**Panaxia Israel signed a Letter of Intent with Cannbit for the development of cannabis-based prescription drugs to relieve symptoms of ADHD and Fibromyalgia**

**(Tel-Aviv, May 14th, 2019) – Panaxia Pharmaceutical Industries Israel,** the biggest manufacturer and distributor of medical cannabis in Israel, signed a Letter of Intent with the cannabis growing farm Cannbit, to co-develop two medical cannabis-based drugs.

This is an end-to-end development of prescription drugs (RX – an innovative drug which will be registered as a patent). After completing their development, and subject to success in the third phase of the experiment, the drugs will be submitted for registration at the American Food & Drug Administration, the **FDA**, and its European counterpart, the **EMA** (European Medicine Agency). The drugs are intended to relieve symptoms of ADHD - attention deficit disorders, hyperactivity, and Fibromyalgia. The drugs will be developed by integrating Panaxia's unique technology of disassembling the raw material and reassembling it according to a spec, and of unique species provided by Cannbit.

The drugs will be developed according to the guidance, professional management and supervision of both companies' professional councils, which include among others: **Prof. Aaron Ciechanover, Nobel prize winner in Chemistry, Prof. Refael Meshulam, Prof. Dedi Meiri, and Dr. Noa Leibovitch.** The two companies will finance the R&D expenses and the clinical trials equally, and will co-own the drug, as long as the development ends successfully.

The global market for medical cannabis products is a 13-billion-dollar annual market, growing at a rate of 30% each year. Panaxia Group is the first group in Israel with a permit to manufacture drugs based on medical cannabis (IMC-GMP standard) and is authorized to deliver manufacturing and distribution services of medical cannabis products in Israel.

**About Panaxia Israel**

**Panaxia Israel is part of the pharmaceutical group of the Segal family, operating for over four decades, and manufacturing over 600 different pharmaceutical products, which it distributes in over 40 countries. Panaxia was founded by Dr. Dadi Segal, Dr.Eran Goldberg and Assi Rotbart, LL.b, and constitutes the Group's cannabis division. In addition, the sister-division of North America manufactures over 60 pharmaceutical products based on medical cannabis, including sublingual tablets, oral tablets, oils, inhalers, and more, intended to treat conditions such as post-traumatic stress, cancer, chronic pains, epilepsy, anorexia, burns, and many other medical conditions. Panaxia employs around 100 employees and all clinical experiments are conducted by the company. The pharmaceutical group of the Segal family includes the Luminera divisions, which manufacture wrinkle filler injections, and TREE OF LIFE, which manufactures non-prescription drugs.**