

July 12, 2021



Artelo Biosciences Reports Third Quarter Fiscal 2021 Financial Results and Provides Business Update

Enrollment in CAReS Study in patients with cancer anorexia on track to deliver first data readout by calendar year-end

\$10.0 Million of Cash and Cash Equivalents as of May 31, 2021

SOLANA BEACH, Calif., July 12, 2021 (GLOBE NEWSWIRE) -- [Artelo Biosciences, Inc. \(NASDAQ: ARTL\)](#), a clinical stage biopharmaceutical company focused on the development of therapeutics that target lipid-signaling pathways, including the endocannabinoid system, today reported financial and operating results for the third fiscal 2021 quarter ended May 31, 2021 and provided a business update.

“We are making substantial progress enrolling patients in the ongoing Phase 1/2 Cancer Appetite Recovery Study (CAReS) of our lead drug candidate, ART27.13,” stated, Gregory D. Gorgas, President and Chief Executive Officer of Artelo Biosciences. “ART27.13 represents a novel mechanism-based strategy to stimulate appetite and weight gain that could significantly benefit patients with cancer anorexia.”

Cancer anorexia represents a global unmet need with a current market valued in excess of \$2 billion despite no standard of care. As previously noted, up to 50% of cancer deaths are attributed to anorexia associated with the disease and currently there are no regulatory approved therapies in North America or Europe with an indication to treat cancer anorexia.

“We also continue to advance our two preclinical assets towards clinical development for the treatment of cancer,” added Gorgas. ART12.11 is a patented cocrystal of cannabidiol (CBD) and tetramethylpyrazine (TMP), which may have the potential to prevent cancer cell growth and kill cancer cells. The Company also continues to generate data on its FABP5 inhibitor, ART26.12, as a potential anti-cancer treatment, supported by FABP5's emerging utility as a biomarker.

Artelo ended the third quarter with over \$10.0 million of cash and cash equivalents. This level of funding is projected to enable the Company to execute on a number of key upcoming milestones before the end of 2021 and into 2022, including readout of the Phase 1b stage of the CAReS study.

Recent Highlights:

- Presented a poster at the 31st Annual International Cannabinoid Research Society (ICRS) Symposium featuring ART27.13 as a novel mechanism-based strategy to

stimulate appetite and weight gain known to arise from CB₁ receptor activation that could significantly benefit patients with cancer anorexia.

- Presented a poster at ICRS related to Artelo's ART12.11 CBD Cocrystal and the potential to prevent cancer cell growth and kill cancer cells through co-administration of CBD and TMP.
- Dosed first patient in CARES study with ART27.13 for the treatment of cancer-related anorexia and weight loss.
- Announced positive laboratory data associated with proprietary CBD cocrystal demonstrating co-administration of CBD and TMP can confer ART12.11 with a more desirable pharmacodynamic profile compared to either CBD or TMP alone.
- Appointed Tamara A. Seymour, CPA, to Artelo's Board of Directors and to serve on the Audit Committee.

Third Quarter Fiscal 2021 Financial Results:

- Operating expenses, for the three months ended May 31, 2021 were \$2,251,412 compared to \$951,395 for the same period in 2020. The Company's operating expenses were primarily related to increased research and development activities, professional fees for ongoing regulatory requirements, and general and administrative expenses, which included \$618,358 in non-cash stock-based compensation expense.
- Net loss was approximately \$2,249,792, or \$0.10 per basic and diluted share for the quarter ended May 31, 2021 compared to a net loss of \$951,191, or \$0.27 per basic and diluted share for the quarter ended May 31, 2020.
- As of May 31, 2021, the Company had approximately \$10,052,288 in cash and cash equivalents.

About Artelo Biosciences

Artelo Biosciences, Inc. is a clinical stage biopharmaceutical company dedicated to the development and commercialization of proprietary therapeutics targeting lipid-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, PTSD, pain, and inflammation. 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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Source: Artelo Biosciences