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Artelo Biosciences Reports Second Quarter Fiscal Year 2020 Financial Results and Provides Business Update

LA JOLLA, Calif., April 14, 2020 (GLOBE NEWSWIRE) -- [Artelo Biosciences, Inc.](#) (NASDAQ: ARTL), a clinical stage biopharmaceutical company focused on the development of therapeutics that modulate the endocannabinoid system and related biological signaling pathways, today reported financial and operating results for the second quarter of its fiscal year ended February 29, 2020.

"We are pleased to report the progress achieved with our programs during the second quarter," said Gregory D. Gorgas, Artelo Bioscience's President and Chief Executive Officer. "For our lead clinical program ART27.13, manufacturing and regulatory approvals are proceeding as planned for the initiation of our Phase 1b/2a clinical study for the treatment of cancer-related anorexia. In addition, we reinforced our intellectual property position for ART12.11 and are closing in on the identification of the lead candidate for ART26.12, our fatty acid binding protein 5 (FABP5) inhibitor program for the potential treatment of various cancers, pain and inflammation."

During the second quarter, Artelo's collaborators at Stony Brook University's Institute of Chemical Biology and Drug Discovery received a grant of \$4.2 million from the National Cancer Institute. Under an exclusive worldwide license with Stony Brook University, Artelo continues to optimize its novel FABP5 inhibitor program, focusing initially on the inhibitor's potential as cancer therapeutics. Mr. Gorgas noted, "This grant from the NCI is a significant validation of our platform and provides substantial non-dilutive funding to advance this promising platform."

"Despite the impact of the COVID-19 pandemic, Artelo remains well positioned to achieve a number of meaningful milestones in 2020, including initiating enrollment in our Phase 1b/2a clinical study of ART27.13, reporting key pre-clinical data related to ART12.11 and ART26.12, as well as advancing discussions with potential development partners," added Mr. Gorgas.

Second Quarter FY2020 Corporate Highlights

- Announced the National Cancer Institute's \$4.2 million grant to Stony Brook University to advance the development of fatty acid binding protein 5 (FABP5) inhibitors. The five-year grant supports research at Stony Brook University's Institute of Chemical Biology and Drug Discovery, in collaboration with Cold Spring Harbor Laboratory and Artelo Biosciences.
- Received a Notice of Allowance from the U.S. Patent and Trade Office for Artelo's

patent application for ART12.11.

- Conducted multiple investor presentations and business development meetings at well-attended investment conferences in New York and London. Videotaped versions of Artelo's presentations are available on the Company's [website](#).

Financial Results

- Operating expenses for the three months ended February 29, 2020 were \$1,370,534 compared to \$757,919 for the same period in 2019. The company's operating expenses were primarily related to ongoing regulatory filing requirements, research and development contracts and general and administrative expenses.
- Net loss was approximately \$1,370,126, or \$0.40 per basic share and \$0.40 per diluted share for the quarter ended February 29, 2020 compared to a net loss of \$424,789, or \$0.22 per basic share, and \$0.40 per diluted share for the quarter ended February 20, 2019.
- As of February 29, 2020, the Company had approximately \$1,982,547 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 the endocannabinoid system and related biological signaling pathways. 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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