



FSD Pharma signs collaboration and profit sharing agreement with Canntab for production and market of oral dose delivery platforms

CSE: HUGE
OTC: FSDDF
FRA: 0K9

TORONTO, Sept. 18, 2018 /CNW/ - **FSD Pharma Inc.** (CSE: HUGE) (OTC: FSDDF) (FRA: 0K9) ("**FSD Pharma**" or the "**Company**"), which, through its wholly-owned subsidiary FV Pharma Inc., is a licensed producer pursuant to the *Access to Cannabis for Medical Purposes Regulations*, is pleased to announce that it has signed a definitive collaboration and profit sharing agreement (the "**Agreement**") with Canntab Therapeutics Limited (CSE:PILL) ("**Canntab**"), a leader in the rapidly growing cannabis pill market, effective September 17, 2018. Under the terms of the Agreement, FSD Pharma will assist Canntab to obtain a license to process and sell cannabis products pursuant to the *Cannabis Act* (the "**License**"), and will provide Canntab with space at its facility (the "**FSD Facility**"), which is located just one hour east of Toronto in Cobourg, Ontario (the "**Transaction**").

FSD Pharma will provide Canntab with up to 10,000 square feet of space at the FSD Facility (the "**Canntab Premises**"). Canntab will build and install, at its expense, its own manufacturing facility within the larger FSD Facility that will operate in accordance with Good Manufacturing Practices, at which it will produce a suite of novel cannabis oral dose delivery platforms, including gel capsules and tablets, and other types of cannabis-based products, including sleep aids and pain relievers (the "**Canntab Products**").

FSD Pharma and Canntab see tremendous opportunity in offering pharmaceutical quality cannabis based tablets, as many doctors are adverse to prescribing smoked cannabis as a solution to patients' health concerns. The Canntab Premises are intended to be used to supply Canadian and International markets such as Australia and Germany, which legally allow cannabis. FSD Pharma will work with Canntab to prepare the necessary items to submit an application from Canntab to Health Canada to obtain the License, which will be attached to the Canntab Premises. In particular, FSD Pharma will assist with the following aspects of the application:

- a) drafting, or coordinating the drafting of, all application materials;
- b) sourcing all necessary third-party consultants required to prepare the application; and
- c) communicating with Health Canada throughout the application process

In consideration of FSD Pharma's services, Canntab will grant FSD Pharma certain royalty and profit sharing rights in connection with the sale of the Canntab Products. Canntab will provide FSD Pharma with 50% of the profits that Canntab receives on any retail sales of Canntab Products through channels that are established by FSD Pharma and FSD Pharma will be entitled to retain 50% of the profits on FSD Pharma's sales of the Canntab Products. In addition, Canntab will pay FSD Pharma a royalty of 3.5% of Canntab's sale price for all Canntab Products that are manufactured and sold from the Canntab Premises. Canntab may also purchase the oil that it requires for the Canntab Products from FSD Pharma.

Mr. Jeffrey Renwick, Chief Executive Officer of Canntab, stated, "We are excited to begin work on our manufacturing space at the Cobourg facility and to collaborate with FSD Pharma to bring our expertise in the production of our suite of novel cannabis oral dose delivery platforms, including gel capsules and tablets to the cannabis medicinal market. Now that our definitive agreement is signed with FSD Pharma, we intend to work with the Company to move our application through the Health Canada process as swiftly and smoothly as possible".

Thomas Fairfull, Chief Executive Officer of FSD Pharma, added, "The Company is pleased to welcome Canntab to our premises and to begin the process of offering through our agreement with Canntab a cannabis delivery platform consisting of pills and tablets that is the accepted norm among patients and doctors. We have complete faith in Jeff and his experienced team to deliver the best that the medicinal market demands. I look forward to an ongoing partnership with everyone involved as we continue to expand our offerings at our Cobourg facility".

About FSD Pharma

FSD Pharma, owns, through its wholly-owned subsidiary FV Pharma Inc., a license to produce marijuana under the Access to Cannabis for Medical Purposes Regulations (ACMPR) which was originally granted on October 13, 2017. Headquartered at the former Kraft plant in Cobourg, Ontario, approximately an hour's drive from Toronto, FSD Pharma's management's mission is to transform the facility into the largest hydroponic indoor cannabis facility in the world. FSD Pharma intends to target all legal aspects of the cannabis industry, including cultivation, processing, manufacturing, extracts and research and development. Please visit www.fsdpharma.com for more information.

About Canntab

Canntab Therapeutics Limited is a Canadian cannabis oral dosage formulation company based in Markham Ontario, engaged in the research and development of advanced pharmaceutical grade formulations of cannabinoids. Canntab has developed in-house technology to deliver standardized medical cannabis extract from selective strains in a variety of extended/sustained release pharmaceutical dosages for therapeutic use. Simply put, Canntab's mission is to put the "Medical" into medicinal cannabis!

Forward-Looking Information

Certain statements contained in this press release constitute forward-looking information. These statements relate to future events or future performance. The use of any of the words "could", "intend", "expect", "believe", "will", "projected", "estimated" and similar expressions and statements relating to matters that are not historical facts are intended to identify forward-looking information and are based on the Corporation's current belief or assumptions as to the outcome and timing of such future events. Actual future results may differ materially. In particular, this release contains forward-looking information relating to the development of the Corporation's indoor cannabis facility and its business goals and objectives. The forward-looking information contained in this press release is made as of the date hereof, and the Corporation is not obligated to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities laws. Because of the risks, uncertainties and assumptions contained herein, investors should not place undue reliance on forward looking-information. The foregoing statements expressly qualify any forward-looking information contained herein.

Neither the Canadian Securities Exchange nor its regulation services provider accept responsibility for the adequacy or accuracy of this release.

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