquired VIVO Cannabis Inc., which expanded MediPharm's reach to medical patients in Canada via Canna Farms medical ecommerce platform, and in Australia and Germany through Beacon Medical Australia PTY Ltd. and Beacon Medical Germany GMBH. This acquisition also included Harvest Medical Clinics in Canada which provides medical cannabis patients with Physician consultations for medical cannabis education and prescriptions.

The Company carries out its operations in compliance with all applicable laws in the countries in which it operates.

Shareholder Voting Assistance:

If you have any questions or require any assistance in executing your **GREEN** proxy or voting instruction form, please call **Sodali & Co** at:

North American Toll-Free Number: 1.888.777.2059

Outside North America, Banks, Brokers and Collect Calls: 1.289.695.3075

Email: [**assistance@investor.sodali.com**](mailto:assistance@investor.sodali.com)

North American Toll-Free Facsimile: 1.877.218.5372

For up-to-date information and assistance in voting please visit: [**www.medipharmlabsagm.com**](http://www.medipharmlabsagm.com)

Cautionary Note Regarding Forward-Looking Information:

This news release contains "forward-looking information" and "forward-looking statements" (collectively, "forward-looking statements") within the meaning of the applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release. Any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as "expects", or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "budget", "scheduled", "forecasts", "estimates", "believes" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may" or "could", "would", "might" or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements. In this news release, forward-looking statements relate to, among other things: timing of the Annual and Special Meeting, the Company's future growth strategies and available M&A opportunities, creation of sustainable long term shareholder value, and the Company's competitive advantages. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to: general business, economic, competitive, political and social uncertainties; the inability of MediPharm Labs to obtain adequate financing; the delay or failure to receive regulatory approvals; and other factors discussed in MediPharm Labs' continuous disclosure filings, available on the SEDAR+ website at www.sedarplus.ca. 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 the forward-looking statements and information contained in this news release. Except as required by law, MediPharm Labs assumes no obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change.

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