

Innocan Pharma Announces Important Updates Regarding its LPT Platform Project and Commercialization Paths

Herzliya, Israel and Calgary, Alberta--(Newsfile Corp. - January 20, 2022) - Innocan Pharma Corporation (CSE: INNO) (FSE: IP4) (OTCQB: INNPF) (the "**Company**" or "**Innocan**"), is pleased to provide an update on its research into CBD loaded liposomes using Innocan's LPT platform. Innocan's core goal is to develop a technology that combines the advantages of two well-known drug and delivery system to create a novel drug product that can be used for vast array of diseases.



Figure 1: Professor Chezy Barenholz, head of the Membrane and Liposome Research Department at The Hebrew University & Iris Bincovich Innocan Pharma's CEO

To view an enhanced version of Figure 1, please visit:

https://orders.newsfilecorp.com/files/6922/110858_622146c2a4b4c88d_002full.jpg

Background - The Importance of CBD and Liposomes

CBD is becoming a key component in the fields of medical and pharmaceutical technology¹. In the recent months, there have been several major transactions in the CBD pharmaceutical field, such as the acquisition of GW Pharmaceutical by Jazz Pharmaceutical for roughly \$7B².

The therapeutic benefits of CBD are well known, and CBD users have reported major relief in several diseases³. Innocan considers CBD to be a very promising substance that will have a positive influence on the treatment of several illness in the future.

Liposomes have been used in medicine for quite some time. "Doxil" for example, is a highly effective and very successful cancer drug that was CO-developed by Innocan's chief scientist Prof. Chezy Barenholz at the Hebrew University. Much like Innocan's LPT platform, Doxil is also based on the loading of a drug into liposomes, resulting in better efficacy⁴.

The Problem Facing CBD Treatments

Despite the major advancements in the field, CBD treatments are facing a major roadblock. CBD

breaks down very quickly in the body and shows low and variable oral bioavailability and thus reduce CBD therapeutic effects for treating diseases in which CBD has the potential to be therapeutically effective such as pain, multiple sclerosis, rheumatoid arthritis epilepsy and many other diseases.

Innocan's Unique Solution

By administering CBD encapsulated in liposomes (the LPT platform), Innocan seeks to construct long-lasting significant levels of CBD in the body, which Innocan believes will create a far more effective and continuous therapeutic effects.

In 2021, Innocan carried out a series experiments of its LPT platform on animals. These experiments have demonstrated initial positive results, validating the viability of Innocan's plan to make CBD available to humans and animals for an extended period. The Company's latest study showed that CBD encapsulated in liposomes can be detected in sufficient quantities for up to 6 weeks following a single administration, whereas CBD administered either orally or parenterally had rapid degraded after just a few hours.

Iris Bincovich, Innocan Pharma's CEO, commented, "We are excited about our ability to encapsulate CBD molecules in liposomes. The encapsulation process is a difficult task, and we are pleased with the initial results. The ability to create prolonged release of the CBD, while keeping therapeutic levels in the tissue/blood may open up the LPT technology for uses in a wide variety of clinical indications."

Current and Near Future Outlook

Iris Bincovich, Innocan Pharma's CEO, commented, "We are very encouraged by the remarkably positive study results that we obtained in 2021. To that end, we are working hard not only to complete our data that we have been collecting over the last 12 months, but also to give it greater breadth by targeting indications that we have not yet had on our agenda. We have set a goal of conducting as many studies in this field as possible in 2022, which we expect to publish in as soon as we have been granted patent protection for our technology by the authorities."

Multiple Paths to Commercialization

These groundbreaking initial results, which to Innocan's knowledge, have not been achieved by anyone else, have encouraged the Company to proceed with increased staffing and establishing its own facility to ensure rapid progress. Innocan believes that such moves are essential for the future as the Company plans to commence human trials as soon as possible. Innocan is now working to ensure the upscaling of capabilities that will allow the Company to manufacture CBD-loaded liposomes in larger quantities, representing an additional step towards commercial production.

Importantly, while Innocan's research was initially aimed at the use of the LPT platform in humans, a new aspect has recently emerged in terms of its applications for veterinary medicine. Iris Bincovich added, "In our experiments with dogs, we noticed initial promising results in the treatment of various diseases. We plan to pursue a path of commercialization for the veterinary market. The "global veterinary medicine market size was estimated at USD \$29.2 billion in 2020 and is expected to expand at a compound annual growth rate (CAGR) of 7.4% from 2021 to 2028" (Published in GVR Grand View Research on Jan 2021). While we will be required to conduct a full veterinary regulatory process, including larger animal studies, these regulations are thought to be similar to the regulations applicable to humans. Therefore, there is potential that they will offer a faster track to commercialization. Innocan believes these studies will assist in, and accelerate, the development of human drug-products. Anyone who has ever tried providing a cat or dog with medical treatment knows how difficult it can often be. A one-month long-lasting medication, possible by the LPT platform, would be a major innovation for both animals and humans."

In parallel to the establishment of a lab and the progress with the LPT program, InnoCan is conducting animal studies related to several aspects of the LPT which may later provide supportive data when

moving to human clinical trial preparations.

Innocan's relationship with The Hebrew University

Innocan Israel, has entered into the Research and License Agreement with Yissum, the commercial arm of The Hebrew University of Jerusalem, with respect to the design, preparation, characterization and evaluation of CBD (or other cannabinoids) loaded liposomes. The research and development initiative is led by Professor Chezy Barenholz, head of the Membrane and Liposome Research Department at The Hebrew University, which is the inventor of over fifty-five patent families, two of which underlie Doxil[®], an FDA-approved drug for breast cancer treatment. This unique liposome platform technology may have a wide range of applications, such as epilepsy, pain relief, inflammation and central nervous system disorders. A patent was filed covering this technology on October 7, 2019.

About Innocan

Innocan Pharma is a pharmaceutical tech company that focuses on the development of several drug delivery platforms containing CBD. Innocan Pharma 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.

Innocan Pharma 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. Innocan Israel plans, together with Professor Barenholz, to test the liposome platform on several potential conditions. Innocan Israel 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 the relief of psoriasis symptoms as well as the treatment of muscle pain and rheumatic pain. The founders and officers of Innocan Israel each have commercially successful track records in the pharmaceutical and technology sectors in Israel and globally.

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Certain information set forth in this news release, including, without limitation, information regarding the success of its research activities, collaborations, the potential for treatment of indications in dogs using the Company's LPT technology, further research of treatments towards other conditions, the treatment of other conditions and other therapeutic effects resulting from research activities and/or the Company's products, requisite regulatory approvals and the timing for market entry, is forward-looking information within the meaning of applicable securities laws. By its nature, forward-looking information is subject to

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1. <https://www.forbes.com/health/body/cbd-oil-benefits/>; <https://www.epidiolex.com/about-epidiolex>
2. Payments received by other companies or developers may not reflect the future payments that the Company may receive.
3. <https://www.ncbi.nlm.nih.gov/labs/pmc/articles/PMC6043845/>
4. There is no assurance that InnoCan's LPT platform will receive the same degree of success received by Doxil.



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