

# Canntab Announces Closing of Purchases of Cannabis Processing Equipment and Leasehold Improvements

Toronto, Ontario--(Newsfile Corp. - October 19, 2020) - Canntab Therapeutics Limited (CSE: PILL) (OTCQB: CTABF) (FSE: TBF1) (the "**Company**" or "**Canntab**"), the leading innovator in cannabinoid and terpene blends in hard pill form for therapeutic applications, is pleased to announce that the previously announced asset purchase agreement with CMAX Technologies Inc. ("**CMAX**"), a related party of the Company has closed (the "**CMAX Transaction**"). Pursuant to the CMAX Transaction, Canntab has acquired certain cannabis-processing equipment and leasehold improvements (the "**CMAX Assets**") located at its 223 Riviera Drive, Markham, Ontario facility from CMAX Technologies Inc. for \$1,018,000.

The purchase price of the CMAX Assets was based upon third party valuations ordered by Canntab. The purchase price was satisfied through the issuance of 1,996,078 common shares of the Company (the "**Common Shares**") at a deemed price of \$0.51 per Common Share. A deposit of 200,000 Common Shares was paid to CMAX shortly after the execution of the asset purchase agreement.

The Company has also closed its binding asset purchase agreement with Pharmagenetics Solutions Inc. ("**Pharma**") to purchase cannabis-processing equipment (the "**Pharma Assets**") owned by Pharma (the "**Pharma Transaction**"). The purchase price of the Pharma Assets of \$300,000 was satisfied through the issuance of 588,235 Common Shares at a deemed price of \$0.51 per Common Share. Joshi Laxminarayan, Chief Scientific Officer of the Company is the sole officer, director and shareholder of Pharma.

The CMAX Transaction constituted a related party transaction under Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("**MI 61-101**") but was otherwise exempt from the formal valuation and minority approval requirements of MI 61-101. The CMAX Transaction has been approved by the independent director of the Company.

Richard Goldstein, Chief Financial Officer and Director of the Company, Jeffrey Renwick, President and Director of the Company, Barry Polisuk, Secretary and Director of the Company, and Joshi Laxaminarayan, Chief Scientific Officer of the Company are shareholders of CMAX Technologies Inc. Mr. Polisuk holds 1.44% of CMAX's outstanding common shares, Mr. Goldstein holds 11.19%, Mr. Renwick holds 38.83% and Mr. Laxminarayan holds 18.04%.

## About Canntab Therapeutics

Canntab Therapeutics is a Canadian biopharmaceutical company focused on the manufacturing and distribution of a suite of hard pill cannabinoid formulations in multiple doses and timed-release combinations. Canntab's proprietary hard pill cannabinoid formulations provide doctors, patients and consumers with medical grade solutions which incorporate all the features one would expect from any prescription or over the counter medication sold in Canadian pharmacies. These will include the following formulations: once a day and extended release, both providing an accurate dose and improved shelf stability.

Canntab holds a Cannabis Standard Processing & Sales for Medical Purposes Licence, a Cannabis Research Licence, and an Industrial Hemp Licence from Health Canada.

Canntab trades on the Canadian Securities Exchange under the symbol PILL, on the OTCQB under the symbol CTABF, and on the Frankfurt Stock Exchange under the symbol TBF1.

**For further information:**

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**Cautionary Statements**

*Neither the Canadian Securities Exchange nor its Market Regulator (as that term is defined in the policies of the Canadian Securities Exchange) accepts responsibility for the adequacy or accuracy of this release.*

*Certain information in this press release constitutes forward-looking statements under applicable securities laws. Any statements that are contained in this news release that are not statements of historical fact may be deemed to be forward-looking statements. Forward-looking statements are often identified by terms such as "may", "should", "anticipate", "expect", "potential", "believe", "intend" or negatives of these terms and similar expressions. Forward-looking statements involve risks and uncertainties that could cause actual results to differ materially, and are based on management's current beliefs, assumptions, and expectations. While Canntab considers these beliefs, assumptions and expectations to be reasonable and based on information currently available, they are inherently subject to significant business, economic and competitive uncertainties and contingencies and they may prove to be incorrect. Readers are cautioned not to place undue reliance on forward-looking statements. Forward-looking statements also necessarily involve known and unknown risks, including without limitation, risks associated with general economic conditions, adverse industry events, marketing costs, loss of markets, future legislative and regulatory developments, the inability to access sufficient capital on favourable terms, the medical and recreational cannabis industry in Canada in general, income tax and regulatory matters, the ability of Canntab to execute its business strategies, competition, crop failure, currency and interest rate fluctuations and other risks. Readers are cautioned that the foregoing is not exhaustive. Readers are further cautioned not to place undue reliance on forward-looking statements as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ from those anticipated. Forward-looking statements are not guarantees of future performance. Except as required by law, Canntab disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, events or otherwise. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement.*

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