

CanniMed Medical Cannabis Topical Cream Provides Fast-Acting Relief to Patients in Need

SASKATOON, Saskatchewan & WATERLOO, Ontario--(BUSINESS WIRE)--February 28, 2018--CanniMed Therapeutics Inc. (TSX: CMED) ("CanniMed" or the "Company") is pleased to announce that today the Company has started fulfilling orders and shipping CanniMed® Topical Cream Kits to registered patients. This innovative new product is a fusion of CanniMed's industry-leading medical cannabis oil with Kalaya™ Carrier Base Gel, created by Avaria Health & Beauty Corp. ("Avaria"), one of Canada's leading experts in the creation of advanced topical creams, gels, lotions and salves.

"Patients and physicians have been demanding a high-quality medical cannabis topical cream and we are pleased to be able to offer one of Canada's most robust and innovative carrier gels to blend with our standardized and trusted oils," said Brent Zettl, President and CEO of CanniMed. "This is a whole new form of delivery for medical cannabis, ideal for patients who do not wish ingest or vaporize and prefer only localized treatment for their condition."

Benefits of CanniMed Topical Cream

- Localized treatment: a concentrated dose of the medicinal ingredients is delivered to the affected area only
- Fast-acting: the unique formulation of CanniMed® Topical Cream optimizes absorption by the skin, allowing for more medicinal ingredients to reach the affected area quickly
- Convenient: CanniMed® Topical Cream is shelf stable (does not require refrigeration) making it ideal to use at any time

"Our Medical Formulating Team has created a one-of-a-kind product designed to provide an effective, alternative route of administration for patients looking for a different way to use medical cannabis," said Dr. Keith Burk, CEO of Avaria Health & Beauty. "We look forward to seeing the difference that this unique option has on the wellbeing of patients, along with other exciting products in development with CanniMed Therapeutics Inc."

There is a considerable amount of anecdotal evidence supporting the topical application of medical cannabis, and a growing body of scientific evidence respecting topical application for conditions such as inflammation, neuropathic pain (particularly in patients with Multiple Sclerosis)¹ and allergic skin conditions². A recent study indicates that CB2 receptors may be key in treating the symptoms of rheumatoid arthritis³. CanniMed® Topical Cream is suggested to provide relief by binding to a patient's CB2 receptors.

CanniMed® Topical Cream is now available and delivered as a kit containing:

- One bottle of CanniMed® Oil 1:20 **or** CanniMed® Oil 10:10,
- One jar of Kalaya™ Carrier Base Gel, and
- One spatula for mixing.

Patients mix the CanniMed Oil and Carrier Base Gel together in the comfort of their own home. Once mixed, the clear gel transforms into a luxurious white topical cream similar in cosmetic elegance to those found at luxury cosmetics counters.

CanniMed® Topical Cream retails for \$189.99 (60 mL CanniMed® Oil 10:10 + 120 mL Kalaya™ Carrier Base Gel) and \$143.99 (60 mL CanniMed® Oil 1:20 + 120 mL Kalaya™ Carrier Base Gel).

About CanniMed Therapeutics Inc.

CanniMed is a Canadian-based, international plant biopharmaceutical company and a leader in the Canadian medical cannabis industry, with 17 years of pharmaceutical cannabis cultivation experience, state-of-the-art, GMP-compliant production process and world class research and development platforms with a wide range of pharmaceutical-grade cannabis products. In addition, the Company has an active plant biotechnology research and product development program focused on the production of plant-based materials for pharmaceutical, agricultural and environmental applications.

The Company, through its subsidiaries, was the first producer to be licensed under the Marihuana for Medical Purposes Regulations, the predecessor to the current Access to Cannabis for Medical Purposes Regulations. It was the sole supplier to Health Canada under the former medical marijuana system for 13 years, and has been producing safe and consistent medical marijuana for thousands of Canadian patients, with no incident of product diversion or recalls.

For more information, please visit our websites: www.cannimed.ca (patients) and www.cannimedtherapeutics.com (investors).

About Avaria Health & Beauty Corp.

Privately owned and operated since 1995 by experienced medical professionals, Avaria Health & Beauty Corp. specializes in the formulation, manufacturing and sale of topical creams, oils, emulsions, liquids, lotions, gels and salves. Avaria has earned an international reputation for its premium health, wellness and beauty products, proven to be among the most technologically advanced and efficacy-based products on the market today.

Avaria's branded lines (including Kalaya™ Naturals) and private label formulations enjoy distribution throughout Canada, and in select international markets.

Avaria Health & Beauty Corp. has enjoyed sustained and consistent growth in both branded retail and private label contract manufacturing since 1997.

For more information regarding Avaria Health & Beauty Corp., please visit our website: www.avariahb.com.

Notice Regarding Forward Looking Statements

This news release contains forward-looking statements within the meaning of applicable securities laws. All statements that are not historical facts, including without limitation, statements regarding the availability of the topical cream kit for sale, future development of products and research, future estimates, plans, programs, forecasts, projections, objectives, assumptions, expectations or beliefs of future performance, are “forward-looking statements”. Forward-looking statements can be identified by the use of words such as “plans”, “expects” or “does not expect”, “is expected”, “estimates”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved.

Forward-looking statements are based on assumptions, including assumptions relating to the production and availability of the topical cream kit, and involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of CanniMed Therapeutics Inc. to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements, including the risk that the availability of products will be delayed, the risk that products will not be successfully developed or developed in a timely manner, the risk that certain products will not receive regulatory approval and the risks described in CanniMed Therapeutics Inc.’s Annual Information Form for the year ended October 31, 2017 filed with applicable Canadian securities regulatory authorities which may be viewed at sedar.com. The forward-looking statements included in this news release are made as of the date of this news release. CanniMed Therapeutics Inc. does not undertake to publicly update such forward-looking statements to reflect new information, subsequent events or otherwise, unless required by applicable securities legislation.

¹ Jorge LL, Feres CC, Teles VE. Topical preparations for pain relief: efficacy and patient adherence. *Journal of Pain Research*. 2011;4:11-24. doi:10.2147/JPR.S9492.

² Gaffal E, Cron M, Glodde N, Tuting T. Anti-inflammatory activity of topical THC in DNFB-mediated mouse allergic contact dermatitis independent of CB1 and CB2 receptors. *Allergy* 2013; 68: 994–1000.

³ Huan Gui, Xia Liu, Zhi-Wei Wang, Dong-Yi He, Ding-Feng Su, Sheng-Ming Dai; Expression of cannabinoid receptor 2 and its inhibitory effects on synovial fibroblasts in rheumatoid arthritis, *Rheumatology*, Volume 53, Issue 5, 1 May 2014, Pages 802–809, <https://doi.org/10.1093/rheumatology/ket447>.

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