

Reuven Or, MD
Director of Bone Marrow Transplantation
Cancer Immunotherapy &
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פרופ' ראובן אור
מנהל המחלקה להשתלת מח עצם,
המרכז לאימונותרפיה ואימונולוגיה של הסרטן
בית החולים האוניברסיטאי
הדסה עין כרם
ת.ד. 12000, ירושלים 91120
טל: 02-677-6561
פקס: 02-677-7540
דוא"ל: reuvenor@hadassah.org.il

January 15, 2015

**The Board of Directors
Phytotech Medical Limited
Suite 9, 330 Churchill Ave
SUBIACO WA 6008**

Dear Sirs,

Re: **Phytotech Medical Limited**

We are aware that Phytotech Medical Limited ACN 601 236 417, a company incorporated under the laws of the Commonwealth of Australia (the "Company"), has prepared a prospectus in Australia dated 20 November, 2014 (the "Prospectus")¹.

As summarized in Sections 6.3 and 11.1 of the Prospectus, the Company has entered into a Memorandum of Understanding with Professor Reuven Or, a member of the Scientific Medical Advisory Committee, and the Hadassah University Hospital ("Hadassah") based in Jerusalem to conduct research into the influence of cannabinoids on rehabilitation of blood cells after bone marrow transplantation and on graft versus host disease in the murine model ("MOU").

Hadassah is aware that there are laws and regulations in Israel governing the use of cannabis for medicinal purposes in the State of Israel, ("Applicable Regulations") namely:

(a) The Dangerous Drugs Ordinance [New Version], 5733 - 1973 (the "Ordinance") which, inter alia, mandates which substances are considered to be dangerous drugs, sets forth restrictions on the possession, use and application of any such substances and regulates the approved application and use of any such substances. The Ordinance authorizes the Director-General of the Ministry of Health (or any other official authorized by the Director-General with regard to the matter in question) to allocate permits for the import, export, diversion, manufacture, possession, preparation and use of dangerous drugs and drug delivery devices for dangerous drugs. The Ordinance defines cannabis as such a dangerous drug.

(b) Government decisions 3609, dated August 7, 2011, and 1050, dated December 15, 2013 under which the use of cannabis for medicinal purposes in the State of Israel is permitted, in accordance with the term and conditions of said government decisions. As prescribed under the said government decisions, the Ministry of Health ("MOH") established the Israeli Medical Cannabis Agency (IMCA), a unit within the MOH responsible for the implementation of the Government and MOH decisions regarding all aspects of arrangements for the purchase, supply, instructions, approvals and information as regards the use of medical cannabis.

(c) The MOH protocol 106 "Licenses for the use of Cannabis", dated March 2013 (second update, July 2, 2014) which defines the criteria for the allocation and maintenance of permits regarding medical cannabis.

¹ The Prospectus may be found on the following website: <http://www.phytotechmed.com/holding>

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In order to undertake the activities prescribed by the MOU (the "Research Program"), the Research Program at Hadassah must be conducted with the appropriate license from the Ministry of Health within the State of Israel.

We have a license to possess, distribute, and investigate natural medical cannabis produced by Israeli companies.

This license allows us to use conduct the proposed Research Program with the Company.

Should you have any queries, please do not hesitate to contact the undersigned.

Sincerely,



REUVEN OR, M.D.
Lic. No. 014846
HADASSAH MEDICAL ORGANIZATION

Professor Reuven Or
Hadassah University Hospital