



PHYTOTECH MEDICAL

ASX RELEASE

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YISSUM RESEARCH DEVELOPMENT COMPANY PRESS RELEASE

Please find attached a press release by Yissum Development Company Ltd.

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For Immediate Release

Yissum and PhytoTech Medical to Collaborate on Novel Delivery System for Medical Cannabis

PhytoTech Medical went public on the Australian Securities Exchange raising AUS\$5.9 million dollars (approx. US\$4.7 million)

Jerusalem, Israel, January 26, 2015 – Yissum Research Development Company Ltd., the technology transfer company of the Hebrew University of Jerusalem, announced today that it has signed an exclusive licensing and collaboration agreement with PhytoTech Medical Ltd. for the development, manufacturing and marketing of a novel delivery system to enhance the bioavailability of cannabidiol (CBD) and/or THC, the active ingredients in cannabis, for the treatment of a variety of medical indications. The novel formulations are based on oral and transbuccal delivery technologies developed by Professors Abraham Domb and Amnon Hoffman from the Institute of Drug Research, School of Pharmacy, Faculty of Medicine, the Hebrew University of Jerusalem.

On January 22, 2015 PhytoTech Medical has become the first medical cannabis company on the Australian Securities Exchange (ASX). The company raised AUS\$5.9 million dollars (approx. US\$4.7 million) at a share price of \$0.20 per share. The offer was significantly oversubscribed, demonstrating the high level of demand in the market to invest in MC stocks and the caliber of the offering by PhytoTech.

Cannabis based medications are currently in clinical use worldwide. The most known formulation is Sativex, a sublingual spray delivering CBD and THC. PhytoTech will develop an improved, oral capsule formulation and transbuccal, delivery system that consists of a flexible, muco-adhesive patch that will release the active ingredients of cannabis in a controlled manner.

Yaacov Michlin, CEO of Yissum, stated: *“We are very pleased to collaborate with PhytoTech in developing the inventions of Professors Domb and Hoffman for the purpose of delivering the active components in cannabis. Medical cannabis is increasingly being used for a variety of indications, such as reducing nausea during chemotherapy and relieving pain and muscle spasticity in MS patients. Development of state-of-the art delivery systems for the active ingredients will undoubtedly pave the way for a wider variety of clinical indications for these types of drugs.”*

“We are happy to collaborate with Yissum in developing this novel delivery platform for THC and CBD,” said Boaz Wachtel, Managing Director of PhytoTech Medical. *“We believe that Yissum’s novel transbuccal delivery method is particularly appropriate for the delivery of these agents, and helps avoid problems such as lack of standardization of drug concentration, and health risks stemming from more traditional ways of absorbing cannabis, such as smoking.”*

About Yissum

Yissum Research Development Company of the Hebrew University of Jerusalem Ltd. was founded in 1964 to protect and commercialize the Hebrew University's intellectual property. Products based on Hebrew University technologies that have been commercialized by Yissum currently generate \$2 Billion in annual sales. Ranked among the top technology transfer companies in the world, Yissum has registered over 8,500 patents covering 2,400 inventions; has licensed out 750 technologies and has spun out 90 companies. Yissum's business partners span the globe and include companies such as Syngenta, Monsanto, Roche, Novartis, Microsoft, Johnson & Johnson, Merck, Intel, Teva and many more. For further information please visit www.yissum.co.il.

About PhytoTech Medical

PhytoTech is a medical cannabis company focused on the research, development and commercialization of delivery systems for administering Medical Grade Cannabis (MGC), and on new treatments utilizing MGC for various medical conditions. Based on its proprietary technology, PhytoTech has the vision of delivering groundbreaking health benefits of cannabinoids in oral preparations, buccal muco-adhesive patch, and vapor form in safe and effective ways. The Company is listed on the Australian Securities Exchange (ASX: PLY), with research facilities located in Israel, a global leader in medical cannabis research. For additional information, please visit <http://www.phytotechmed.com/>

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