

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

**TORONTO, Canada (March 23, 2011) Mr. Pasquale DiCapo (“DiCapo”)**, 130 King Street West, Suite 2500, Toronto, Ontario M5X 1A9 announces that, on March 22, 2011, he acquired ownership of 2,250,000 common shares of Merus Labs International Inc. (“Merus”) and 2,250,000 common share purchase warrants (the “Warrants”) (each Warrant entitling the holder thereof to acquire one common share of Merus at a price of \$0.40 until March 22, 2013) which securities were acquired by DiCapo directly. These securities represent approximately 8.96% of the current issued and outstanding common shares of Merus (the “Common Shares”) (or approximately 16.45% on a partially diluted basis, assuming exercise of the Warrants only). In addition, on March 22, 2011, a joint actor of DiCapo acquired ownership and control of 1,047,500 broker warrants of Merus (the “Broker Warrants”) (each Broker Warrant entitling the holder thereof to acquire one Common Share and one common share purchase warrant at a price of \$0.20 until March 22, 2013, with each common share purchase warrant entitling the holder thereof to acquire an additional Common Share at a price of \$0.40 until March 22, 2013) (collectively, the “Joint Actor Securities”), which (i) represent approximately 7.7% of the current issued and outstanding Common Shares on a partially diluted basis, assuming exercise of the Joint Actor Securities only; and (ii) when taken together with the securities acquired by DiCapo, represent approximately 8.96% of the current issued and outstanding Common Shares (or approximately 22.39% on a partially diluted basis, assuming exercise of the Warrants and Joint Actor Securities only).

DiCapo acquired the Common Shares and Warrants pursuant to a subscription agreement dated March 22, 2011 between Merus and the Offeror for an aggregate purchase price of \$450,000 (\$0.20 per unit consisting of one Common Share and one Warrant). The acquisition was part of a larger private placement financing completed by Merus for gross proceeds of approximately \$2,095,000. The joint actor received the Broker Warrants for acting as agent for the financing.

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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