

# Emblem and Canntab Therapeutics Announce Health Canada Approval for R&D of Cannabinoid-Based Oral Sustained Release Formulation

Paris, Ontario--(Newsfile Corp. - May 14, 2018) - **Emblem Corp. (TSXV: EMC) (TSXV: EMC.WT)** ("Emblem" or the "Company") and **Canntab Therapeutics Limited (CSE: PILL)** ("Canntab") are pleased to announce receipt of Health Canada approval for research and development activities on oral sustained release formulations of cannabinoids (the "Sustained Release Product" or the "Product"), which are the proprietary products conceived by Canntab representing significant progress in Emblem and Canntab's partnership to develop long-acting cannabis formulations.

"Product innovation, new formulations and dosage forms are critical pillars in Emblem's competitive strength and growth strategy. Our license agreement with Canntab is an important step in this direction. We believe that cannabis medications need to be in precise, dose-controlled formats supported by pharmacokinetic, dosing and clinical data to be most consistent, effective, and broadly accepted by prescribers and their patients," said Nick Dean, President and CEO of Emblem. "We are thrilled that Health Canada has approved the research and development phase of our partnership with Canntab. The introduction of Canntab's sustained release formulation presents a significant growth opportunity for Emblem and is expected to begin in 2019."

Canntab has brought development and processing equipment to Emblem's Paris, Ontario location and will begin making the first pivotal batch of the Product this week using its patented technology and proprietary processes. This initial batch will undergo rigorous testing both internally by Emblem and Canntab and externally by third-party laboratories. Upon achievement of the Product's target design criteria, Emblem and Canntab intend to submit a full dossier to Health Canada for review and approval.

"The extended release tablet is the perfect pharmaceutical dosage form. It's a game changer for the medical community and solves many problems for patients. We are excited to be working with Emblem to bring this innovative product to market," says Jeffrey Renwick, CEO of Canntab.

Emblem and Canntab entered a collaboration and licensing agreement (the "Agreement") in October 2017 related to development, regulatory approval, manufacturing, and commercialization of Canntab's patent-pending Sustained Release Product.

Emblem and Canntab intend to collaborate on the preclinical formulation, clinical development, regulatory approval and commercialization of a range of additional cannabinoid containing pharmaceutical formulations.

## Background on Cannabinoids

There is evidence that cannabinoids are effective for the treatment of a number of conditions, including (i) chronic pain, (ii) nausea, (iii) sleep disorders, and (iv) spasticity in patients with Multiple Sclerosis.

Most conventional (immediate release) dosage forms, such as tablets and capsules, release the active drug component immediately after oral administration. In the formulation of conventional drug products, no deliberate effort is made to modify the drug release rate. Sustained release [dosage forms](#) are designed to release the active pharmaceutical ingredient at a predetermined rate in order to maintain a constant drug concentration over a specific period of time — resulting in a longer duration of action from a single dose and often with reduced [side effects](#). Generally, this is done to achieve an improved therapeutic outcome and/or to enhance patient compliance. Immediate release dosage forms of cannabinoids tend to lose therapeutic effects in 4 to 6 hours requiring subsequent re-administration and the risk of reduced patient compliance.

Canntab's Sustained Release Product is designed to release the cannabinoid content over a period of at least 12 hours. Sustained release formulations of pharmaceutical products are particularly valuable in the treatment of chronic conditions, such as chronic pain, where patients tend to need "around the clock" relief. There is evidence that cannabis is effective for the treatment of numerous conditions including neuropathic pain. Neuropathic pain is estimated to affect over two million Canadians and the pharmaceutical market addressing the needs of those patients was about \$500 million in 2016.

## 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. Canntab's mission is to put the "Medical" into medicinal cannabis. Canntab trades under the ticker symbol PILL on the Canadian Securities Exchange.

## About Emblem

[Emblem Corp.](#), through its wholly-owned subsidiary [Emblem Cannabis Corporation](#), is a fully integrated LP (licensed producer) and distributor of medical cannabis and cannabis derivatives in Canada under the ACMPR (*Access to Cannabis for Medical Purposes Regulations*). Led by a team of cannabis experts and former health care and pharma executives, it has three distinct verticals — cannabis production, patient education centers, and pharmaceutical dosage form development. Emblem trades

under the ticker symbol EMC on the TSX Venture Exchange.

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**Forward-looking statements**

*This news release contains certain forward-looking statements and forward-looking information (collectively referred to herein as "forward-looking statements") within the meaning of applicable Canadian securities laws. All statements other than statements of present or historical fact are forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "anticipate", "achieve", "could", "believe", "plan", "intend", "objective", "continuous", "ongoing", "estimate", "outlook", "expect", "may", "will", "project", "should" or similar words, including negatives thereof, suggesting future outcomes.*

*In particular, this news release contains forward-looking statements relating to, among other things: (i) the Agreement with Canntab; (ii) the benefits of the relationship with Canntab; (iii) the potential market accessible through the arrangement with Canntab; (iv) (v) the receipt of Health Canada approval of the Product; (vi) the ability of the Company and Canntab to sell the Product to the public; (vii) the ability of Canntab to protect the intellectual property rights in the Product; (viii) the benefits associated with cannabinoids for the treatment of illness and disease; and (ix) receipt of approval from Health Canada to complete such activities.*

*Management of the Company believes the expectations reflected in such forward-looking statements are reasonable as of the date hereof, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements should not be unduly relied upon. Various material factors and assumptions are typically applied in drawing conclusions or making the forecasts or projections set out in forward-looking statements. Those material factors and assumptions are based on information currently available to the Company, including data from publicly available governmental sources as well as from market research and industry analysis and on assumptions based on data and knowledge of this industry which Emblem believes to be reasonable. However, although generally indicative of relative market positions, market shares and performance characteristics, such data is inherently imprecise. While Emblem is not aware of any misstatement regarding any industry or government data presented herein, the medical marijuana industry involves risks and uncertainties and is subject to change based on various factors.*

*Forward-looking statements are not a guarantee of future performance and are subject to and involve a number of known and unknown risks and uncertainties, many of which are beyond the control of the Company, which may cause the Company's actual performance and results to differ materially from any projections of future performance or results expressed or implied by such forward-looking statements. These risks and uncertainties include, but are not limited to, the risks identified in the Company's annual information form dated October 18, 2017 and in the Company's short form prospectus dated January 29, 2018 both of which have been filed with the Canadian Securities Administrators and available on [www.sedar.com](http://www.sedar.com). Any forward-looking statements are made as of the date hereof and, except as required by law, the Company assumes no obligation to publicly update or revise such statements to reflect new information, subsequent or otherwise.*

*Certain information contained herein is based on, or derived from, information provided by independent third-party sources. Emblem believes that such information is accurate and that the sources from which it has been obtained are reliable. Emblem cannot guarantee the accuracy of such information, however, and has not independently verified the assumptions on which such information is based. Emblem does not assume any responsibility for the accuracy or completeness of such information.*