

MERUS LABS INTERNATIONAL INC. OBTAINS APPROVAL FOR COLLACARE®

The Canadian National Stock Exchange has not approved nor disapproved the contents of this press release.

(CNSX: MR)

VANCOUVER, May 26 /CNW/ - **Merus Labs International Inc.** ("Merus" or the "Company") is pleased to announce that Health Canada has approved its advanced wound care product Collacare® (the "Product") for sales and distribution in Canada. The Product is exclusively licensed to Merus Labs by Innocoll. Collacare® is indicated for the management of ulcers, burns, split-skin donor sites and other dermal wounds. The product is a biodegradable, implantable advanced wound care device made up of bioactive collagen dressing. Collagen is a well-characterized structural protein that occurs naturally in animals. Collacare® forms a gel-like sheet that assumes the shape of the wound bed so as to maintain a moist environment to aid the wound healing process.

With the approval of Collacare®, Merus currently has 7 wound care products that will be launched in the next 3 to 4 months. The 6 other wound care products consist of Foam Dressings, Isolate Hydrophilic Dressings, Excel Hydrocolloid transparent wound dressings, Tulip Sacral Ulcer Wound Dressing as well as, Repel & Spot wound dressings. These products are indicated for pressure ulcers, trauma wounds, donor sites, diabetic ulcers, arterial venous ulcers as well as 1st and 2nd degree burns. In addition to the above products the Company has several other wound care products under development that are designated for launch in the next 2 or 3 quarters.

"We are very pleased with the Approval of Collacare® by Health Canada. Collacare® will provide Canadian patients and health care providers with an advanced biodegradable and implantable device that will greatly accelerate wound healing. We look forward to the launch of our line of wound care products in the next quarter." said Ahmad Doroudian, President and CEO.

About Merus Labs International Inc.

Merus is a specialty pharmaceutical company engaged in the acquisition and licensing of pharmaceutical products. The Company utilizes its expertise in the North American pharmaceutical markets and its access to capital to acquire and license niche branded products in Canada and United States. Merus further enhances the sale and distribution of these products by introduction of a focused marketing and promotion plan.

About Innocoll Inc.

Innocoll is an international biopharmaceutical company focused on targeted delivery products primarily in the areas of biodegradable surgical implants and topically applied healthcare products. The company has developed and manufactures a range of pharmaceutical products and medical devices using their proprietary collagen-based technologies.

Forward-looking Statements:

This press release may contain forward-looking statements that involve risks and uncertainties. These statements relate to future events or our future financial performance. In some cases, you can identify

forward-looking statements by terminology including "could", "may", "will", "should", "expect", "plan", "anticipate", "believe", "estimate", "predict", "potential" and the negative of these terms or other comparable terminology. While these forward-looking statements, and any assumptions upon which they are based, are made in good faith and reflect our current judgment regarding the direction of our business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions or other future performance suggested in this report. Except as required by applicable law, we do not intend to update any of the forward-looking statements so as to conform these statements to actual results. Investors should refer to the risks disclosed in the Company's reports filed from time to time with securities regulatory authorities.

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