

M O M E N T U M R P R

## Where Investors Come First

MOMENTUM REPORTS – TETRA BIO PHARMA

Report #1 – May, 2017

### Tetra Bio-Pharma Launches Medical Marijuana Trials to Prove Efficacy & Safety of Therapeutic Cannabis as Global Medical Marijuana Market Predicted to Hit US\$55.8 Billion by 2025



**Tetra Bio-Pharma Chief Science Officer Dr. Guy Chamberland**  
*"The bottom line is that they want good science."*

Andre Rancourt, Ryan Brown and Dr. Guy Chamberland are very excited over the future prospects for Tetra Bio-Pharma, (CSE: TBP) (OTCQB: GRPOF). Brown is the company's Vice-President of Business Development, Chamberland is its Chief Science Officer and Rancourt is the CEO. "The company has a very different model," says Dr. Chamberland. "I tell people now that we are trading three times undervalue," says Brown. Tetra is in the business of developing cannabis based prescription drugs.

Not only does Tetra have a unique business model, it is also the first and only bio-pharmaceutical company in North America that is focused on cannabinoid clinical stage pain relief products. Cannabinoids are a diverse class of chemical compounds found in marijuana. Tetra is first out of the gate in developing products for what has been predicted to be a global medical marijuana market worth US\$55.8 billion by 2025.

Rancourt, Brown and Chamberland are having striking success in building a leading edge bio-pharmaceutical company. What's more



**CSE:TBP OTCQB:GRPOF**

Shares Issued: **113,738,303**  
Sixth Month High: **\$1.48**  
Sixth Month Low: **\$0.155**  
Market Cap: **77,342,046**



#### Strategic Shareholder:

Aphria Inc. (TSX:APH) **10%**

#### Looking Forward

Tetra intends to be the first pharmaceutical company to bring a cannabis based pain relief drug with American and Canadian regulatory approval to market that qualifies for medical insurance coverage.

they are doing it through a different business model that focuses on developing partnerships to take advantage of the proven technology that other Pharma companies have developed.

Andre Rancourt: *"We are focused on the relentless execution of our strategy to build Tetra into a leading bio-pharmaceutical organization in North America focused on medicinal cannabinoids. With over \$3.5 million in cash, a strategic partnership with Aphria to advance our innovative pipeline and a strengthening management team, we are in a most opportune position for significant long term growth."*

Aphria is a licensed medical marijuana producer and the first medical marijuana producer to boast positive cash flows. The company is also Canada's lowest cost producer. It owns 10% of Tetra through a strategic partnership that sees Aphria financing Tetra's wholly owned subsidiary PhytoPain Pharma's ongoing clinical trials. On March 20, 2017 the companies announced that Aphria had exercised 5,000,000 Tetra warrants for a gross proceeds of \$1,300,000 which will be used to finance PhytoPain clinical trials. The company also has strategic partnerships with IntelGenx for Dronabinol and with Panag Pharma, for an ocular and topical pain relief products.

Dronabinol is a cannabinoid and the agreement with IntelGenx calls for the development of one product to fight anorexia and another for the relief of cancer chemotherapy pain. The agreement with Panag Pharma focuses on the development and commercialization of products for the treatment of pain and inflammation.

Tetra is a bio-pharmaceutical company with a market cap of \$70 million, with approximately 113 million shares outstanding. Tetra intends to be the first pharmaceutical company to bring a cannabis based pain relief drug with American and Canadian regulatory approval to market that qualifies for medical insurance coverage.

In 2016 Health Canada said that it expected a mature medical marijuana market worth \$1.3 billion to develop. Studies show that 116 million Americans suffer from chronic pain at a cost of US\$635 billion in lost production and medical treatment. Globally, 1.5 billion people suffer from chronic pain. The American cancer pain market alone is expected to reach \$5 billion in 2018. Research and Markets has just released a forecast

predicting that globally the medical marijuana market for the treatment of chronic pain, cancer, arthritis and migraines, will reach US\$55.8 billion by 2025.

Tetra Bio-Pharma has three wholly owned subsidiaries, PhytoPain Pharma, Agro Tek Health and Grow Pros Cannabis. PhytoPain is a clinical stage research and development company, focused on the development of pharmaceutical products containing plant based cannabinoids designed to meet regulatory approval. PhytoPain has four products under development for the treatment of chronic pain, insomnia, PTSD and other neurologic and psychiatric conditions.

Agro Tek Health is a manufacturing and distribution company. It is focused on hemp based natural health products and has four products under development ranging from topical pain relief, cardiovascular disease prevention, athletic performance, well being and skin care.

The American market for natural health products containing non-psychoactive cannabinoids, (CBD) is growing rapidly. In October 2016 Agro Tek acquired multiple intellectual property assets which will allow it to start manufacturing and distributing products containing cannabis sativa extracts or oils. The company intends to start generating revenues from these products during 2017.



**"Once we engage the mainstream media in our trials I think our share price will rise to where it should be."**

It may acquire additional product lines as well as licensing them for North American distribution.

Grow Pros is focused on identifying market opportunities in the legal cannabis industry for the development of pharmaceutical and over the counter consumer products within the legal marijuana industry. It is also responsible for the cultivation and sourcing of cannabis and industrial hemp for TBP. Grow Pros has an option to lease 190 acres of agricultural land 45 minutes north of Ottawa and a medical marijuana licence application which is in stage three of a five stage procedure. Tetra Bio-Pharma began life as Grow Pros Cannabis Ventures, founded in 2015 by Ryan Brown and Andre Audet.

## TETRA BIO-PHARMA'S WHOLLY OWNED SUBSIDIARIES



When Grow Pros listed on the stock exchange the market was in a lull and Brown and Audet were mulling over their options. "We started looking at diversification," says Brown. Rancourt introduced Brown, who has made a career out of thinking outside of the box, to Dr. Guy Chamberland. The charismatic Chamberland then convinced them to change course and focus on becoming a pioneer in the development of cannabis based pharmaceuticals. In 2016 the company changed its name and reorganized. Last September Andre Rancourt became CEO, Brown became the Vice-President of Business Development and Dr Chamberland became the Chief Science Officer.

"It was an exercise in diversification that has worked out well for our company and for our shareholders," said Brown. As a result Tetra is becoming something of a market darling. From last September the company's market cap has risen from \$1.6 million to, as of April 25, 2017, \$77 million.

On February 23, 2017 the company announced that subsidiary PhytoPain Pharma was launching its Double-Blind Phase 1 Study to Assess Safety, Tolerability, Pharmacodynamics and Pharmacokinetics of Single and Multiple Daily Ascending Doses of Cannabis by smoking in healthy volunteers. The safety and efficacy of cannabis-based drugs has

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**The American market for natural health products containing non-psychoactive cannabinoids, (CBD) is growing rapidly.**

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never been scientifically established, even though medical marijuana is now available in many jurisdictions. Once it is and a strain of cannabis that provides a constant dosage which meets medical standards is developed the gates to production will open as cannabis derived therapies become eligible for insurance coverage.

When asked when he thought Tetra would bring its first cannabis based chronic pain drug for cancer, PPP001 with a DIN, drug identification number, which then allows insurance coverage to market, Dr. Chamberland replied, "If everything goes as well as we hope, we are hoping for 2019. We are on a very aggressive path."

That aggressive path is largely due to Dr. Chamberland himself. Ryan Brown says that Chamberland, "could not have been more critical in the development of the company." Chamberland has brought a level of expertise and accomplishment to the company that has allowed it to fast forward initial development stages. "I have been developing botanical based drugs since 1995. Creating them and leveraging partners. I have an expertise in developing a botanical into a prescription drug." One reason the company has been able to move quickly is that it doesn't believe in reinventing the wheel. "Instead of developing tech-

nologies ourselves, we like to partner with companies that have patented and proven technologies," adds Chamberland.

A good example of this strategy is Tetra's agreement in March with IntelGenx for the development and commercialization of an oral Dronabinol XL tablet for the treatment of vomiting and nausea in chemotherapy patients. IntelGenx will be developing the product as an oral mucoadhesive tablet based on its patented AdVersa technology. In return for financing its development Tetra will have exclusive North American rights for five years with a right of first negotiation for outside of North America.

Chamberland has over 20 years of experience in the development of new drugs in the American and Canadian pharmaceutical industries and has been involved in the clinical development of botanical medicines in the areas of anxiety, sleep, pain, depression, inflammation and wound healing.

Chamberland is a fast believer in leveraging partnerships to kick start development. The clinical trials for chronic pain treatment PPP001 are being paid for with investments that Aphria, a licensed Canadian medical marijuana producer has made in the company. The phase 1 trials are being conducted by well known Algorithme Pharma. "We are working on a similar strategy with our other

products," says Chamberland, "Each time we plan on leveraging a partner."

Another example of this is the grant Grow Pros has received from the National Sciences and Engineering Council of Canada, NSERC to fund research at McGill to develop cannabis sativa extracts, including THC and CBD free extracts for the development of dietary supplements. This will allow the company to launch cannabis-derived dietary supplements that meet and comply with existing Canadian and American regulations. Tetra expects to generate \$1.2 million from sales during 2017. In February Agro Tek signed an agreement with Engen Medical Corp., to distribute Munchies B Gone, a chewing gum, in Canada, which will become the company's first revenue generating product.

Dr. Chamberland is not worried about the competition because he really doesn't see any. GW Pharma, which is developing treatments for epilepsy and MS is using synthetic THC, as are many of the others. Out of the five companies which could be considered competition only GW has any ongoing clinical trials and those are not in the fields that Tetra is working. As well, there is the argument that drugs based on synthesized THC or cannabinoids are simply not as effective as botanical based therapies.

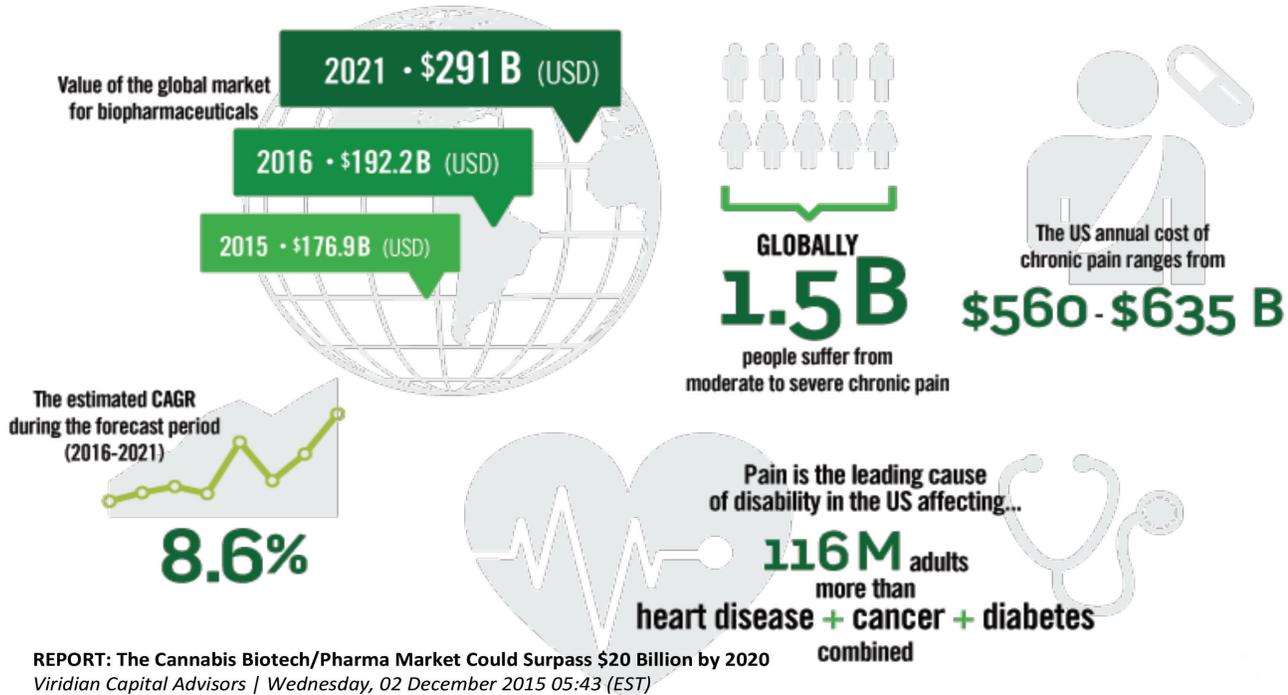
While drugs are known to be expensive to develop Tetra has cut costs through its partnerships and doesn't have any problems raising money. Since founding PhytoPain Pharma last June the company has completed a number of financings.

For Dr. Chamberland, Tetra's immediate milestones include completing the Phase 1 trials for PPP001 which are estimated to take three to four months and then initiating the late phase trial. Chamberland: "The

later one is really going to be understanding the safety of cannabis. You have to understand that it will be applied to all the other products. It is Tetra Bio-Pharma's flagship trial for safety and efficacy. By the end of year one Tetra will have several partners and will be a well recognized biotech company that can manufacture cannabis derived drugs that are legal and can be covered by insurance." Gaining insurance coverage more or less equals gaining the keys to the kingdom.

For Ryan Brown the one year milestone is financial, "Our target is to increase the value of the company by three to four times. Once our reputation as a serious biotech company becomes established you will see a different kind of investor come into the company and the stock value will reflect that. We are moving so quickly that it is difficult for analysts to put an accurate price target on our shares."

## BIO PHARMACEUTICAL CANNABIS MARKET



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