



FSD Pharma Receives First Delivery of Cantabb Equipment with a Capacity to Manufacture Approx. 1,500,000 Tablets Per Day

CSE: HUGE
OTC: FSDDF
FRA: 0K9
CSE: PILL

TORONTO, Sept. 25, 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 the Company has received its first delivery of manufacturing equipment at its Cobourg plant from Canntab Therapeutics Limited (CSE:PILL) ("**Canntab**"), a leader in the rapidly growing cannabis pill market. The manufacturing equipment consists of a fully GMP High output Tablet press capable of pressing more than 1,500,000 tablets per day, as well as blending machinery, large scale process and drying equipment and packaging equipment.

Mr. Jeffrey Renwick, Chief Executive Officer of Canntab, stated, "With this first delivery of manufacturing equipment at the Cobourg plant, we can begin the process of setting up our manufacturing space in collaboration with FSD Pharma. We expect manufacturing of our suite of novel cannabis oral dose delivery platforms, including gel capsules and tablets to begin in earnest."

Zeeshan Saeed, EVP and Director of FSD Pharma, added, "We are thrilled that Canntab is moving so quickly to set up its manufacturing facility at our Company. We too are moving quickly to build out our own 220,000 square feet of additional manufacturing capacity in Cobourg in collaboration with Auxly. This is truly an exciting time at FSD Pharma."

FSD Pharma and Canntab previously announced the signing of a definitive collaboration and profit sharing agreement (the "Agreement") 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.

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.



Canntab Therapeutics Limited (CNW Group/FSD Pharma Inc.)

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CNW 08:30e 25-SEP-18