PharmaTher Provides Update on its Psychedelic Pharmaceuticals Programs

TORONTO, Nov. 24, 2020 --

PharmaTher Inc., a wholly-owned subsidiary of Newscope Capital Corporation (“PharmaTher”) (CSE: PHRM) and a specialty life sciences company focused on the research and development of psychedelic pharmaceuticals, is pleased to provide a corporate update on its psychedelic pharmaceuticals program. Since its inception, the Company has built a unique product pipeline for novel uses of ketamine, psilocybin and undisclosed psychedelics. PharmaTher is positioning itself to partner its psilocybin program and panaceAI™, and focus on advancing its novel ketamine product pipeline in Parkinson’s disease, depression and pain via the U.S. Food and Drug Administration (“FDA”) regulatory pathway.

“We have made tremendous progress over the last several months that saw our product pipeline evolve to focus on the massive opportunity and potential of ketamine, an FDA approved drug with a known safety profile, to treat significant unmet medical needs for Parkinson’s disease, depression and pain,” said Fabio Chianelli, CEO of PharmaTher. “With our focus on ketamine through repurposing, combining it with an FDA approved drug and delivering it with our novel microneedle delivery system, we are now positioned to expedite our clinical development objectives by taking advantage of the FDA’s 505(b)(2) regulatory pathway and commercializing disruptive ketamine treatments for mental health and pain disorders.”

Ketamine for Parkinson’s Disease

The Company entered into an exclusive license agreement with the University of Arizona for the development and commercialization of ketamine in the treatment of Parkinson’s disease. PharmaTher has applied for FDA Orphan Drug Designation for ketamine in the treatment of levodopa-induced dyskinesia associated with Parkinson’s disease, and is expected to be granted in Q1-2021. In addition, PharmaTher will shortly file its pre-investigational new drug (“IND”) request to the FDA with the aim to conduct a Phase II clinical study in the U.S. Prior clinical reports suggest that low-dose ketamine infusions are well tolerated and can improve pain and depression, both often comorbidities in Parkinson’s disease patients. Preclinical data and human case studies in Parkinson’s disease showed that low-dose sub-anesthetic ketamine infusion indicates tolerability, safety and the potential of long-term therapeutic benefit to reduce Levodopa-induced dyskinesia, improve on time, and reduce depression.[1-5] The global Parkinson’s Disease market is expected to grow from USD $5 billion in 2019 to USD $7.5 billion by the end of 2025[6] and it is estimated that the potential market opportunity for LID-PD to be over USD $3 billion in the U.S. alone.

Ketamine Combination Formulation for Depression

The Company is preparing to advance a novel combination formulation with ketamine and an undisclosed FDA approved drug for the treatment of depression. The combination drug has shown in pre-clinical models to enhance the antidepressant effect of ketamine, while attenuating the side effects (i.e., hallucinations, memory defects, addiction, cognitive function, social and motor disorders, etc.), thus offering a potentially safer and effective treatment option that can be used by patients for home use to treat their depression. The global prevalence of depression is over 300 million patients and the annual cost to the U.S. is $200 billion, with current treatment options being ineffective and sub-optimal. The Company aims to conduct an FDA Phase II study for depression in 2021. In addition, this novel combination formulation paves the way for a distinctive product franchise targeting the multi-billion dollar and underserved market opportunities in mental health disorders.

Ketamine Microneedle Patch for Pain

The Company entered into an exclusive license agreement for the development and commercialization of a proprietary microneedle delivery system, developed in **Khademhosseini Lab** at the University of California, Los Angeles (“UCLA”), for use with psychedelic pharmaceuticals, including, ketamine.

The microneedle delivery system in the form of a patch, is biocompatible and biodegradable, shown to deliver both water-soluble and insoluble drugs with desirable release profiles, can efficiently penetrate the stratum corneum layer (outer layer of the skin), enable flexible drug load capacity and combinations, and control-release delivery. The microneedle patch is minimally invasive, painless, and may overcome the potential drawbacks of oral administration, subcutaneous injections and other transdermal delivery systems. In addition, it will open up new market opportunities in multi-billion dollar categories such as pain, skin cancer, wounds, mucosal diseases and surgical applications.

PharmaTher is focused on realizing the potential of its proprietary microneedle patch by delivering ketamine to treat pain disorders such as neuropathic pain and post-operative pain. The Company has filed an application with the FDA to receive Orphan Drug Designation for ketamine in the treatment of Postherpetic neuralgia (“PHN”), a chronic neuropathic pain syndrome resulting from an outbreak of the herpes zoster virus, also known as shingles. According to Persistence Market Research, the global PHN market is expected to be valued at USD $908.4 million by 2026.

In addition, the novel ketamine microneedle patch will have the potential to treat the over 25 million chronic pain patients and the over 65 million surgical procedures in the U.S. The ketamine patch aims to overcome the serious side effects and abuse with opioids to treat chronic pain.

panaceAI™ and Psilocybin Partnering Programs

The Company is developing and commercializing panaceAI™, a drug repurposing artificial intelligence ("AI") platform focusing on psychedelic pharmaceuticals, with the intention to expand PharmaTher's product pipeline and intellectual property portfolio. The Company has built a psilocybin product pipeline, which includes the potential treatment of traumatic brain injury and stroke, and its recently discovered novel uses of psilocybin in the potential to treat certain cancers, for which a provisional patent was filed with the U.S. Patent and Trademark Office. This discovery led to PharmaTher to enter into an exclusive research collaboration with Revive Therapeutics Ltd. (CSE: RVV, USA: RVVTF) to advance the psilocybin program and to discover novel uses of undisclosed psychedelic compounds using panaceAI™. The research collaboration with Revive is PharmaTher's first partnership with panaceAI™ and it validates PharmaTher's business model in discovering novel uses of psychedelics and partnering these discoveries with life sciences companies seeking to expand their product pipeline with psychedelics.

The partnership model for panaceAI™ and psilocybin allows PharmaTher to become a specialty life sciences company focused on its disruptive product pipeline with ketamine.

About PharmaTher Inc.

PharmaTher Inc., a wholly-owned subsidiary of Newscope Capital Corporation (CSE: PHRM), is a specialty life sciences company focused on the research and development of psychedelic pharmaceuticals. PharmaTher repurposes psychedelic pharmaceuticals, such as ketamine and psilocybin, for FDA approval to treat disorders of the brain and nervous system. Our goal is to advance the commercialization of panaceAI™, our drug repurposing artificial intelligence platform, and our ketamine focused product pipeline in the treatment of Parkinson's Disease, depression, and pain. Learn more at: **PharmaTher.com** and follow us on **Facebook**, **Twitter** and **LinkedIn**.

For more information, please contact:

Fabio Chianelli
Chief Executive Officer
PharmaTher Inc.
Tel: 1-888-846-3171
Email: **info@pharmather.com**
Website: **www.pharmather.com**

Neither the Canadian Securities Exchange nor its Regulation Services Provider have reviewed or accept responsibility for the adequacy or accuracy of this release.

Cautionary Statement

This press release contains 'forward-looking information' within the meaning of applicable Canadian securities legislation. These statements relate to future events or future performance. The use of any of the words "could", "intend", "expect", "believe", "will", "projected", "estimated", "potential" and similar expressions and statements relating to matters that are not historical facts are intended to identify forward-looking information and are based on the Newscope Capital Corporation's (the "Company) current belief or assumptions as to the outcome and timing of such future events. Forward-looking information in this press release includes information with respect to U.S. patent application of psilocybin to treat cancer, psychedelic drug repurposing, drug combinations and discovery, U.S. Food and Drug Administration ("FDA") approval, panaceAI™, psilocybin and *ketamine programs towards human clinical studies under the FDA regulatory pathway* and product developments. *Forward-looking information is based on reasonable assumptions that have been made by the Company at the date of the information and is subject to known and unknown risks, uncertainties, and other factors that may cause actual results or events to differ materially from those anticipated in the forward-looking information. Given these risks, uncertainties and assumptions, you should not unduly rely on these forward-looking statements. The forward-looking information contained in this press release is made as of the date hereof, and Company is not obligated to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities laws. The foregoing statements expressly qualify any forward-looking information contained herein. Factors that could cause actual results to differ materially from those anticipated in these forward-looking statements are described under the caption "Risk Factors" in Company's management's discussion and analysis for the period of August 30, 2020 ("MD&A"), dated October 1, 2020, which is available on the Company's profile at* **www.sedar.com**.

References:

1. UA Clinical Trial to Repurpose Ketamine for Parkinson's Patients.
2. US20190060254A1— Compositions and methods for treating motor disorders.
3. Bartlett, et al, 2020. Preclinical evidence in support of repurposing sub-anesthetic ketamine as a treatment for L-DOPA-induced *dyskinesia. Experimental Neurology. Volume 333*.
4. *Bartlett, M.J., Joseph, R.M., LePoidevin, L.M., Parent, K.L., Laude, N.D., Lazarus, L.B., Heien, M.L., Estevez, M., Sherman, S.J., Falk, T., 2016. Long-term effect of sub-anesthetic ketamine in reducing L-DOPA-induced dyskinesias in a preclinical model*.
5. *Sherman, S.J., Estevez, M., Magill, A.B., Falk, T., 2016. Case reports showing a long-term effect of subanesthetic ketamine infusion in reducing L-DOPA-induced dyskinesias. Case Rep. Neurol. 8, 53–58*.

6. *360iResearch 2020*.