

Nemus Bioscience Files Arbitration Petition Against Schneider Finance, LLC and SB Securities, Ltd. for Failure to Close \$20 Million Financing and Failure to Honor Guarantee

COSTA MESA, CA -- (Marketwired) -- 11/09/17 -- [NEMUS Bioscience, Inc.](#) (OTCQB: NMUS) (the "Company") today announced that it has submitted a demand commencing arbitration against Schneider Finance, LLC and SB Securities, Ltd., both affiliates of Schneider Brothers Ltd., as well as other individuals. SB Securities, Ltd. also uses the name "Schneider Securities." In the petition, the Company asserts, among other things, breach of contract against Schneider Finance, LLC for its failure to close its purchase of 1,000,000 shares of Series E Preferred Stock of the Company for gross proceeds of \$20,000,000 as required by the securities purchase agreement signed May 3, 2017. The Company also asserts a breach of contract claim against SB Securities, Ltd., for its failure to honor its guarantee of the transaction which was due October 10, 2017.

The petition was filed with Judicial Arbitration and Mediation Services, Inc., ENDISPUTE in Orange County, California, as required by the securities purchase agreement. Haynes and Boone, LLP filed the petition on the Company's behalf and will be representing the Company in the arbitration on a contingent-fee basis. "We intend to protect our shareholders and vigorously pursue damages and remedies against all liable companies and individuals in connection with these contracts and the events surrounding the failure of the Schneider Brothers entities to honor them," stated Brian Murphy, MD, CEO of the Company.

Copies of the securities purchase agreement and the guaranty are available with the U.S. Securities and Exchange Commission as exhibits to the Company's Form 8-K, filed on May 4, 2017 and July 11, 2017, respectively.

FORWARD LOOKING STATEMENTS

This press release contains forward-looking statements, including statements about the arbitration. Such statements and other statements in this press release that are not descriptions of historical facts are forward-looking statements that are based on management's current expectations and assumptions and are subject to risks and uncertainties. If such risks or uncertainties materialize or such assumptions prove incorrect, our business, operating results, financial condition and stock price could be materially negatively affected. In some cases, forward-looking statements can be identified by terminology including "goal," "focus," "aims," "believes," "can," "could," "challenge," "predictable," "will," or the negative of these terms or other comparable terminology. We operate in a rapidly changing environment and new risks emerge from time to time. As a result, it is not possible for our management to predict all risks, nor can we assess the

impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements the Company may make. Risks and uncertainties that may cause actual results to differ materially include, among others, our capital resources, uncertainty regarding the results of future testing and development efforts and other risks that are described in the Risk Factors section of NEMUS's most recent annual or quarterly report filed with the Securities and Exchange Commission. Except as expressly required by law, NEMUS disclaims any intent or obligation to update these forward-looking statements.

ABOUT NEMUS BIOSCIENCE, INC.

The Company is a biopharmaceutical company, headquartered in Costa Mesa, California, focused on the discovery, development, and commercialization of cannabinoid-based therapeutics for significant unmet medical needs in global markets. Utilizing certain proprietary technology licensed from the University of Mississippi, NEMUS is working to develop novel ways to deliver cannabinoid-based drugs for specific indications, with the aim of optimizing the clinical effects of such drugs, while limiting the potential adverse events. NEMUS' strategy will explore the use of natural and synthetic compounds, alone or in combination. The Company is led by a highly qualified team of executives with decades of biopharmaceutical experience and significant background in early-stage drug development.

For more information, visit <http://www.nemusbioscience.com>.

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