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Cardiol Signs Letter of Intent with TecSalud and Nano4heart for the Development of Heart Failure Therapies

On November 17th, 2017, Cardiol Therapeutics Inc. (“Cardiol” or the “Company”), a nanotherapeutics company focused on the research and commercial development of proprietary drug formulations for the treatment of heart failure, has signed a Letter of Intent (the “LOI”) with TecSalud and Nano4heart, both of the Instituto Tecnológico y de Estudios Superiores de Monterrey, Mexico, for the development of nanotherapeutics for the treatment of heart failure.

The purpose of the LOI is to establish a basis on which the parties will work towards concluding an official research partnership in early 2018. This partnership combines the significant research capability of TecSalud, with the nanotechnology expertise of Nano4heart and the research and clinical development expertise of Cardiol, to work towards a common goal of advancing the treatment of heart failure.

TecSalud comprises four cutting-edge academic medical centers that combine innovative research, outstanding clinical services, and education. TecSalud has collaborative relationships with the Houston Methodist DeBakey Heart & Vascular Center and the University of Calgary and has established a formal agreement with the Massachusetts Institute of Technology to promote research and development in nanoscience and nanotechnology.

Nano4heart, an early stage company that emerged from TecSalud’s Biomedical Research Center, has been investigating methods of applying nanotechnology to heart disease with the goal of developing nanomedicines to improve the quality of life of patients with heart failure.

Dr. Gerardo García-Rivas, Director of the Biomedical Research Center and founding partner of Nano4heart, stated: “We currently have over ten researchers developing a variety of cutting-edge nanocomposites as potential new treatments for cardiovascular diseases.”

“This Letter of Intent heralds an exciting partnership between Cardiol, TecSalud, and Nano4heart. By combining the expertise from our synergistic capabilities, we expect to be able to accelerate the necessary research towards our mutual goal of developing a breakthrough heart failure treatment,” said David Elsley, President & CEO of Cardiol.

Dr. Guillermo Torre-Amione, President of TecSalud and a member of Cardiol’s Scientific Advisory Board, said “The signing of the LOI combines the significant research capability of TecSalud with Nano4heart’s extensive experience in preclinical cardiovascular research and Cardiol’s clinical and business expertise. We anticipate that our new partnership with Cardiol will facilitate advancing novel therapeutic drug candidates into Phase 1 clinical trials in 2018.”

About Cardiol Therapeutics

Cardiol Therapeutics is a nanotherapeutics company focused on the research and commercial development of proprietary drug formulations for the treatment of heart failure. Heart failure is a chronic condition that affects more than 26 million people globally. Over five million adults in the U.S. suffer from heart failure, and it remains a leading cause of death and hospitalization with associated healthcare costs exceeding \$30 billion annually. People with heart failure experience shortness of breath, fatigue, rapid heart rate, edema, reduced exercise capacity and a marked reduction in quality of life. Approximately half of all heart failure patients have heart failure with preserved ejection fraction (HFpEF), which is often associated with diabetes, obesity and high blood pressure and for which there have been no new therapies developed in over 20 years. Cardiol is developing CTX01, a proprietary nanoformulation of pharmaceutical cannabidiol for the treatment of HFpEF. Cannabidiol has been shown to attenuate cardiac dysfunction in experimental models of diabetic cardiomyopathy and to decrease oxidative stress, fibrosis, and inflammation in other models relevant to HFpEF. CTX01 is designed to optimize and maintain blood levels of cannabidiol and target the drug to areas of inflammation in the heart. Cardiol is also developing CTX02, a proprietary nanoformulation of methotrexate for the treatment of heart failure. Recent experimental data have shown that methotrexate improves cardiac function after acute myocardial infarction and has anti-fibrotic properties.