



MERUS LABS ANNOUNCES KEY MILESTONE FOR SINTROM® PROFIT ENHANCING INITIATIVE

TORONTO, ONTARIO – May 4, 2017 -- Merus Labs International Inc. ("Merus" or the "Company") [TSX: MSL, NASDAQ: MSLI] is pleased to announce receipt of full regulatory approval to sell Sintrom® in Spain, our largest market, from their new supply partners. Merus has now received approvals that represent roughly 80% of our overall targeted tech transfer savings. This benefit is realized once products sourced from prior suppliers are sold. As previously communicated, the Company expects an estimated \$4 million of cost savings from Sintrom® to be realized in fiscal 2017.

Today's approval for the Spanish market for the new Sintrom® active pharmaceutical ingredient (API) supplier represents the second of two steps in the tech transfer process. This submission was very complex and consisted of over 60 separate variations. This milestone in Spain, a market representing approximately 50% of Sintrom® sales, represents almost \$2 million of the estimated annualized tech transfer savings of \$8 million.

The Company's near-term priority is to continue to optimize the value of our current product portfolio and deliver on key profit enhancing initiatives.

About Merus Labs

Merus Labs is a specialty pharmaceutical company focused on acquiring and optimizing established and growth products. The Company leverages its expertise and commercial platform in Europe, Canada and select other markets to deliver value.

For Further Information

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Forward-Looking Statements

Certain statements contained in this press release may constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 and applicable Canadian securities legislation. Forward-looking statements include statements relating to the Company's future business and operating plans, including potential changes to capital structure, product acquisitions or prospective corporate transactions. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results to be materially different from any future results expressed or implied by these statements. Such factors include the following: general economic and business conditions, changes in demand for Merus' products, changes in competition, the ability of Merus to integrate acquisitions or complete future acquisitions, Merus' ability to complete any financing, interest rate fluctuations, currency exchange rate fluctuations, dependence upon and availability of qualified personnel and changes in government regulation. Investors should refer to the Company's MD&A, Annual Information Form and Annual Report on 40-F for the year ended September 30, 2016 for a more comprehensive discussion of the risks that are material to the Company and its business. These forward-looking statements speak only as of the date of this press release, and Merus undertakes no obligation to update or revise the statements.