

**PASQUALE DICAPO ACQUIRES SECURITIES OF  
MERUS LABS INTERNATIONAL INC.**

**TORONTO, Canada (December 28, 2011) Mr. Pasquale DiCapo (“DiCapo”)**, 130 King Street West, Suite 2210, Toronto, Ontario M5X 1E4 announces that, on December 21, 2011, he acquired ownership of 1,900,000 common shares of Merus Labs International Inc. (“Merus”) and 406,250 common share purchase warrants of Merus (the “Warrants”) (each Warrant entitling the holder thereof to acquire one common share of Merus) which securities were acquired by DiCapo directly. These securities represent approximately 7.85% of the current issued and outstanding common shares of Merus (the “Common Shares”) (or approximately 9.37% on a partially diluted basis, assuming exercise of the Warrants only).

In addition, on December 21, 2011, a joint actor of DiCapo acquired ownership and control of 523,750 Common Shares, 130,937 common share purchase warrants of Merus (the “Joint Actor Warrants”) (each Joint Actor Warrant entitling the holder thereof to acquire one Common Share) and 58,160 broker warrants of Merus (the “Broker Warrants”) (each Broker Warrant entitling the holder thereof to acquire one Common Share and one-half of one common share purchase warrant, with each whole common share purchase warrant entitling the holder thereof to acquire an additional Common Shares), which (i) represent approximately 2.16% of the then issued and outstanding Common Shares (or approximately 3.04% on a partially diluted basis, assuming exercise of the Joint Actor Warrants and Broker Warrants only); and (ii) when taken together with the securities acquired by DiCapo, represent approximately 10.01% of the current issued and outstanding Common Shares (or approximately 12.28% on a partially diluted basis, assuming exercise of the Warrants, Joint Actor Warrants and Broker Warrants only).

DiCapo and his joint actor acquired the Common Shares, Warrants, Joint Actor Warrants and Broker Warrants pursuant to a merger between Merus and Envoy Capital Group Inc. that occurred on December 21, 2011.

These transactions were made for investment purposes and DiCapo and his joint actor may from time to time acquire additional securities of Merus, dispose of some or all of the existing or additional securities of Merus they hold or will hold, or may continue to hold their current positions depending on market conditions or any other relevant factor.

To obtain a copy of the report filed pursuant to applicable securities regulations in connection with the foregoing, please contact:

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