

29th May 2018 | CannPal Animal Therapeutics Limited ACN: 612 791 518 | ASX:CP1

CannPal Enters into Manufacturing Agreement with Jaychem Industries Ltd

Key Highlights

- CannPal has entered into a manufacturing agreement with New Zealand based veterinary contract manufacturing organization, Jaychem Industries Ltd
- Jaychem is a privately owned GMP contract manufacturer of a comprehensive range of innovative products including veterinary health products for livestock and companion animals
- Jaychem serves as an ideal partner to provide CannPal with GMP-quality contract manufacturing services for the Company's lead nutraceutical product, DermaCann
- DermaCann is being developed as a regulatory approved novel oral formulation to target canine skin health, expected to be ready for commercialization in 2019

29th May 2018: Animal health company **CannPal Animal Therapeutics Limited (ASX:CP1)** ("CannPal" or "the Company") is pleased to announce that it has entered into a strategic manufacturing agreement with Jaychem Industries Ltd ("Jaychem").

This agreement forms an important part of CannPal's non-prescription nutraceutical development activities and establishes a relationship with a high quality GMP (Good Manufacturing Processes) manufacturer to produce therapeutic products to regulatory standards for the animal health sector.

Under the agreement, Jaychem will provide contract manufacturing services to enable CannPal to deliver its first non-prescription nutraceutical product, DermaCann.

DermaCann is the Company's lead nutraceutical product being developed as part of CannPal's strategy to provide potential early revenues through alternative regulatory pathways for animal health, using cannabinoids derived from the hemp plant.

As part of CannPal's commitment to quality and due diligence in engaging a contract manufacturing partner, the Company commissioned pharmaceutical quality assurance and GMP compliance consultants, Seer Pharma to perform a GMP Inspection of Jaychem to relevant standards that will apply to DermaCann in the Company's target regions. Seer Pharma successfully completed the audit and found Jaychem to be an excellent company for the purpose of manufacturing regulated nutraceutical products.

CannPal's Founder and Managing Director Layton Mills:

"This agreement with Jaychem is another important milestone for CannPal. With Jaychem's assistance we can now proceed with developing DermaCann, a high-quality cannabinoid-derived therapeutic that we hope will meet GMP standards."



About CannPal Animal Therapeutics

CannPal Animal Therapeutics Limited (ASX: CP1) is a pharmaceutical-focused animal health Company researching the benefits of medical cannabis for companion animals. CannPal is researching and developing medicines derived from cannabinoids to provide veterinarians with clinically validated and standardised therapeutics to treat animals in a safe and ethical way.

CannPal has identified a significant opportunity to benefit from the rapidly growing medical cannabis and health markets by developing innovative therapeutics derived from the cannabis plant. The Company is working closely with regulatory authorities and veterinary research organisations conducting clinical trials to commercialise therapeutic products that will meet regulatory approval and support the health and well-being of companion animals. To learn more please visit: www.cannpal.com

About Jaychem Industries

As a privately owned, family run New Zealand company, operating since 1979 as contract manufacturers, their reputation has grown to become recognised as manufacturers of quality and innovative personal health and animal health preparations. Jaychem operates from a purpose built facility that provides the complete manufacturing solution to a variety of industry sectors.

Their laboratory and production processes deliver quality health, hygiene, personal care and animal health products.

Every day, Jaychem products are destined for hospitals, pharmacies, homes, veterinary clinics and farms throughout New Zealand and across global markets. Whether developing a formulation from concept or selecting an existing formulation from their extensive library and modifying it for private label, their cGMP (current good manufacturing processes) compliant facility manufactures, fills and packs to a world class standard.

To learn more, please visit: <https://www.jaychem.co.nz/>

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