

November 24, 2020



QSAM Biosciences Issues Letter from New CEO; Presents Opportunities Ahead for Company

Palm Beach, FL, Nov. 24, 2020 (GLOBE NEWSWIRE) -- The recently appointed Chief Executive Officer of [QSAM Biosciences Inc.](#) (OTCQB: QSAM), Douglas Baum, provided in the following letter to shareholders:

Dear Shareholders:

Thank you for your warm reception and excitement for the new direction of QSAM Biosciences. 2020 has been an eventful year for all of us, and we are very much looking forward to the great things ahead for QSAM in 2021.

The future of QSAM as a biosciences company is very promising. Earlier this year we licensed on a worldwide, exclusive basis a drug technology called CycloSam[®]. CycloSam is novel radiopharmaceutical meant to target cancers that develop in or metastasize to the bone, which includes a devastating form of cancer that mostly afflicts children and young adults called osteosarcoma, and for which there have been very few advancements in treatment for over 40 years. In addition, CycloSam is being studied to treat cancer that has metastasized to the bones from the breast, prostate and other areas. Furthermore, we have already used CycloSam with technical success in a human trial for another large potential use - the ablation of bone marrow prior to a stem cell transplant.

The opportunities presented by CycloSam are broad and important. More so, we see a direct pathway through FDA trials for this drug candidate, with Phase 1 trials expected to commence in early 2021. CycloSam is an improved version of another FDA approved and commercialized radiopharmaceutical developed by the same inventors. Early studies have shown the safety and efficacy profile of CycloSam to be significantly better than its prior sister drug. As a result of this, as well as the number of animal studies and one human trial conducted this past summer, and the streamlined manufacturing process that is already in place, we are optimistic about the chances of advancing CycloSam through the FDA process over the coming years.

Over the next 12 months, we expect to demonstrate significant advancements through the achievement of several important milestones. Some of these we forecast in the short term include:

- Receipt of Orphan Drug Designation approval for CycloSam for its use to treat osteosarcoma;
- Establishing agreements with strategic investors and prominent scientific advisors;
- Securing clinical sites and investigators for our clinical trials;

- Filing and ultimate clearance of our IND with the FDA to start clinical trials; and
- Dosing of the first patient in the trials and announcement of initial Phase 1 results.

We believe that most of these milestones can be achieved in the first half of 2021, making the next few months both extremely busy and productive. To support these efforts, we expect to close additional equity financing in the fourth quarter. The near and long-term results of this plan, we believe, will be to continue to increase the value of our drug candidate asset, and in turn, value for our shareholders.

As we have reported over the last few months, QSAM has been transitioning from its legacy business of acquiring and managing compost and soil companies through its affiliated entity, Earth Property Holdings LLC (EPH), to the new opportunity presented by CycloSam. In early November we announced that we had signed a separation agreement with EPH whereby we terminated the management agreement under which we provided services to EPH, transferred to EPH the remaining soil technology assets we controlled, and eliminated over \$1 million in inter-company debt. We also reached settlement agreements with the holders of over \$2.8 million in bridge notes by converting those liabilities into common stock, and are working on settling all remaining debt on our books. These actions, if achieved, will place QSAM in a strong balance sheet position to advance our drug development business.

In November also we appointed a new CEO and Executive Chairman to replace Kevin Bolin who will now be leading EPH. Our new Executive Chairman, Richard Piazza, has more than 45 years of healthcare experience in both medical devices and pharmaceutical/biotech development, and has led several technology companies to market success including numerous FDA approvals in both sectors. During his career running both public and private companies, Richard has raised more than \$120 million in capital. We very much look forward to his steady hand and rich experience to lead our Board.

As CEO, I personally bring over 28 years of experience in the bioscience and biotech industries, including development, commercialization and marketing of multiple drugs and medical devices. Over my long senior executive tenure, including as CEO of Xeris Pharmaceuticals, I have overseen 15 product approvals through the FDA and raised over \$80 million in capital to fund breakthrough technologies. Richard and I also expect to bring other seasoned executives and advisors on the team over the next few quarters to further strengthen our roster and bring additional experience and contacts to our ongoing business.

Thank you so much for your support and shared enthusiasm for the future of QSAM. We share an important goal of building shareholder value by seeking to find cures for cancer. We welcome you to our mission.

Sincerely,

Douglas Baum
Chief Executive Officer

About QSAM: QSAM Bioscience, Inc. (f/k/a Q2Earth, Inc.) holds the worldwide license for CycloSam[®] (Samarium-153 DOTMP), a clinical stage novel radiopharmaceutical meant to treat different types of bone cancer and related diseases. This nuclear technology uses low specific activity Samarium-153 (resulting in far less europium) and DOTMP, a chelator which is believed to eliminate off-target migration and targets high bone turn over making it an ideal

agent to treat metastatic prostate and breast bone cancer, osteosarcoma, Ewing's Sarcoma, bone metastases and to perform bone marrow ablation. Sm-153 DOTMP has been cleared by the FDA under an investigator initiated IND to commence human dosing of cancer patients.

Legal Notice Regarding Forward-Looking Statements: This news release contains "Forward-looking Statements". These statements relate to future events or our future financial performance. These statements are only predictions and may differ materially from actual future results or events. We disclaim any intention or obligation to revise any forward-looking statements whether as a result of new information, future developments or otherwise. There are important risk factors that could cause actual results to differ from those contained in forward-looking statements, including, but not limited to our ability to fully commercialize our technology, risks associated with changes in general economic and business conditions, actions of our competitors, the extent to which we are able to develop new products and markets, the time and expense involved in such development activities, the ability to secure additional financing, the ability to consummate acquisitions and ultimately integrate them, the level of demand and market acceptance of our products, and changes in our business strategies. This is not an offering of securities and securities may not be offered or sold absent registration or an applicable exemption from the registration requirements

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