



FOR IMMEDIATE RELEASE

Lyotropic Delivery Systems Introduces Bio-Enhanced CBD Products

***Revolutionary new technology gives cannabinoids unparalleled access
to bloodstream***

***Commercial launch by Ananada Scientific of HYGIA Nutrients Brand
took place at the Marijuana Business Conference in Las Vegas***

Jerusalem, Israel, November 30, 2016 - Lyotropic Delivery Systems (LDS) Biotech today announced the commercial launch of novel cannabinoid-based products with enhanced delivery and bioactivity performance. The products are based on a novel technology developed by Professor Nissim Garti from the Hebrew University of Jerusalem and licensed to LDS by Yissum, the technology transfer company of the Hebrew University. The patent greatly increases the entry of cannabinoids into the bloodstream and delivers superior performance with no narcotic effect. The product launch event took place earlier this month at the 5th Annual Marijuana Business Conference and Expo in Las Vegas.

In 2015, LDS and Ananda Scientific entered into a licensing agreement by which Ananda Scientific gained rights to LDS's proprietary cannabinoid drug delivery nanotechnology for the development and commercialization of cannabidiol (also known as CBD) based oral products with enhanced bioavailability. Ananda founded HYGIA Nutrients, a nutraceutical food subsidiary, to supply the surging demand for CBD products in pure form with enhanced bioavailability, a demand far exceeding that of available CBD products.

Typically, ordinary CBD taken orally is converted in the gastrointestinal tract to the narcotic molecule known as tetrahydrocannabinol (THC) or is destroyed during digestion or fails to reach the bloodstream for other reasons. Thus, only a fraction of the ingested CBD yields any effects. Due to this limited bioavailability, ordinary CBD products are of limited use. In contrast, CBD coupled with LDS's technology is not degraded in the gastrointestinal tract, and the nanotechnology enables swift absorption and greatly enhances the transport of CBD to the bloodstream and then to relevant sites in the body where it can take effect.

The technology is based on nano-droplets capable of extracting from the cannabis plant the non-narcotic components (CBD and others) without the narcotic fraction, the THC. The extracted compounds are solubilized at the oil and water interface of the nanodroplets, forming stable delivery vehicles loaded with the CBD. The novel droplets are based on an advanced scientific method called Monte Carlo Simulations for the design of a vehicle capable of integrating the bioactive ingredient within its core or interface, forming a liquid product that can be used also as a paste or soft gel for oral application.

Among the main characteristics of these formulations are their thermodynamic stability (stable on the shelf for a long period without release or decomposition of the bioactive material) and very significant and increased bioavailability. The vehicles are fully dilutable in water, compatible with a wide range of drinks and other food products.

Prof. Nissim Garti, CEO of LDS, stated, "Products based on our breakthrough technology are not destroyed during digestion like other oil-based commercial CBD products. Of even greater importance, our unique nanotechnology also speeds-up and greatly enhances the transport of CBD into the blood stream, and then to sites in the body where it can take effect, achieving maximum bioavailability. Our ability to produce improved CBD-base products with our proprietary bio-enhancement technology, has the potential to fulfill large unmet needs in the nutraceutical, dietary supplement, and beverage industries."

“This platform technology is suitable also for the delivery of generic and innovative drugs categorized as class three and four by the Biopharmaceutics Classification System, which are either water-insoluble or poorly permeable across membranes. The technology was licensed by global companies for additional dermal, parenteral, ocular and oral applications,” **added Prof. Garti.**

HYGIA Nutrients’ products are available in some states in the US (in states permitting the use of marijuana including Colorado, Massachusetts and California), China and various other countries. More on HYGIA Nutrients’ products at <https://www.hygianutrients.com/>

About CBD

CBD is a non-psychoactive antioxidant derived from the hemp plant that is rapidly gaining prominence for its numerous benefits to overall human well-being. CBD interacts with receptors in the body that regulate important bodily functions. The non-toxic, anti-inflammatory substance is lauded for being very well tolerated, with few side effects. CBD impacts pathways that regulate the immune system, heart function, pain, cell growth, sugar metabolism and more. Recently the CBD is tested and found to have a positive effect on autistic and epileptic children and on diabetes patients. The US market for both recreational and medicinal cannabis is projected to reach \$7.1 billion in 2016, representing a 25% growth over the previous year. Nearly 60% of Americans now live in states that have legalized some form of marijuana use and sales.

About Lyotropic Delivery Systems (LDS)

LDS develops a nanotechnology delivery platform for insoluble and large molecular weight drugs. The company develops novel architectures of self-assembled nanodroplets which function as carriers of bioactive substances.. These liquid structures can serve as novel delivery vehicles for a variety of materials and drugs. LDS’s products are designed for oral, dermal and transdermal, as well other delivery routes. LDS has various products in

various stages of preclinical and clinical stages as part of agreements with global companies. The Company was established in 2013 by Yissum, the technology transfer company of the Hebrew University, Prof. Nissim Garti and Australian investors.

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