Nash Pharmaceuticals Announces Positive Pre-Clinical Results For Its Lead Compound NP-178 in a New Study for Crohn's Disease

Potential Novel Target Discovery

VANCOUVER, BC – (December 3, 2018) – Nash Pharmaceuticals Inc., a wholly owned subsidiary of Breathtec Biomedical Inc. (CSE: BTH) (CNSX: BTH) (FRANKFURT: BTI) (OTCQB: BTHCF) (the "**Company**" or "Nash Pharma") is pleased to announce that in a recent *in vivo* animal study for Crohn's disease (CD), NP-178, its lead compound for the treatment of ulcerative colitis (UC), performed equivalent to and in some measurements, better than 5-ASA, a current global standard of care treatment for inflammatory bowel disease (IBD). A new potential treatment for CD could lead to an orphan drug designation, which could help expedite its availability to patients. There are a number of countries globally, that have an orphan drug program in place whereby companies that develop drugs for certain rare diseases enjoy enhanced collaboration with the regulatory authority, incentives, marketing exclusivity, and improved pricing and reimbursement.

In addition, the Company announces the discovery of a second compound, NP-120 that was also active in both of the Company's UC and CD *in vivo* studies. Both NP-178 and NP-120 are currently used clinically for the treatment of neurological diseases. The Company believes that NP-178 & NP-120 may modulate novel targets for IBD and is consistent with the concept that there may be a connection or pathway between the brain and the gastro intestinal system that could be modulated for therapeutic treatment opportunities.

Data from this study demonstrated statistically significant improvements in multiple measurements over multiple time points relevant to CD including:

NP-178

- Body weight ($p<0.001$), occult positivity ($p<0.05$), colon weight ($p<0.05$), colon length ($p<0.001$) and the colon weight/length ratio ($p<0.001$)
- The drug compared very favourably to the control, 5-ASA, the current standard of care for IBD.
- No negative side effects were observed.
- NP-178 is a repurposed, orally delivered neurological drug.

NP-120

- Body weight ($p<0.01$), colon length ($p<0.001$) and colon weight/length ratios ($p<0.01$)
- The drug compared very favourably to the control, 5-ASA, the current standard of care for IBD in both the CD and an earlier UC study
- No negative side effects were observed.
- NP-120 is a repurposed, orally delivered neurological drug.

"This additional study not only validated our original discovery of both NP-178 and NP-120 in an independent *in vivo* study for CD, but has also opened up an exciting new opportunity because CD is an orphan disease", said Christopher J. Moreau CEO of Nash Pharma. "We look forward to updating the market with additional information on these compounds shortly"

About IBD

The Global Inflammatory Bowel Diseases (IBD) Drug Market Forecast 2018-2028 Report shows that the global inflammatory bowel diseases (IBD) drug market is estimated at $6.7B in 2017 and $7.6B in 2023. Biologic therapies held 57% share of the IBD market in 2017. The antibiotics segment of the IBD market is estimated to grow at a CAGR of 6.3% from 2018-2023.

About Nash Pharmaceuticals Inc.

Nash Pharma is a wholly owned subsidiary of Breathtec Biomedical Inc. Nash Pharma is a clinical stage pharmaceutical development company focused on drug repurposing in the areas of non–alcoholic steatohepatitis (NASH), chronic kidney disease (CKD) and inflammatory bowel disease (IBD). Drug repurposing is the process of discovering new therapeutic uses for existing drugs. Repurposing offers several benefits over traditional drug development including a reduction in investment and risk, shorter research periods and a longer active patent life.

For more information, visit https://nashpharmaceuticals.com/.

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