

Cynapsus Announces Signing of License Option Agreement of Parkinson's Disease Technology

TORONTO -- (MARKET WIRE) -- 07/26/10 -- Cynapsus Therapeutics Inc. ("Cynapsus") (formerly Cannasat Therapeutics Inc.) (CTH: TSX-V) announced today that it has entered into a License Option Agreement with Adagio Pharmaceuticals Ltd. granting Cynapsus the option to execute a proposed exclusive, worldwide agreement to license all intellectual property relating to APL-130277, a reformulation of an approved Parkinson's drug.

The two parties have also finalized an exclusive worldwide license that would result in Cynapsus assuming product development and commercialization rights to APL-130277 from Adagio in return for development milestones and royalties to Adagio, including common shares of Cynapsus. Within 15 days of the Option Agreement Effective Date, subject to approval of the TSX Venture Exchange Inc., Adagio is entitled to be issued 750,000 common shares in the capital of Cynapsus based on a price of \$0.10 per Cannasat Share. The license agreement includes an exclusive option period for the first 12 months which allows Cannasat to conduct further due diligence and proof-of-concept studies for APL-130277 prior to executing the full license.

APL-130277 is a novel oral formulation of an approved drug for Parkinson's patients designed to deliver benefits over the current marketed treatment. The drug will treat patients with moderate to severe Parkinson's Disease and will address an unmet clinical need as expressed by clinicians and patients. The drug is expected to undergo accelerated approval through 505(b)(2) FDA regulatory pathway with the US FDA and a similar pathway with other international regulatory agencies. This regulatory path could result in a New Drug Approval application being submitted in 2014. APL-130277 has the potential to address an underserved portion of \$3 Billion+ Parkinson's Disease market. The project fits well into Cynapsus' new drive to expand its CNS project portfolio and leverages Cynapsus' considerable experience in drug formulation and clinical development.

It should be noted that Anthony Giovinazzo, Cynapsus' President and CEO, is also a director, officer and shareholder of Adagio, a private holding company for the APL-130277 asset only. Steps have been taken to address any potential conflict of interest, including the engagement of independent third party business development consultants from Canada and the United States to assist in negotiations. The Board of Cynapsus has reviewed and approved the final agreement.

The TSX Venture Exchange Inc. has not reviewed and does not accept responsibility for the adequacy or accuracy of this press release.

About Cynapsus Therapeutics

Cynapsus is a specialty clinical development pharmaceutical company targeting diseases of the brain. Cynapsus has a lower risk Parkinson's drug candidate ("APL-130277"), which is a reformulation of an approved drug. APL-130277 is designed to address a much larger moderate to severe patient population, which represents close to 50% of Parkinson's patients. Cynapsus also has a proprietary formulation technology for cannabinoid drug candidates, which may be used to treat neuropathic pain associated with multiple sclerosis and cancer, as well as for nausea/vomiting and appetite stimulation.

Cynapsus' strategy is to grow its portfolio of drug candidates through in-licensing and acquisitions, and to advance projects to Phase 2 proof-of-concept clinical studies. Once the drug candidates are sufficiently derisked, Cynapsus intends to out-license the programs to the appropriate pharmaceutical marketing partners for a combination of upfront, milestone, and royalty payments.

More information about Cynapsus (CTH: TSX-V) is available at www.cynapsus.ca.

Forward Looking Statements

This press release contains "forward-looking statements" within the meaning of applicable Canadian securities legislation. Generally, these forward- looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes" or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Cynapsus to be materially different from those expressed or implied by such forward- looking statements, including but not limited to those risks and uncertainties relating to Cynapsus' business disclosed under the heading "Risk Factors" in Cynapsus' current Annual Information Form and its other filings with the various Canadian securities regulators which are available online at www.sedar.com. Although Cynapsus has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Cynapsus does not undertake to update any forward-looking statements, except in accordance with applicable securities laws.

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