

Innocan Engages Endless Sky to Manufacture and Distribute Innocan's CBD Cosmetic Products in Canada

Herzliya, Israel and Calgary, Alberta--(Newsfile Corp. - August 11, 2020) - Innocan Pharma Corporation (CSE: INNO) (FSE: IP4) (the "Company" or "Innocan"), is pleased to announce that its wholly owned subsidiary, Innocan Pharma Ltd. ("Innocan Israel") has entered into a manufacturing and distribution agreement (the "Agreement") with Endless Sky Incorporated ("ESI"), a Canadian large scale Cannabis extractor based in Calgary, Alberta.

Under the Agreement, ESI will serve as the exclusive distributor of Innocan's CBD products in Canada under a license granted by Innocan. ESI will manufacture Innocan's CBD products at ESI's Health Canada licensed facility in Redvers, Saskatchewan. ESI's manufacturing and distribution rights consist of the Relief and Go CBD Spray and Cream and the SHIR Eye Serum, Face Cream and Night Cream. The Agreement conditional upon ESI receiving Health Canada's approval no later than December 31, 2020. According to the agreement, ESI shall pay Innocan Israel a cash license fee per Product as well as royalties based on net sales of the Products by ESI.

The Agreement is for a term of 12 months and will be automatically extended for additional periods of 12 months each based on ESI achieving minimum sales targets for the previous 12 months period.

ESI is responsible for meeting all Canadian regulations and registrations.

"Endless Sky is thrilled to exclusively manufacture and distribute Innocan's SHIR Beauty & Science skin care line as well their Relief & Go topical products in Canada, with the future potential to access additional countries where cannabis regulations permit, and terms agreed by the parties. We believe that Innocan's patent-pending, CBD-integrated products will be some of the highest quality CBD products to enter the market to date. Israel is well known as the global leader in CBD research and Innocan is leveraging that knowledge with a team of proven experts in the cosmetics, healthcare, sports medicine, and wellness markets. Innocan's diligent commitment to research and development and its visionary thinking has positioned both companies to be market leaders in the CBD consumer packaged goods products space. The pharmaceutical expertise of Innocan together with Endless Sky's large extraction capacity and manufacturing capabilities will combine to bring top of the line products to market at scale and price points that will allow for wide market access. This Agreement also positions both companies for CBD deregulation, allowing Endless Sky and Innocan's CBD products to be further scaled through national retailers at such time. We are very excited to bring these products into the Canadian market in the very near future," says CEO of Endless Sky, Travis George.

Iris Bincovich, Innocan's Founder and CEO, commented: "We are thrilled to have found the right party to distribute and manufacture our CBD line of products in Canada. Distributing our CBD line of products is a significant milestone for us, given the importance of Canada to the world of CBD. Collaboration with Endless Sky, one of Canada's largest extracting companies, will allow us to enter Innocan's revolutionary wellness brands into the Canadian market".

About Endless Sky Incorporated:

Endless Sky Incorporated is a Canadian large scale cannabis CO2 extractor focusing on Cannabinoids. Endless Sky has a Health Canada standard processing licence which allows production of consumer packaged goods with Cannabinoids as an additive.

With top of market throughput, hemp genetics breeding program, strict QA/QC standards, and EU GMP design, Endless Sky is poised to be a global leader in low cost premium active pharmaceutical ingredients for the health, wellness and beauty markets.

About Innocan

The Company, through its wholly owned subsidiary, Innocan Pharma Ltd., is a pharmaceutical tech company that focuses on the development of several drug delivery platforms combining cannabidiol ("CBD"). Innocan and Ramot at Tel Aviv University are collaborating on a new, revolutionary exosome-based technology that targets both central nervous system (CNS) indications and the Covid-19 Corona Virus using CBD. CBD-Loaded Exosomes hold the potential to help in the recovery of infected lung cells. This product, which is expected to be administered by inhalation, will be tested against a variety of lung infections.

The Company signed a worldwide exclusive license agreement with Yissum, the commercial arm of the Hebrew University of Jerusalem to develop a CBD drug delivery platform based on a unique-controlled release Liposome to be administered by Injection. The Company plans, 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 a dermal product that integrates CBD with other pharmaceutical ingredients as well as the development and sale of CBD-integrated pharmaceuticals, including, but 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.

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Caution regarding forward-looking information

Certain information set forth in this news release, including, without limitation, the effectiveness and safety of the Company's products, 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 products, 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 import / export matters and the 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 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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