

November 4, 2020



Artelo Biosciences Reports Fourth Quarter and Fiscal 2020 Year-End Financial Results and Provides Business Update

- Closed \$7.6 Million Underwritten Public Offering
- Received Ethics Approval to Commence CARES Study of ART27.13 in the UK
- Expanded Exclusive Worldwide License with Stony Brook University for Fatty Acid Binding Protein 5 (FABP5) inhibitor Platform

LA JOLLA, Calif., Nov. 04, 2020 (GLOBE NEWSWIRE) -- [Artelo Biosciences, Inc.](#) (NASDAQ: ARTL), a clinical stage biopharmaceutical company focused on the development of therapeutics that modulate endogenous signaling pathways, including the endocannabinoid system, today reported financial and operating results for the fourth quarter and fiscal year ended August 31, 2020 and provided a business update.

“This has been a pivotal year for Artelo, with notable clinical and operational progress alongside a successful financing to advance our programs toward meaningful milestones,” stated Gregory D. Gorgas, Artelo’s President and CEO. “Most significantly, we are poised to initiate enrollment in our Cancer Appetite Recovery Phase 1b/2a Clinical Study (CAREs) for our lead program [ART27.13](#), before the end of this year.”

In addition, Artelo expanded its agreement with Stony Brook University for rights to third-generation FABP5 inhibitors for the treatment of cancer, pain, and inflammation, expanding the potential of its established ART26.12 program. “As a result, our key priorities for 2021 will be clinical execution of our CAREs Study of ART27.13 and strategic partnership discussions of our ART12.11 and ART26.12 programs”, continued Gorgas.

Additional 2020 corporate highlights include:

- [Received](#) ethics approval in the United Kingdom to commence CAREs study of ART27.13 for the treatment of cancer-related anorexia.
- Successfully manufactured clinical study material and [selected](#) a contract research organization for the CAREs study of ART27.13 for the treatment of cancer-related anorexia.
- [Expanded](#) the license agreement with Stony Brook University for the FABP5 inhibitor platform for development of lead cancer, pain and inflammation compounds, a platform which earlier this year earned Stony Brook a \$4.2 million NCI development grant.
- [Filed](#) a method of use patent with the U.S. Patent and Trademark Office (USPTO) covering the use of FABP5 inhibitors for the treatment of psychological disorders such as anxiety and post-traumatic stress disorder (PTSD).

- [Received](#) the first composition of matter patent for claims related to ART12.11, the Company's cocrystal, solid form of CBD from the USPTO, enabling protection until 2038.

Fiscal 2020 Year End Financial Results

- Operating expenses for the year ended August 31, 2020 were \$4,685,775 compared to \$3,209,531 for the same period in 2019. The increase in operating expenses for the year ended August 31, 2020 were primarily related to the increase in general and administrative fees and research and development expenses.
- Net loss was approximately \$4,654,862, or \$1.26 per basic and diluted share for the year ended August 31, 2020 compared to a net loss of \$2,172,176, or \$1.00 per basic and diluted share for the year ended August 31, 2019.
- As of August 31, 2020, the Company had approximately \$2,142,072 in cash, compared to \$4,423,965 as of August 31, 2019.

About Artelo Biosciences

Artelo Biosciences, Inc. is a San Diego-based biopharmaceutical company dedicated to the development and commercialization of proprietary therapeutics targeting endogenous signaling pathways including the endocannabinoid system. Artelo is rapidly advancing a portfolio of broadly applicable product candidates designed to address significant unmet needs in multiple diseases and conditions, including anorexia, cancer, pain, and inflammation. Led by proven biopharmaceutical executives collaborating with highly respected researchers and technology experts, the company applies leading edge scientific, regulatory, and commercial discipline to develop high-impact therapies. More information is available at www.artelobio.com and Twitter: [@ArteloBio](https://twitter.com/ArteloBio).

Forward Looking Statements

This press release contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 and Private Securities Litigation Reform Act, as amended, including those relating to the Company's product development, clinical and regulatory timelines, market opportunity, competitive position, possible or assumed future results of operations, business strategies, potential growth opportunities and other statement that are predictive in nature. These forward-looking statements are based on current expectations, estimates, forecasts and projections about the industry and markets in which we operate and management's current beliefs and assumptions. These statements may be identified by the use of forward-looking expressions, including, but not limited to, "expect," "anticipate," "intend," "plan," "believe," "estimate," "potential," "predict," "project," "should," "would" and similar expressions and the negatives of those terms. These statements relate to future events or our financial performance and involve known and unknown risks, uncertainties, and other factors which may cause actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include those set forth in the Company's filings with the Securities and Exchange Commission, including our ability to raise additional capital in the future. Prospective investors are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date of this press release. The Company undertakes

no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise, except to the extent required by applicable securities laws.

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