PharmaDrug Collaborates with PharmaTher for Development of DMT Transdermal Patch

PharmaDrug is positioning to become a leader of DMT-based therapeutics for ocular disease and neuropsychiatric conditions

Toronto, Ontario--(Newsfile Corp. - February 22, 2023) - PharmaDrug Inc. (CSE: PHRX) (OTCQB: LMLLF) ("**PharmaDrug**" or the "**Company**"), a specialty pharmaceutical company focused on the research, development and commercialization of psychedelics and other naturally-derived approved drugs, is pleased to announce it has entered into a research collaboration agreement with PharmaTher Holdings Ltd. ("PharmaTher") to evaluate the delivery of N,N-Dimethyltryptamine (DMT) using PharmaTher's novel microneedle patch (MN-Patch) delivery technology.

Daniel Cohen, CEO and Chairman of PharmaDrug, commented, "We are excited to commence a collaboration with PharmaTher, a leader in microneedle patch delivery of psychedelics. We believe our combined programs and expertise in drug delivery and pharmacology, specifically relating to DMT, set the stage for the potential development of new treatment options for mental health conditions."

PharmaTher has completed a non-clinical research study with Terasaki Institute for Biomedical Innovation (TIBI) evaluating the delivery of its DMT MN-Patch. Research results from this study will be available in early Q2-2023 and will be used to support a potential human clinical study. Based on the results, PharmaDrug and PharmaTher will finalize a product and clinical development plan to initiate regulatory discussions for future clinical studies in various indications where DMT may have promise such as major depressive disorder. PharmaTher recently entered into a researcher collaboration agreement with its MN-Patch technology with Revive Therapeutics Ltd. to evaluate the delivery of 3,4-Methylenedioxymethamphetamine (MDMA).

In addition to developing cepharanthine for cancer and infectious diseases, PharmaDrug continues to build a specialty psychedelics program focusing on novel uses and delivery forms of DMT and other undisclosed psychedelic tryptamines as a potential treatment for ocular disease and neuropsychiatric conditions. The Company's DMT programs include:

- discovery of novel DMT-analogue and delivery device in partnership with TIBI for the treatment of primary open angle glaucoma;
- advancement of a clinical research collaboration with Johns Hopkins University to evaluate DMT in a Phase 1 Clinical Study under the direction of Dr. Frederick S. Barrett, PhD, Associate Professor of Psychiatry and Behavioral Sciences, and Co-investigators Dr. Sandeep Nayak and Dr. Roland Griffiths; all from the JHU Center for Psychedelic and Consciousness Research; and
- completion of foundational research aimed at understanding the role of endogenous DMT in collaboration with Dr. Jimo Borjigin, University of Michigan.

The collaboration will allow PharmaDrug to evaluate the results of PharmaTher's DMT MN-Patch. The Company believes that the DMT MN-Patch may enable flexible drug load capacity and combinations, controlled released delivery, and be able to present desired pharmacokinetic and safety profiles, which could potentially overcome obstacles associated with oral dosing.

About the MN-Patch Technology

The microneedle patch delivery technology is based on novel biocompatible and biodegradable gelatin methacryloyl ("GelMA") material to deliver water-soluble and insoluble drugs with desirable release profiles safely. The GelMA-based microneedle patch can efficiently penetrate the stratum corneum layer

(outer layer of the skin), enable flexible drug load capacity and combinations, and control-release delivery. Microneedles are considered a promising way to achieve systemic effects by transdermal delivery of drugs, including psychedelics, and circumventing absorption and first-pass barriers typical for oral delivery. In addition, it aims to empower patients to self-dose safely and incorporates anti-tampering and anti-abuse features.

About PharmaTher Holdings Ltd.

PharmaTher Holdings Ltd. is a specialty pharmaceutical company focused on developing and commercializing KETARX™ (racemic ketamine) for mental health, neurological and pain disorders. Learn more at PharmaTher.com.

About PharmaDrug Inc.

PharmaDrug is a specialty pharmaceutical company focused on the research, development and commercialization of controlled-substances and natural medicines such as psychedelics and previously approved drugs. PharmaDrug owns 100% Sairiyo Therapeutics ("Sairiyo"), a biotech company that specializes in researching and reformulating established natural medicines with a goal of bringing them through clinical trials and the associated regulatory approval process in the US and Europe. Sairiyo is currently developing its patented reformulation of cepharanthine, a drug that has shown substantial third party validated potential for the treatment of infectious disease (including Covid-19) and rare cancers. Sairiyo is also conducting R&D in the psychedelics space for the treatment of non-neuropsychiatric conditions.

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THE CANADIAN SECURITIES EXCHANGE HAS NOT REVIEWED NOR DOES IT ACCEPT RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.

This press release contains "forward-looking information" within the meaning of applicable securities legislation. All statements, other than statements of historical fact, included herein are forward-looking information. Generally, forward-looking information may be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "proposed", "is expected", "budgets", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases, or by the use of words or phrases which state that certain actions, events or results may, could, would, or might occur or be achieved. In particular, this press release contains forward-looking information in relation to: the Company's ability to continue to find novel uses and unique delivery forms of DMT to treat unmet medical needs, the Company plans to advance its program in POAG , the results of the Company's research and development in the psychedelics space. This forward-looking information reflects the Company's current beliefs and is based on information currently available to the Company and on assumptions the Company believes are reasonable. These assumptions include, but are not limited to the ability of the Company to successfully execute on its plans for the Company and its affiliated entities; the ability to obtain required regulatory approvals and the Company's continued response and ability to navigate the COVID-19 pandemic being consistent with, or better than, its ability and response to date.

Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information. Such

risks and other factors may include, but are not limited to: general business, economic, competitive, political and social uncertainties; general capital market conditions and market prices for securities; the actual results of the Company's future operations; competition; changes in legislation affecting the Company; the ability to obtain and maintain required permits and approvals, the timing and availability of external financing on acceptable terms; lack of qualified, skilled labour or loss of key individuals; risks related to the COVID-19 pandemic including various recommendations, orders and measures of governmental authorities to try to limit the pandemic, including travel restrictions, border closures, non-essential business closures, service disruptions, quarantines, self-isolations, shelters-in-place and social distancing, disruptions to markets, economic activity, financing, supply chains and sales channels, and a deterioration of general economic conditions; and a deterioration of financial markets that could limit the Company's ability to obtain external financing.

A description of additional risk factors that may cause actual results to differ materially from forward-looking information can be found in the Company's disclosure documents on the SEDAR website at www.sedar.com. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. Accordingly, readers should not place undue reliance on forward-looking information. Readers are cautioned that the foregoing list of factors is not exhaustive. Readers are further cautioned not to place undue reliance on forward-looking information 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 materially from those anticipated.

The Company's securities have not been registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or applicable state securities laws, and may not be offered or sold to, or for the account or benefit of, persons in the United States or "U.S. Persons", as such term is defined in Regulations under the U.S. Securities Act, absent registration or an applicable exemption from such registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in the United States or any jurisdiction in which such offer, solicitation or sale would be unlawful.

Forward-looking information contained in this press release is expressly qualified by this cautionary statement. The forward-looking information contained in this press release represents the expectations of the Company as of the date of this press release and, accordingly, are subject to change after such date. However, the Company 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 securities law.