

Cyclo Therapeutics Closes \$2.8 Million Private Placement Led by Novit LP with \$1.0 Million

GAINESVILLE, FL – (BusinessWire) – August 27, 2020 – Cyclo Therapeutics, Inc. (OTCQB: CTDH), a clinical stage biotechnology company that develops cyclodextrin-based products for the treatment of Niemann-Pick Disease Type C (NPC) and Alzheimer’s Disease, today announced that it has closed a private placement of its securities with a group of accredited investors that included several directors of the Company and members of management. Investors in the private placement purchased a total of 28 million units at a price per unit of \$0.10, each unit consisting of one share of common stock and one warrant to purchase a share of common stock, resulting in gross proceeds of approximately \$2.8 million. The shares and warrants comprising each unit were issued separately, and the warrants are exercisable immediately upon issuance at an exercise price of \$0.15 per share and expire on the 84-month anniversary of the issuance date.

The investment round was led by Novit LP. “Novit continues to invest in Cyclo Therapeutics because we believe in its purpose, we believe in its technology and we believe the people here will get it done,” said F. Patrick Ostronic, a director with Novit’s general partner and a Cyclo Therapeutics’ Board Member.

“As insiders once again led this round of financing, we bring additional capital resources to the development of our lead drug candidate, Trappsol® Cyclo™, as an intravenous treatment for Niemann-Pick Disease Type C” said Cyclo Therapeutics’ Chairman and CEO, N. Scott Fine. “This private placement represents the continuing support of our clinical programs and a significant milestone for all of the company’s stakeholders, including the NPC patients and families who are participating in our clinical trials.”

The company has recently reported top-line results from the US Phase I trial and an Interim Analysis of the Phase I/II trial underway in Europe and Israel in the second quarter of 2020. Cyclo Therapeutics has also announced it received positive feedback from both their Type C Meeting with the FDA and Scientific Advice with the EMA in March 2020 and May 2020, respectively. The company plans to begin a Phase III global pivotal clinical program later this year for treatment of NPC by intravenous administration of Trappsol® Cyclo™, the company’s proprietary formulation of hydroxypropyl beta cyclodextrin.

The securities sold in the private placement have not been registered under the Securities Act of 1933, as amended, and may not be offered or sold in the United States in the absence of an effective registration statement or exemption from registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any state in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such state.

About Cyclo Therapeutics:

Cyclo Therapeutics, Inc. is a clinical-stage biotechnology company that develops cyclodextrin-based products for the treatment of Niemann-Pick Disease Type C and Alzheimer's Disease. The company's Trappsol® Cyclo™, an orphan drug designated product in the United States and Europe, is the subject of three ongoing formal clinical trials for Niemann-Pick Disease Type C, a rare and fatal genetic disease, (ClinicalTrials.gov [NCT02939547](#), [NCT02912793](#) and [NCT03893071](#)). The company is planning an early phase clinical trial using Trappsol® Cyclo™ intravenously in Alzheimer's Disease based on encouraging data from an Expanded Access program for late-onset Alzheimer's Disease ([NCT03624842](#)). Additional indications for the active ingredient in Trappsol® Cyclo™ are in development. For additional information, visit the company's website: www.cyclotherapeutics.com

Safe Harbor Statement:

This press release contains "forward-looking statements" about the company's current expectations about future results, performance, prospects and opportunities. Statements that are not historical facts, such as "anticipates," "believes" and "expects" or similar expressions, are forward-looking statements. These statements are subject to a number of risks, uncertainties and other factors that could cause actual results in future periods to differ materially from what is expressed in, or implied by, these statements. The factors which may influence the company's future performance include the company's ability to obtain additional capital to expand operations as planned, success in achieving regulatory approval for clinical protocols, enrollment of adequate numbers of patients in clinical trials, unforeseen difficulties in showing efficacy of the company's biopharmaceutical products, success in attracting additional customers and profitable contracts, and regulatory risks associated with producing pharmaceutical grade and food products. These and other risk factors are described from time to time in the company's filings with the Securities and Exchange Commission, including, but not limited to, the company's reports on Forms 10-K and 10-Q. Unless required by law, the company assumes no obligation to update or revise any forward-looking statements as a result of new information or future events.

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