



## Voyageur Sets 2020 Goals & Reviews 2019 Milestones to Become a Fully-Integrated Pharmaceutical Manufacturing Company

CALGARY, Alberta - January 17<sup>th</sup>, 2020 - Voyageur Pharmaceuticals Ltd. (TSXV:VM) (the "Company" or "Voyageur"),

Dear Shareholders,

I would like to thank all our stakeholders, particularly our shareholders, for supporting and believing in Voyageur and our continuing transformation from an industrial mineral miner into a fully-integrated pharmaceutical company. 2019 was a year of transformation toward creation of maximum value for our shareholders. The founders, Brad Willis and myself, who each have over 30 years' experience in the barium sulfate industry, recognized a major opportunity to realize the highest value possible from the Company's Frances Creek barium sulfate project. Our goal, and mine specifically as CEO, is to responsibly create the highest return for shareholders.

Many in the mining industry are content to create a mineral concentrate and ship it to mid-markets for others to create products from those minerals. It is our strategy that all efforts be made to create as many end-user products as possible, to enable the company to achieve the highest profit margins possible. Our joint venture with Chief Medical Supply Ltd. is designed around the goal of Voyageur becoming an integral producer of pharmaceutical radio-contrast products.

Voyageur is currently focused on becoming a fully-integrated pharmaceutical company by creating USP (US Pharmacopeia) grade minerals. USP minerals are used as active pharmaceutical ingredients (API's) in not only barium related products, but all pharmaceutical products that relate to the many minerals that Voyageur is creating access to.

By implementing our strategy of creating barium sulfate based products for sale directly to the pharmaceutical customer, Voyageur's aim is to create the highest net profit per tonne in the natural barium sulfate industry. In 2019, our strategy of "**From the Earth to the Bottle**" was born.

The first steps were to re-form management and attract new directors who not only understand our vision and goals, but had the wherewithal to add value in support of our vision and goals. The founders are committed to creating a dynamic and



independent board of directors. We will continue to build our board in 2020 by adding experienced and ethical directors with a high value-add. Corporate

governance is important to us and we are building a team that puts the company's and shareholders' interests first.

Our directors collectively bring unique and collaborative skillsets that, when combined as a team, create ethical and sound business decision-making as our foundation.

The founders' experience in the barium sulfate business is fully-encompassed with multiple mineral discoveries, two of which were brought from discovery to producing mines. Our 30 years of experience in mineral exploration also transfers well to the development of various other API minerals such as iodine, bromine, iron, magnesium, rubidium, manganese and other minerals. Our priority moving forward is to develop cash flow through mineral-based pharmaceutical product sales.

In fiscal 2019, Voyageur implemented the following to create cash flow:

- **Joint Venture with Chief Medical Supply**
- **Imported first tonnes of barium sulfate**
- **Initiation of a Preliminary Economic Assessment (PEA)**
- **Applications to Health Canada for registration of multiple products**
- **Completing a Notice of Work for a 10,000 tonne bulk sample on the Frances Creek property.**

Voyageur's joint venture with Chief Medical is an important strategic move for the Company. This venture is designed to fast track our ability to generate cash flow and dramatically reduce capital expenditures. Additionally, the JV brought in the critical expertise required to navigate the pharmaceutical sector, from formulation, regulations, drug registrations, GMP manufacturing, sales and distribution on an international scale, with overarching positive income and cash flow in mind.

Voyageur has imported the first few tonnes of USP grade barium sulfate with additional orders ready when needed. This is intended to allow our Company to generate cash flow after a relatively short testing period. This is strategic for Voyageur as it is expected to establish viable economics on our barite projects, with a supportable valuation of mineral assets. Through implementation of our *Earth to the Bottle* strategy, it is our goal to realize attractive profit margins, particularly relative to our peers.



Chief Medical has both barium and iodine manufacturing lines ready to begin production, following Health Canada approvals and successful governmental GMP inspections at its Mississauga plant. Management believes this JV will enable Voyageur to initiate cash flow and enter a period of long-term revenue growth.

SGS Canada was contracted in 2019 to complete a PEA for our Frances Creek barite claims; the report is expected to be completed in Q2 of 2020. The PEA is focused on creating a third-party report that includes a detailed economic study of the project and all the engineering required to bring the Frances Creek project into production.

Voyageur expects Health Canada registration approvals of five barium products in 2020. Registration for pharmaceutical products will create asset value for our Company and will be a significant milestone for sales and distribution across Canada. This is the first step on our way to sales, first domestically and ultimately internationally. That is our goal. Voyageur will initiate stage two by applying for barium contrast FDA approvals in the United States in 2020 to pave the way for access to the large USA market. We also intend to seek approvals from European and Asia Pacific countries in the future.

Voyageur has formulated the following barium contrast products:

- **HDXBa**
- **MultiXBa**
- **SmoothXBa**
- **BarX**
- **MultiXthin**



One of the components of the PEA is for Voyageur to build our API barium sulfate processing “pilot” plant. Upon planned completion of the construction of this plant, Voyageur will be in a position to expedite the processing of the bulk sample. The bulk sample is expected to create several years of barium sulfate supply for our barium contrast manufacturing. We will be applying for a quarry permit upon completion of the PEA for long term production. The barium sulfate produced from the bulk sample is expected to generate cash flow for Voyageur, as we expect to sell a high value product to the pharmaceutical market. We believe that we will have the lowest ingredient costs for barium contrast in North America once the quarry is producing on an annual basis.

Testing results to date indicate that the Frances Creek barite is of such exceptional quality that we can sell excess production into the industrial barite market for added cash flow. This will allow Voyageur to generate consistent cash flow while we build our pharmaceutical market sales.



Voyageur began moving forward in the pharmaceutical sector in 2019 and it has identified a potentially *larger opportunity* to create high value for its shareholders. Iodine contrast media is one of the most highly-consumed pharmaceutical products by volume in the health care industry. Voyageur recognised that it could repeat the full integration strategy with iodine as it is currently planning with barium sulfate.

Iodine contrast media is produced from a base product named iodine I<sub>2</sub> 99% pure flake. This concentrated iodine is then upgraded to a pharmaceutical grade compound called iopamidol. Iopamidol is a highly-purified water soluble drug that is mixed with a few other organic ingredients in a sterile injectable GMP rated manufacturing plant, and then bottled as an iodine contrast media for injections.

Voyageur is currently in talks with engineering firms who, once engaged, will begin the work to determine the feasibility to have Voyageur create a fully-integrated iopamidol production line. The potential plan is to create iodine flake from mineral brine, create the iopamidol at a Voyageur GMP API manufacturing plant. It could then be used to create the final sterile injectable product at the Chief Medical GMP sterile manufacturing plant in Mississauga.

Chief Medical has three turnkey sterile bottle lines ready to manufacture iodine contrast media. Voyageur has identified and had discussions with the only two FDA approved sources of iopamidol worldwide. While high demand and supply chain issues are impinging on existing supply, Voyageur is exploring strategies to overcome these challenges.

This has created a second major potential opportunity for Voyageur under the *From the Earth to the Bottle* vision. Voyageur is vigorously exploring plans to manufacture iopamidol from mineral brines in the USA. Our focus is on certain brines high in iodine, located in the Paradox Basin, Utah. A part of these plans would include the construction of a Company owned manufacturing facility in Utah which would allow for full integration, with the underlying strategy of achieving with the lowest ingredient costs in North America.

Presently, Voyageur owns 89 claims along the highly-fractured "Roberts Rupture" fault line at Paradox Basin. Based on multiple wells in the surrounding area and from two wells with high iodine drilled into the rupture 800m from our claims, we believe the potential is optimistic for Voyageur to produce the first phase of its iopamidol supply from this area.

Voyageur has entered a joint venture with Anson Resources on these claims. While certain provisions of the joint venture are currently under dispute, Voyageur is



working toward resolution with Anson and expects to resolve matters in the first half of 2020. We will also explore other positive options should we not achieve resolution.

By completing our goals in 2020, Voyageur will create substantial value for our shareholders. We will create value from the following:

- Establishing economic value, on a per tonne basis, on our barium sulfate asset, Frances Creek.
- Establishing cash flow and implementing a strategy for high growth rate.
- Our 100% ownership of the API registered pharmaceutical products.

We are starting the new year focusing on marketing our Company and its vision. We are implementing strategies to broaden our visibility within the investment community across North America and worldwide. We believe that implementing our strategy of being the only truly fully-integrated company in the contrast media industry provides real promise for high growth rates and long term value creation for our shareholders.

Voyageur management believes that our vision, *From the Earth to the Bottle*, coupled with a commitment to being the best at what we do and remaining focused on API minerals for pharmaceutical product manufacturing, is a formula for success. This is a strategy which, to date, has rarely been tried. We are unique in combining our expertise in mining with the expertise of Chief Medical in the pharmaceutical sector. We are striving to become a one of a kind company with few, if any, comparables in the industry. We have a great team that will continue to grow and we are committed to our shareholders to create the maximum value possible for their investment in our Company.

I thank all our shareholders and I look forward to playing my part in making 2020 the year Voyageur Pharmaceuticals becomes a well known company in the Canadian public markets.

Thank you and Happy New Year,

Brent Willis  
CEO  
Voyageur Pharmaceuticals Ltd.

P.S.

One final note. I encourage you right now, if you haven't already, to please sign up at our web site for further information, 2020 is going to be a breakout year for Voyageur on many fronts, we want to be in constant communication with you!



The Fundamental Research Group, who just gave us a \$0.39 cent fair market value target for 2020. I also noticed that the TD Bank reiterated the Voyageur BUY

recommendation to its clients on its discount brokerage website. The word is getting out! Please sign up at [www.voyageurpharmaceuticals.ca](http://www.voyageurpharmaceuticals.ca) or call Steve Livingston for updates at: +(403) 471-1659 or [steve@voyageurminerlas.ca](mailto:steve@voyageurminerlas.ca) Thank you!

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This news release contains certain statements or disclosures relating to the Company that are based on the expectations of its management as well as assumptions made by and information currently available to the Company which may constitute forward-looking statements or information ("forward-looking statements") under applicable securities laws. All such statements and disclosures, other than those of historical fact, which address activities, events, outcomes, results or developments that the Company anticipates may or will occur in the future (in whole or in part) should be considered forward-looking statement and undue reliance should not be placed on any such statements. In some cases, forward-looking statements can be identified by the use of the words "will", "intends", "believes", "expects", "forecasts", "anticipates", "plans" and similar expressions.

In particular, but without limiting the foregoing, this news release contains forward-looking statements pertaining to the following: the feasibility and expectation of the Company to bring its mining assets into production; the experience of management and directors of Voyageur and its pharmaceutical joint venture partner to execute on its business plan and that of its joint venture company; the economics and risks associated with its business plan; future operations and strategies for development, sales and distribution of mineral and pharmaceutical products; the outcome and timing of its preliminary economic assessment; expectations, including timing, related to revenues and cash flow from operations; ability to successfully penetrate either domestic or foreign pharmaceutical markets; the amount, quality and cost of supply of active pharmaceutical ingredients for potential pharmaceutical products; the ability for Voyageur to meet its joint venture obligations; anticipated registrations with Health Canada or similar foreign bodies for various pharmaceutical products the Company plans to develop, produce and sell; and the ability of the Company to attract investment capital to fund operations and capital expenditures.

The forward-looking statements contained in this news release are made as of the date hereof and the Company undertakes no obligations to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

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