



CANNTAB ANNOUNCES COLLABORATION AND PROFIT SHARING AGREEMENT WITH FSD PHARMA TO PRODUCE AND MARKET ORAL DOSE DELIVERY PLATFORMS

Toronto, July 9, 2018 (CNW) – Canntab Therapeutics Limited (CSE:PILL) (“**Canntab**”), a leader in the rapidly growing cannabis pill market, is pleased to announce that it has entered into a non-binding letter of intent (the “**LOI**”) with FSD Pharma Inc. (CSE: HUGE) (“**FSD Pharma**”), which, through its wholly-owned subsidiary FV Pharma Inc., is a licensed producer pursuant to the *Access to Cannabis for Medical Purposes Regulations*. Under the terms of the LOI, 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 620,000 square foot 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 averse 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.

The terms of the LOI will be superseded by a definitive agreement, which Canntab and FSD Pharma intend to execute by July 15, 2018.

Mr. Jeffrey Renwick, Chief Executive Officer of Canntab, stated, "We are thrilled to announce our partnership with FSD Pharma, which not only provides us with space at their world class facility in Cobourg, but also gives us access to their deep knowledge base, which we believe will help us move our application through the Health Canada process as quickly and smoothly as possible. With this partnership in place, we believe that Canntab is well-position to capitalize on the impending legalization of cannabis on October 17, 2018".

Thomas Fairfull, Chief Executive Officer of FSD Pharma, added, "Pills and tablets are the norm for most patients' method of consuming medicine and nutraceuticals. It's still difficult for doctors and other alternative health practitioners to prescribe smoking as a form of medicine. Jeff and his team have been in the pharma manufacturing industry for decades and have been doing research in cannabis for years collecting a wealth of experience and knowledge that even most big pharma companies don't have. This agreement with Canntab adds to the growing FSD Pharma suite of cannabis based products to be manufactured at our large facility. This could be HUGE."

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!

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.

FOR ADDITIONAL INFORMATION, PLEASE CONTACT:

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Neither the Canadian Securities Exchange (the "CSE") nor its Regulation Services Provider (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release.

This news release contains certain "forward-looking information" within the meaning of applicable Canadian securities law. Forward-looking information is frequently characterized by words such as "plan", "continue", "expect", "project", "intend", "believe", "anticipate", "estimate", "may", "will", "potential", "proposed" and other similar words, or information that certain events or conditions "may" or "will" occur. This information is only a prediction. Various assumptions were used in drawing the conclusions or making the projections contained in the forward-looking information throughout this news release. Forward-looking information includes, but is not limited to: the ability to consummate the Transaction, including the ability to negotiate a definitive agreement on terms satisfactory to Canntab, the completion of the planned build-out of the Canntab Premises, requirements to obtain additional financing for such build-out, the ability to obtain a processing and sales license and the related timing considerations, timeliness of government approvals for granting of permits and licenses, actual operating performance of the Canntab Premises, regulatory or political change, competition and other risks affecting Canntab in particular and the cannabis industry generally. Forward-looking information is based on the opinions and estimates of management at the date the information is made, and is subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information. Neither Canntab nor FSD Pharma is under any obligation, and expressly disclaims any intention or obligation, to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as expressly required by applicable law.