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Veritas' Cannevert to Offer Testing Services for Cannabis & Hemp Licensed Producers; Corporate Update

VANCOUVER, British Columbia, Sept. 19, 2018 -- **Veritas Pharma Inc. (CSE: VRT; OTC: VRTHF; and Frankfurt: 2VP) ("Veritas" or the "Company")** is pleased to provide a corporate update on its activities, milestones over the first three quarters of 2018, and strategies for growth in the new year.

Launch of Cannevert's Testing Services for Revenue and the Lease of New Research Facility

Veritas' subsidiary, Cannevert Therapeutics Ltd. (**"CTL"**) is preparing to offer analytical and biological testing services to cannabis and hemp Licensed Producers (**"LPs"**) at its current Vancouver location as well as at a new facility in Burnaby, BC, that will be opening in the new year. Dr. Lui Franciosi commented, "There has been a growing demand from LPs in Canada and abroad to better understand the pharmacology and therapeutic potential of their strains and related products. Therefore, alongside Cannevert's focus on developing its own propriety medical cannabis products for pain and seniors' care, it will assist producers to obtain analytical and biological profiles of their own products for revenue with the potential of entering into a co-development agreement. Cannevert would then help them develop propriety products combined with monograph to inform clinicians and patients on their therapeutic use." To address the demand, Veritas has entered into a lease agreement for an 18,000+ square foot facility in Burnaby, BC. The operations are contingent on Cannevert obtaining the appropriate Health Canada licenses (the equivalent to another Dealer License pre-legalization), for which the applications are in progress.

Cannevert's Dealer License Amendment, Migration to Health Canada's New Licensing System, and Application for a Canada Revenue Agency Excise License

Cannevert recently requested an update to its dealer license no. 2018/6970 under Health Canada's Section 9.2 of the Narcotic Control Regulations. Aside from being allowed to possess, produce, analyze, sell, send, transport, and deliver cannabis, hemp and related products, Cannevert has submitted an amendment for the ability to also package and label its own products. It anticipates an answer before legalization next month. In parallel, Cannevert started the process of migrating its Dealer License to Health Canada's new licensing system, which entails separate licenses for standard processing, analytical testing, and research. As well, Cannevert recently met with the Canada Revenue Agency (**"CRA"**) concerning their Cannabis Taxation Program, or Excise tax, and it was determined that as producers and packagers of cannabis products, Cannevert must apply for a CRA Excise license. This application is also in progress.

Human Trials of CTL-X in Puerto Rico

In the last few months, Cannevert has been dealing with the need to obtain an appropriate placebo as well as a medically-certified delivery device for use in its first human study of CTL-X, a cannabis strain targeting pain management, at the Fundación de Investigación (**"FDI"**) facilities in San Juan, Puerto Rico. Both issues have been resolved, and at this time, FDI is in the process of getting the final approvals from the local regulatory authorities. The study will be done using a randomized, double- blind, crossover design to assess one dose of CTL-X against a placebo control strain in 16 subjects who will be exposed to various modalities of acute pain. The Institute for Medical Cannabis Corporation of Puerto Rico has confirmed with Cannevert that it has CTL-X and placebo in stock for the upcoming study at FDI, as per the signed Material Transfer Agreement. The start of these human trials is expected next month, and it should take approximately three weeks to complete.

Cancer Research Project

The Company has been working with Dr. Dmitri Petchkovski of Fibroblast Consulting on a cancer research project since November 2017. Cannevert supplied Dr. Petchkovski with a number of cannabis extracts to assess their effects in several human cancer cell lines. There was some anti-cancer activity discovered, however, after further investigation, the results remained inconclusive. For this reason, the Company decided last month to downgrade this project's priority until more funding could be allocated to further explore these extracts and others in the new year.

Given the additional costs as well as the excess of cannabis licensed producers that are currently present in Canada and abroad, Veritas decided that it would be in the best interest of shareholders to sell SOM. It concluded that the need to cultivate its own unique strains is no longer necessary since supply agreements with existing Canadian LPs could be arranged in the interim as the Company transitions to overseas markets without concerns over any intellectual property infringements.

Key Memorandums of Understanding with Outlook to Global Commercialization and Cooperative Intellectual Property Development

Cannevert requires access to more diverse cannabis strains to better understand the magnitude and duration of potential pharmacological effects that cannabis can produce in select patient populations. Hence, the Company entered into a number of Memorandums of Understanding (**"MOUs"**) that it thinks are strategic for Cannevert to gain access to unique strains but also sell and promote its own branded products in specific regions of the World. On June 19, 2018, the Company entered into a MOU with Colombian medical cannabis company Foliumed S.A.S. On July 17, 2018, the Company signed an Intellectual Property Sharing Agreement with Sativa Investments PLC, UK's first medicinal cannabis investment fund. On August 15, 2018, the Company signed an MOU with IsCann Group Limited located in Be'er Tuvya, Israel with the aim of supporting business development in the Canadian and Israeli medical cannabis sectors. Alongside Canada, the countries of Columbia, UK and Israel are also great to acquire new cannabis genetics and scientific knowledge as well as access to new medical cannabis markets for Cannevert branded medicines.

3 Carbon Extractions Inc.

Earlier this year, the Company signed a non-binding Letter of Intent with Carbon Extractions Inc. (**"3 Carbon"**), an industry leader in regulatory compliant cannabis hydrocarbon extraction solutions, with the aim of acquiring up to 100% equity and voting interest. 3 Carbon is currently assisting Cannevert scientists in finding LPs that can supply them with unique cannabis varieties and they will produce regular chemical extractions for Cannevert and LPs to investigate in the laboratory or clinical studies. 3 Carbon will also begin to operate in the same new Burnaby facility that Cannevert is located at early next year. Veritas currently has a 50% stake in 3 Carbon.

Sale of Sechelt Organic Marijuana Inc.

On September 13, 2018, Veritas entered into a Non-Binding Letter of Intent to sell all of the issued and outstanding common shares of Sechelt Organic Marijuana Inc. (**"SOM"**) to Leis Industries Limited. Leis will either pay $350,000 CAN in cash or $350,000 CAN in common shares at a deemed price of the lessor of market price and $0.40 per share to acquire 100% of the outstanding shares of Sechelt. Both parties have agreed to have a definitive agreement by no later than October 31, 2018. SOM has a Health Canada Access to Cannabis for Medical Purposes Regulations (**"ACMPR"**) application to be a license producer submitted July 2014 and it has passed the security stage and waiting on the approval to build a cannabis growing facility on a parcel of land in Sechelt, BC.

Unfortunately, due to the long wait with the Health Canada application, SOM no longer has employed staff. The City of Sechelt also changed the zoning early this year such that the lot size requirement for the growing facility now needs to be at least 40,000 square feet, compared to the previously approved size of 26,000 square feet. Consequently, an alternate property location or an enlarged property, and an amended or new ACMPR application are required. Veritas has tried over the last year to expand the lot size through acquisition of neighboring properties as well as had discussions with the City of Sechelt to allow for a variance to the current zoning. In both cases, the Company were unsuccessful in coming up with an arrangement. According to local realtors, this property could take 2 to 3 years to sell in the range of $300,000 to $350,000 CAD. These estimates are similar to a recent BC Property Tax Assessment of $300,000 CAD. Based on the above information, the Company would likely need to purchase a new lot where the land costs may be more than the sell price and it would need to prepare and submit a new ACMPR application with new staff/applicants at an estimated cost of $200,000 CAD.

Performance/Revenue Outlook

Veritas Pharma is planning for a potential revenue stream from two sources over the next year. If human trials of Cannevert's lead product, CTL-X, demonstrate pain relief, this product will be placed in Puerto Rican medical cannabis dispensaries for sale. Cannevert is also pursuing an analytical and biological testing services offering for cannabis and hemp licensed producers. The aim is to enable these producers to better understand and protect the therapeutic potential of their products for consumers and existing research programs. This work would be done either as a joint development program or a straight fee-for-service.

About Veritas Pharma Inc.

Veritas Pharma Inc. is an emerging pharmaceutical and IP development company, who, through its 100% owned subsidiary Cannevert Therapeutics Ltd. ("CTL"), is advancing the science behind medical cannabis. It is the Company's 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 a strong management team, bringing together veteran academic pharmacologists, anesthetists & chemists. The company's commercial mission is to patent protect IP (cultivars & strains) and sell or license to cancer clinics, insurance industry and pharma, targeting multi-billion-dollar markets according to Deloitte's Insights and Opportunities.

Veritas Pharma Inc. is a publicly traded company in 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: veritaspharmainc.com

On behalf of the Board of Directors

"Dr. Lui Franciosi"
Dr. Lui Franciosi
President and 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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