



HEALTH CANADA'S IMPROVED PROCESSING OF ACMPR APPLICATIONS AND THE APPLICATION STATUS OF VERITAS' SUBSIDIARY, SECHELT ORGANIC MARIJUANA CORP

June 6, 2017, Vancouver, B.C. – Veritas Pharma Inc. (CSE: VRT; OTC: VRTHF; and Frankfurt: 2VP), as an ACMPR applicant would like to notify its investors that Health Canada is introducing several improvements that aim to streamline the ACMPR licensing process. Veritas' wholly owned subsidiary, Sechelt Organic Marijuana Corp. ("Sechelt") is in the process of applying for a Health Canada ACMPR license. On July 4, 2014, Sechelt filed an application with Health Canada for said license. Its application is awaiting the Issuance of a License to Produce.

Effective immediately, Health Canada is implementing the following measures:

- **Increasing the Department's capacity to review and process applications**

- Health Canada is allocating more resources to streamline the processing of applications to produce cannabis for medical purposes. There are currently 187 applications at the review stage. Sechelt is currently one of the 187 applications in what was previously known as the "review stage".

- **Undertaking some stages of the review of the application concurrently;**

- The detailed review stage of processing applications will now happen at the same time as the personnel security screening process. Historically, the review stage did not begin until the security screening of key personnel is complete, which can lengthen the time to process the application. Sechelt has already cleared the security screening process.

- **Permitting licensed producers to manage production on the basis of their vault capacity;**

- Licensed producers will be permitted to increase cannabis production within their existing facility to the maximum they are authorized to store, based on the capacity and security level of their vault(s) or safe(s). This will allow licensed producers to better manage production as necessary to meet demand.
- In addition, licensed producers will be able to store low-value cannabis waste products (e.g., leaves) in a secure area and will no longer need to keep these products in a secure vault or safe, thereby creating more room for storage of finished cannabis products and enabling increased production.

- **Authorizing longer validity periods for licenses and security clearances in accordance with the regulations**

- New licenses that are issued, and existing licenses that are renewed for licensed producers with a good compliance record, may now be valid for the full three years allowed in the regulations.

- **Streamlining the review and approval of applications to modify or expand a production facility for licensed producers with a record of good compliance with the ACMPR;**



- Where a licensed producer has a good compliance record and the proposed modification or expansion is straightforward, materially similar to an existing room or facility, and falls within an existing security perimeter (e.g., fence), applications for a production site modification or expansion may be approved following a successful application review. The physical inspection of the site modification or expansion would then occur during the regular facility inspection rather than before approval. Sechelt views this as a very positive development as the previous iteration of the rules did not lay out a direction for scaling cultivation as appropriately.

Health Canada will continue to inspect all facilities before cultivation begins and before a license to sell products to the public is issued. Henceforth, Health Canada will schedule this first inspection after it has determined an application meets the regulatory requirements and it has issued the license to cultivate and once the producer is ready to initiate production in its facility.

(Original Release: https://www.canada.ca/en/health-canada/news/2017/05/improving_the_licensingofproductionofcannabisformedicalpurposes.html)

Veritas CEO, Dr. Lui Franciosi, commented, "Our goal is to create shareholder value. To achieve this, we plan to create the most effective disease specific strains of cannabis, and to provide conclusive scientific evidence so doctors and patients alike can recommend and use our proprietary strains with confidence. A key portion of the strategy is to produce high quality, consistent cannabis plants and Sechelt, once licensed will provide us with the perfect platform through which to facilitate the realization of the company's vision. The Company is excited that Health Canada seems to be accelerating their rate of approvals, passing 3 in the previous 60 days, as it bodes well for our Sechelt application."

About Veritas Pharma Inc.

Sechelt leases with an option to purchase 0.73 acres of fenced, geo - tech industrial property in an approved jurisdiction to build a 2 story, 10,000 square foot MMPR facility in Sechelt, British Columbia, Canada. The plans for this facility include 6,800 square foot of budding rooms, 3,000 square foot of cloning rooms, as well as a small testing lab and secure storage room. The building and the security requirements have been designed and implemented in compliance with Canadian government requirements.

Sechelt personnel include an experienced grow team, who meet all the ACMPR licensing guidelines. Sechelt's personnel utilize a unique "no till" technique, which results in the growth of consistent strains, which are both 100% organic and cost efficient. The proposed grow rooms are unique both in construction and design, with each unit meeting air flow management and electrical light requirements. Additionally, the growing method focuses on organic methods for soil management, and the complete exclusion of spraying any types of chemicals. Finally, the unique soil conditions and growing environment is designed to maximize both quality and quantity of cannabis produced.

Veritas Pharma Inc. is an emerging-stage pharmaceutical and IP development company, who, through Cannevert Therapeutics Ltd. (CTL), is advancing the science behind medical cannabis. It is the Company aim, through its investment in CTL, to develop the most effective cannabis strains (cultivars) specific to pain, nausea, epilepsy and PTSD, solving the critical need for clinical data to support medical marijuana claims. CTL's unique value proposition uses a low-cost research and development model to help drive shareholder value, and speed-to-market. Veritas' investment in CTL is led by strong management team, bringing together veteran academic pharmacologists, anesthetists & chemists. The company's commercial mission is to patent protect CTL's IP (cultivars & strains) and sell or license to cancer clinics, insurance industry and pharma, targeting multi-billion dollar global markets.



Veritas Pharma Inc. is a publicly traded company which trades in three countries including Canada, on the Canadian Stock Exchange under the ticker VRT; in the United States, on the OTC under the ticker VRTHF; and in Germany, on the Frankfurt exchange under the ticker 2VP.

For more information, please visit our website: www.veritaspharmainc.com

On behalf of the Board of Directors; Veritas Pharma Inc.

"Dr. Lui Franciosi"
Dr. Lui Franciosi
Chief Executive Officer

Further information about the Company is available on our website at www.veritaspharmainc.com or under our profile on SEDAR at www.sedar.com and on the CSE website at www.thecse.com

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The CSE has not reviewed, nor approved or disapproved the content of this press release.