

# FSD Pharma

08:10 02 Dec 2019

## FSD Pharma to initiate Phase 1 safety trials for its lead drug candidate PP 101 micro-PEA in 1Q 2020

FSD Pharma Inc (CSE:HUGE) (OTCMKTS:FSDDF) said it would initiate Phase 1 safety trials in patients for its lead drug candidate PP 101 micro-PEA in the first quarter of 2020, while reporting financial results for the three and nine months ended September 30.

In a statement accompanying the Canadian company's latest numbers on Friday, FSD Pharma CEO Raza Bokhari said: "During the third quarter, we continued to advance our efforts to transform into a specialty, biotech pharmaceutical R&D company focused on developing over time a robust pipeline of FDA approved synthetic compounds targeting the endocannabinoid system of the human body to treat certain diseases of the central nervous system and autoimmune disorders of the skin, GI tract and the musculoskeletal system."

"The company intends to initiate Phase 1 first-in-human safety and tolerability trials for its lead candidate, PP 101 micro-PEA during first quarter 2020," he added.

### READ: FSD Pharma to acquire US specialty R&D pharma company Prismic Pharmaceuticals for US\$17.5M in stock

The company said that in the third quarter, it closed the second tranche of a previously announced placing, raising a total of nearly C\$4.6 million gross and is planning to close a third tranche.

Net proceeds will be used for the expansion of the group's biosciences division, including the research and development of PP-101 (micro-palmitoylethanolamide [micro-PEA] plus pregabalin).

This is the firm's pre-clinical drug candidate for the treatment of symptoms related to fibromyalgia, a disorder characterized by widespread musculoskeletal pain accompanied by fatigue, sleep, memory and mood issues.

Bokhari also said that the capital raise at a premium had increased the visibility of the company among institutional investors and was an "important milestone" towards the company's effort to list on a major US stock exchange.

"In addition, the company accelerated set-up activities to commence medical cannabis sales in August from our Cobourg facility," said Bokhari.

"To date in the fourth quarter, we have generated \$260,000 from the sale of medical cannabis, which represents a meaningful increase in our revenue from our core business. With more than \$70 million in cash and non-cash assets, we believe we have reasonable financial means to advance the strategic objectives of FSD Pharma to transform into a specialty, biotech pharmaceutical R&D company," he added.

For the third quarter ended September, FSD Pharma posted revenue of \$12,805 compared to \$13,833 in the same

**Price:** 4.37

**Market Cap:** \$35.21 m

### 1 Year Share Price Graph



April 2019    October 2019    April 2020

### Share Information

**Code:** HUGE

**Listing:** CSE

<b>52 week</b>	<b>High</b>	<b>Low</b>
	63.315	3.51

**Sector:** Cannabis

**Website:** fsdpharma.com

### Company Synopsis:

*FSD Pharma is a publicly traded company on the Canadian Securities Exchange under the symbol HUGE. The Company, through its wholly-owned subsidiary FV Pharma Inc. , holds an ACMPR license to cultivate cannabis under the Access to Cannabis for Medical Purposes Regulations (ACMPR).*

action@proactiveinvestors.com

period a year earlier. The company explained that it started medical cannabis sales in August, generating nominal revenue during the third quarter.

"Revenue during the prior-year quarter was primarily from subleasing a portion of the Cobourg facility to unrelated third parties," said the company.

The company said it had a net loss of \$16.7 million or \$2.20 per share, compared with net income of \$3.9 million or \$0.50 per diluted share. The third quarter included a \$1.7 million loss on change in fair value of derivative liability and a \$2.1 million loss on changes in fair value of other investments, said the company.

FSD Pharma had cash and equivalents of \$7.3 million as of September 30, while most significantly, it had non-cash assets of \$62.8 million.

FSD Pharma is focused on the research and development of cannabinoid-based treatments for several central nervous system disorders including fibromyalgia, and irritable bowel syndrome. It also grows medical-grade cannabis at its 25,000 square foot facility in Ontario.

Contact Uttara Choudhury at [uttara@proactiveinvestors.com](mailto:uttara@proactiveinvestors.com)

Follow her on Twitter: [@UttaraProactive](https://twitter.com/UttaraProactive)

Proactive Investors facilitate the largest global investor network across 4 continents in 4 languages. With a team of analysts, journalists & professional investors Proactive produce independent coverage on 1000's of companies across every sector for private investors, private client brokers, fund managers and international investor communities.

Contact us +44 (0)207 989 0813 [action@proactiveinvestors.com](mailto:action@proactiveinvestors.com)

#### No investment advice

The Company is a publisher. You understand and agree that no content published on the Site constitutes a recommendation that any particular security, portfolio of securities, transaction, or investment strategy is suitable or advisable for any specific person. You understand that the Content on the Site is provided for information purposes only, and none of the information contained on the Site constitutes an offer, solicitation or recommendation to buy or sell a security. You understand that the Company receives either monetary or securities compensation for our services. We stand to benefit from any volume which any Content on the Site may generate.

You further understand that none of the information providers or their affiliates will advise you personally concerning the nature, potential, advisability, value, suitability or profitability of any particular security, portfolio of securities, transaction, investment, investment strategy, or other matter.

You understand that the Site may contain opinions from time to time with regard to securities mentioned in other products, including Company-related products, and that those opinions may be different from those obtained by using another product related to the Company. You understand and agree that contributors may write about securities in which they or their firms have a position, and that they may trade such securities for their own account. In cases where the position is held at the time of publication and such position is known to the Company, appropriate disclosure is made. However, you understand and agree that at the time of any transaction that you make, one or more contributors may have a position in the securities written about. You understand that price and other data is supplied by sources believed to be reliable, that the calculations herein are made using such data, and that neither such data nor such calculations are guaranteed by these sources, the Company, the information providers or any other person or entity, and may not be complete or accurate.

From time to time, reference may be made in our marketing materials to prior articles and opinions we have published. These references may be selective, may reference only a portion of an article or recommendation, and are likely not to be current. As markets change continuously, previously published information and data may not be current and should not be relied upon.

The Site does not, and is not intended to, provide investment, tax, accounting, legal or insurance advice, and is not and should not be construed as providing any of the foregoing. You should consult an attorney or other relevant professional regarding your specific legal, tax, investment or other needs as tailored to your specific situation.

In exchange for publishing services rendered by the Company on behalf of FSD Pharma named herein, including the promotion by the Company of FSD Pharma in any Content on the Site, the Company receives from said issuer annual aggregate cash compensation in the amount up to Twenty Five Thousand dollars (\$25,000).