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FSD Pharma and Canntab Therapeutics forge pact with World Class Extractions to strike hemp deal

FSD Pharma Inc, the licensed Canadian cannabis producer, (CSE:HUGE) (OTCQB:FSDDF) said Tuesday that it has struck a supply agreement with Canntab Therapeutics Ltd (CSE:PILL) and World Class Extractions to purchase hemp flower from Thomas Elcome.

Under the deal's terms, the three companies will buy about 1,000 kg of Thomas Elcome's 2018 hemp crop at a purchase price of \$100.000 per kg per 1% of cannabidiol (CBD) extracted from the flower.

"FSD, Canntab and World Class are ideal companies to make the most of the 1,000 kg of organic hemp crop produced at my farm in Rockwood, Ontario," said Elcome, president of 10975443 Canada Inc in a statement. "Preliminary testing has shown an average of 3% CBD and I am confident that we will be able to extract a very high quality and very valuable full spectrum CBD, and that this will be the beginning of a long and mutually beneficial relationship."

READ: FSD Pharma unveils strategic business developments; appoints interim CEO

Working with Canntab and World Class, FSD will extract cannabidiol (CBD) from the organic hemp obtained. The three companies will then process the hemp flower into gel capsules and tablets at FSD's facility in Cobourg, Ontario, which is currently being transformed into a large hydroponic indoor cannabis production and processing facility.

The trio of companies are also in the process of striking a second agreement with Thomas Elcome for the right and option to purchase his entire 2019 hemp crop.

"We look forward to working with Canntab, World Class and Mr Elcome to obtain and produce high -quality hemp and hemp derived products in this burgeoning market where the opportunity is sizeable across North America," said Dr Raza Bokhari, FSD's executive co-chairman and interim CEO.

"FSD recognizes the significant value and revenue potential that hemp holds in the cannabis industry and is confident in the excellence of Mr Elcome's product and the abilities of Canntab and World Class to produce," he added.

READ: Canntab Therapeutics teams up with orthopedic surgeon for cannabis tablet trial

Jeffrey Renwick, CEO of Canntab, was equally enthused about the new partnership.

"This is an exciting industry where we see tremendous growth potential for our company and is a great opportunity for Canntab to begin processing at the FSD Facility," Renwick said in a statement.

Headquartered in Toronto, FSD is focused on the development of indoor grown pharmaceutical grade cannabis and on

Price: 2.7

Market Cap: \$51.74 m

1 Year Share Price Graph



January 2020 July 2020 January 2021

Share Information

Code: HUGE

Listing: CSE

52 week High Low
14.74 1.7

Sector: Pharma & Biotech

Website: fsdpharma.com

Company Synopsis:

FSD Pharma Inc. is a publicly-traded holding company, since May 2018. FSD Pharma BioSciences, Inc. , a wholly-owned subsidiary, is a specialty biotech pharmaceutical R&D company focused on developing over time multiple applications of its lead compound, ultramicronized-palmitoylethanolamide ("FSD201"), by down-regulating the cytokines to effectuate an anti-inflammatory response.

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the research and development of cannabinoid treatments for central nervous system disorders such as chronic pain and irritable bowel syndrome.

Canntab Therapeutics, based in Markham, Ontario, specializes in the research and development of pharmaceutical-grade formulations of cannabinoids.

FSD shares held steady to end Monday trading at C\$0.285 while Canntab Therapeutics shares finished 1.23% higher to hit C\$0.82.

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