

**Annual General  
Meeting  
June 19, 2018**



# Forward Looking Statements

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**OUR COMMITMENT IS TO**  
**develop new treatments using our**  
**unique, proprietary delivery platform to**  
**address unmet patient needs**

# A Driving Force in Transdermal Delivery

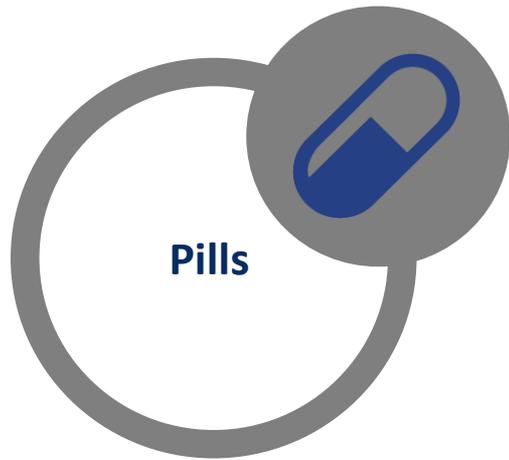
## Targeted

- A precision delivery system capable of delivering therapeutic ingredients topically to the source;
- Developed a unique proprietary transdermal technology to target therapies for pain management and inflammation;
- Built a portfolio of consumer products and prescription products to deliver topical treatments;
- Delivered immediate growth with a portfolio of commercialized natural OTC products

## Delivered

- Increased revenues and grew profit representing 20% sales growth over 2016;
- Streamlined operations, significantly reducing operating expenditures;
- Expanded platform for “product-ready” multi-licensing opportunities;
- Signed an agreement with NKS Health to expand distribution; and
- Hired a Chief Marketing Officer and a Director of Sales, to grow the OTC business.

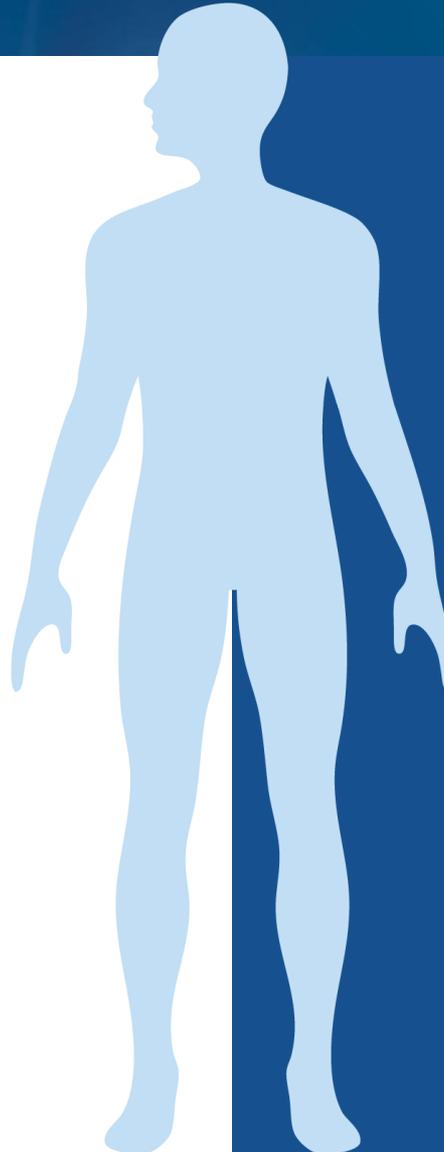
# The Benefit of Transdermal Therapeutics



Pills

**DO NOT DELIVER** drugs to a specific area

**DO NOT SURVIVE** the gastrointestinal tract well



Plant-based

**FAST-ACTING**

**TARGETS SPECIFIC AREAS**

**IMPROVED EFFICACY**

**SUSTAINED RELEASE**

**SAFE & STABLE**

**TOPICAL CREAM BASE**

# Our Value Proposition

Use our innovative transdermal delivery platform for the novel and improved use of consumer and prescription products

1

## Pharmaceutical Portfolio

- Pain management, sleep, anxiety
- Diabetic ulcers
- Scleroderma

2

## OTC Portfolio

- Pain management
- Nerve Pain
- Varicose
- Wound Healing

# Pharmaceutical Product Development Portfolio

## 1 Diabetic Wound Healing



- **Doxycycline** an antibiotic used in the treatment of a number of types of infections, but has drawbacks which include being unstable and oxidizing rapidly
- *prLIV-DOX* was introduced in 2017 to overcome **Doxycycline's** inherent drawbacks allowing the antibiotic to work as intended
- **Product gross margin is ~90%**

## 2 Inflammatory Diseases



- Delivra uses an advanced topical formulation of **celecoxib**, an anti-inflammatory drug with an improved safety and efficacy profile
- This product, sold under the name **Celebrex**, has less harmful side effects (i.e. cardiovascular and gut upset), due to being a transdermal product, rather than a pill

## 3 Cannabis-Based Therapeutics

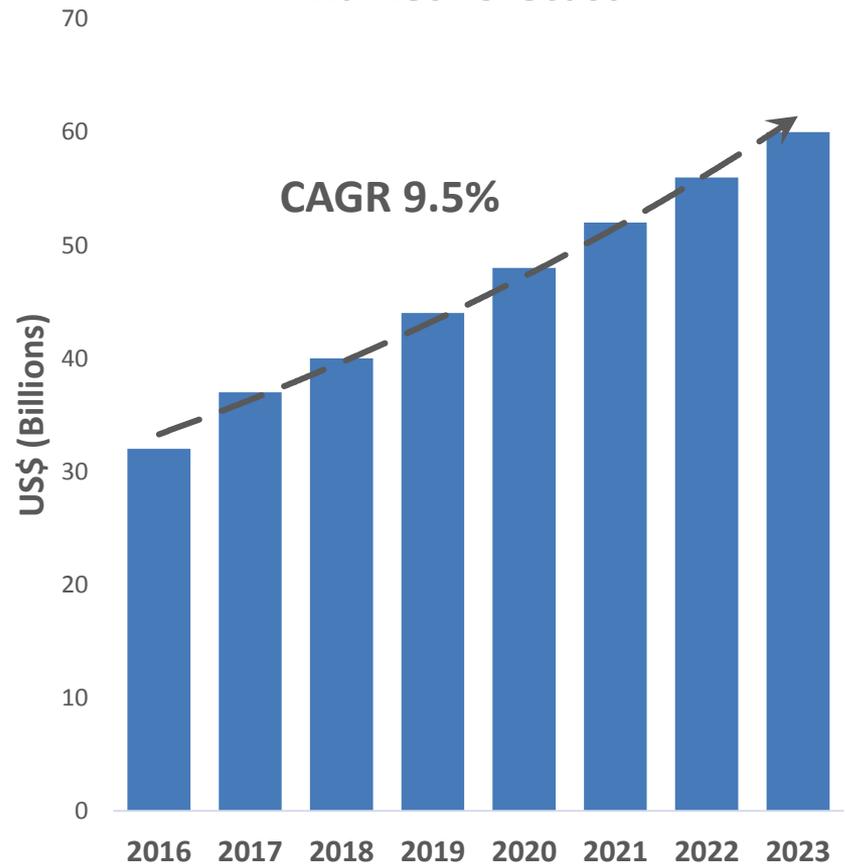


- Regulation and legalization will significantly increase guidelines and requirements for product safety, consistency, and dosing accuracy
- Delivra conducts quality assurance and quality control (QA/QC) testing at a certified Good Manufacturing Practices (GMP) facility
- Delivra delivers **consistent, safe, and precise dosing**

# The Transdermal Industry

- The Global Transdermal Drug Delivery market was valued at US\$32B in 2016, and is estimated to reach US\$60B by 2023, growing at a compound annual growth rate (CAGR) of 9.5%
- High demand for potent, next generation therapeutics that are safer and more effective
- Delivra utilizes a proprietary transdermal delivery platform to shuttle drugs and natural molecules through the skin

## Global Transdermal Drug Delivery Market Forecast



Source: Kelly Scientific, Infoholic Research LLP

# Cannabis-based Therapies: \$50B Addressable Market

## Market Needs Quality Control

Regulation and legalization will significantly increase requirements for product safety, consistency and accurate dosing

Stringent regulations will require manufacturers to adhere to strict QA/QC guidelines under GMP environments

Development of new formulations for specific medical conditions

Our technology delivers consistent, safe and precise dosing



Sleep  
Mood  
Anxiety  
Stress  
Pain

# Driving New Category and Consumer Opportunities

**CURRENT ON THE SHELF**

## Pain



## Extra Strength Chronic Angry Pain



## Sport & Active

## Varicose



**LAUNCHING (Fall 2018)**



**New packaging  
50g and 100g**

**NEW**



**New packaging 50g  
New 100g**

**NEW**



**New 75g**

**NEW**



**Switch 50g to 100g**

# National Distribution

## National Distribution

Walmart 

SHOPPERS  
DRUG MART 

Rexall

LONDON  
DRUGS

 Loblaws

Sobeys  
Pharmacy

PHARMASAVE

Lawtons  
DRUGS

I.D.A.

 Jean Coutu

Guardian

 Brunet

PHARMAPRIX 

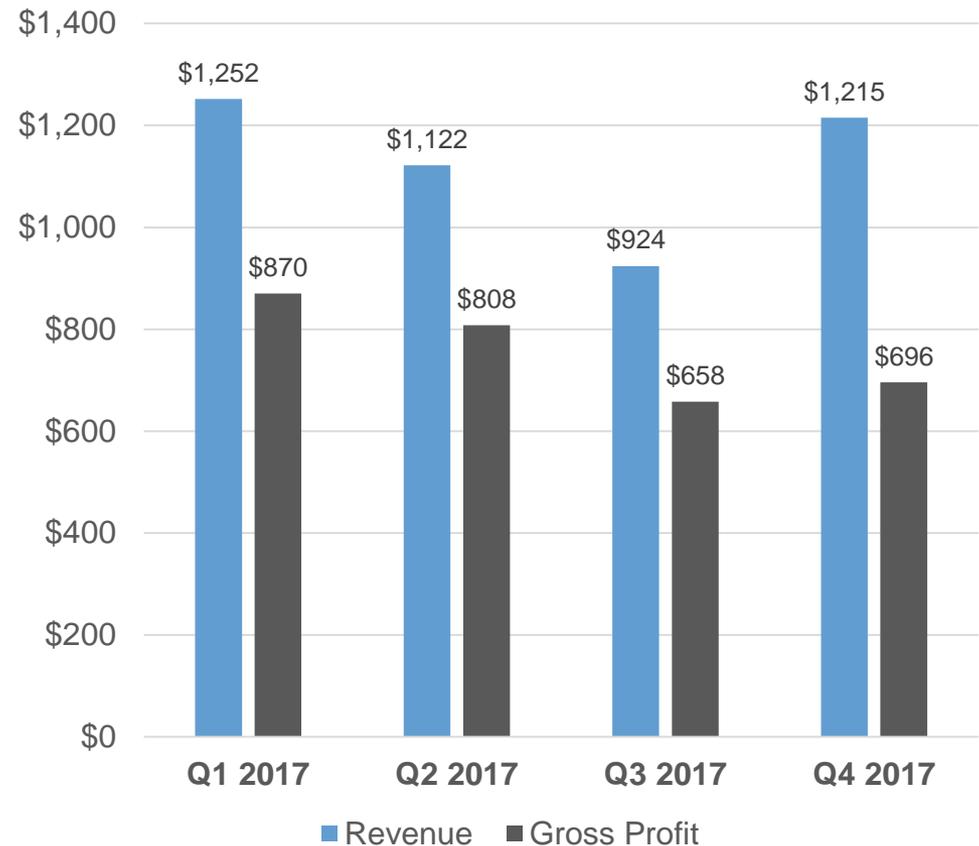
FORTINOS<sup>®</sup>  
*Your Supermarket with a Heart!*

# Year Over Year 20% Growth

**“Our suite of LivRelief consumer products continues to resonate with consumers in Canada”**

- Record sales of \$4.5 M, representing 20% sales growth over 2016;
- Increased LivRelief’s market share in pain management
- Expanded pipeline of out-licensing opportunities

Quarterly Revenues and Gross Profits  
(\$ in Thousands)



# 12-Month Outlook



## Over the Counter Portfolio

- Grow sales through an effective marketing strategy, achieving greater return by focusing on more dense geographies
- Large new OTC products in Fall 2018
- Management expects to achieve positive EBITDA within 12 months



## Pharmaceutical Product Development Portfolio

- Launch a suite of **medical cannabis-based therapeutics** targeting pain management
- Improve clinical support and experience for specialists prescribing **prLiv-DOX** in compounding pharmacies
- Continue to develop pipeline of ready-products for out-licensing