InnoCan Pharma Collaborates with Tel Aviv University to Develop a New Revolutionary Approach to Treat the COVID-19 Corona Virus with Exosomes-Loaded CBD

Herzeliya, Israel and Calgary, Alberta--(Newsfile Corp. - April 17, 2020) - InnoCan Pharma Corporation (CSE: INNO) ("**InnoCan**" or the "**Company**") announced that its wholly-owned subsidiary, InnoCan Pharma Ltd. of Herzliya Israel, has entered into a sponsored research agreement dated April 17, 2020 (the "Research Agreement") with Ramot at Tel Aviv University ("Ramot") to collaborate with Tel Aviv university to develop a novel, revolutionary approach to treat COVID-19 by using Cannabidiol (CBD) loaded Exosomes ("**ICLX**").

Under the terms of the Research Agreement, InnoCan and a team led by Prof. Daniel Offen, a leading researcher specializing in Neuroscience and Exosome technology at Tel Aviv University, will collaborate to develop the cell therapy product, based on Prof. Offen's work in the field. Innocan has agreed to fund the research based on agreed milestones, in the aggregate amount of approximately US $450,000 for the first stage.

InnoCan and Ramot are collaborating on a new, revolutionary exosome-based technology that targets both central nervous system (CNS) indications and the Covid-19 Corona Virus. CBD-Loaded Exosomes hold the potential to provide a highly synergistic effect of anti-inflammatory properties and help in the recovery of infected lung cells. This product, which is expected to be administrated by inhalation, will be tested against a variety of lung infections.

Exosomes are small particles created when stem cells are multiplied. Exosomes can act as "homing missiles", targeting specific damaged organs and have an important role in cell-to-cell communication. When the cell healing properties of the exosomes are combined with the anti-inflammatory properties of CBD, it is expected to reach high synergetic effect. The research results may be beneficial to additional treatments for Central Nerve System (CNS) indications such as epilepsy and Alzheimer's Disease.

The Research Agreement also gives InnoCan Pharma the exclusive option to receive an exclusive worldwide royalty-bearing license to Ramot's background technology and the research results to allow InnoCan to develop and manufacture ICLX for the treatment of COVID-19 and potentially for other types of lung inflammations and additional respiratory related illnesses. Once InnoCan Pharma provides notice of intent to exercise the option, InnoCan Pharma and Ramot have agreed to negotiate the license agreement in good faith according to predefined commercial terms annexed to the Research Agreement.

Ramot Logo

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Background

The world is suffering from a rapid rise in illness due to the fast growing spread of the COVID-19 pandemic. The lungs are the organ most affected by COVID-19, causing pneumonia that rapidly progresses to acute respiratory distress syndrome and can further result in respiratory failure, septic shock, or multi-organ failure, and in the most severe cases death.

Recent in-vivo and in-vitro studies have demonstrated that exosomes derived from mesenchymal stem cells (MSC) can promote regeneration and improve immune reaction processes in damaged tissues. Exosomes contain anti-inflammatory agents that can target inflamed organs. Prof. Offen and his team have already successfully loaded exosomes with various molecules. They have also succeeded in treating different tissue injuries in animal models, while significantly reducing inflammation and pathological impairment. To date, there have been hundreds of publications and several clinical studies using exosomes globally, demonstrating their therapeutic potential at different applications.

Animal studies have also demonstrated CBD as effective in reducing lung inflammation. Based on these findings and the capability of attaching molecules to Exosomes as was shown at Prof. Offen studies, InnoCan believes that its ICLX therapy has the potential to treat the COVID-19 virus by combining CBD with exosomes, thereby creating therapeutic synergies. The suggested combination may have strong synergetic effects, thereby increasing the potential efficacy of planned treatments.

Prof. Dani Offen, of the Sackler School of Medicine, Sagol School of Neuroscience at Tel Aviv University, said, "I am pleased to work with the InnoCan team on this exciting ICLX development project. We are facing a challenging time, and I believe our unique approach holds a promise to offer a treatment for COVID-19, pneumonia and perhaps for other lung inflammations as well."

Iris Bincovich, CEO of InnoCan's CEO, also commented, "COVID-19 has quickly become one of the largest challenges in healthcare today. With the development of ICLX, we are creating a new treatment, to join the global mission to combat the effects of COVID-19. We are determined to make a difference as quickly as possible to assist patients worldwide."

Keren Primor Cohen, CEO of Ramot at Tel Aviv University, summarized, "We hope that this collaboration with Innocan Pharma will assist in transforming Prof. Offen's promising technology into a real treatment for the global threat of COVID-19."

The Company is not making any express or implied claims that the research to be conducted under the Research Agreement will be successful or that any products developed from the research will have the ability to eliminate, cure, treat or contain the Covid-19 Coronavirus or other lung conditions.

Innocan Pharma has also been approved for listing on the Frankfurt Stock Exchange (FSE) under the trading symbol: FRA: IP4.

About InnoCan Pharma Corporation

The Company, through its wholly-owned subsidiary, Innocan Pharma Ltd. ("Innocan Pharma Israel"), is a pharmaceutical tech company that focuses on the development of several drug delivery platforms combining cannabidiol ("CBD"). The Company signed on a worldwide exclusive license agreement with Yissum, the commercial arm of the Hebrew University of Jerusalem to develop CBD drug delivery platform based on a unique-controlled release Liposome to be administrated by Injection. The company planes, together with Prof. Berenholtz, Head of the Laboratory of Membrane and Liposome Research of the Hebrew University to test the Liposome platform on several potential indications. -The company is also working on dermal product integrating CBD with other pharmaceutical ingredients as well as the development and sale of CBD-integrated pharmaceuticals. include, but are not limited to, topical treatments for relief of psoriasis symptoms as well as the treatment of muscle pain and rheumatic pain.The founders and officers of InnoCan have commercially successful track records in the pharmaceutical and technology sectors in Israel and globally.

About Ramot

Ramot is the technology transfer company of Tel Aviv University, one of Israel's foremost research and teaching universities. It is one of the major hubs that has contributed to Israel's global reputation as the "Startup Nation". Founded in 1956, Tel Aviv University is located in Israel's cultural, financial and industrial center. Rooted in both academic and corporate arenas, Ramot is uniquely positioned to cultivate the special relationships between these two compelling worlds, creating win-win connections that support fertile, groundbreaking research while providing companies with discoveries that give them a crucial competitive edge.

So far, these collaborations have produced more than 60 active start-up companies and the registration of over 70 patents a year. Around 300 additional patents are currently commercially available while awaiting the finalization of the patenting process. Dry eye therapy with Tubilux® Pharma, Circadin, a treatment for sleeping disorders with Neurim Pharmaceuticals Blistex® Inc., improved flash memory with SanDisk and others have proven that the industry can benefit greatly from the talent pool Tel Aviv University has to offer, and that rigorous research and out-of-the-box thinking can create a product that answers a consumer's everyday needs.

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Certain information set forth in this news release, including, without limitation, information regarding the markets, requisite regulatory approvals and the anticipated timing for market entry, is forward-looking information within the meaning of applicable securities laws. By its nature, forward-looking information is subject to numerous risks and uncertainties, some of which are beyond InnoCan's control. The forward-looking information contained in this news release is based on certain key expectations and assumptions made by InnoCan, including expectations and assumptions concerning the anticipated benefits of the product markets, satisfaction of regulatory requirements in various jurisdictions and satisfactory completion of requisite production and distribution arrangements.

Forward-looking information is subject to various risks and uncertainties which could cause actual results and experience to differ materially from the anticipated results or expectations expressed in this news release. The key risks and uncertainties include but are not limited to: general global and local (national) economic, market and business conditions; governmental and regulatory requirements and actions by governmental authorities; and relationships with suppliers, manufacturers, customers, business partners and competitors. There are also risks that are inherent in the nature of product distribution, including failure to

obtain any required regulatory and other approvals (or to do so in a timely manner) and availability in each market of product inputs and finished products. The anticipated timeline for entry to markets may change for a number of reasons, including the inability to secure necessary regulatory requirements, or the need for additional time to conclude and/or satisfy the manufacturing and distribution arrangements. As a result of the foregoing, readers should not place undue reliance on the forward-looking information contained in this news release concerning the timing of launch of product distribution. A comprehensive discussion of other risks that impact InnoCan can also be found in InnoCan's public reports and filings which are available under InnoCan's profile at www.sedar.com.

Readers are cautioned that undue reliance should not be placed on forward-looking information as actual results may vary materially from the forward-looking information. InnoCan Pharma does not undertake to update, correct or revise any forward-looking information as a result of any new information, future events or otherwise, except as may be required by applicable law.

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