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Zacks Small-Cap Research

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MIRA Pharmaceuticals (MIRA-NASDAQ)

MIRA: In Advanced Discussions with Major Potential Partner

MIRA is creating a THC analog that has the same benefits as THC without the negative side effects. We value MIRA at $16.50 using discounted cash flow analysis and a 20% discount rate.

Current Price (05/21/24)	$1.02
Valuation	**$16.50**

OUTLOOK

MIRA Pharmaceuticals is a preclinical-stage pharmaceutical company focused on the development and commercialization of new molecular synthetic cannabinoid analog for the treatment of adult patients with neuropathic pain as well as anxiety and cognitive decline typically associated with early-stage dementia.

The company announced it is in advanced discussions with a top cancer hospital to study Ketamir-2 for the treatment of cancer-related pain and depression.

SUMMARY DATA

52-Week High	**$7.42**
52-Week Low	**$0.65**
One-Year Return (%)	**N/A**
Beta	**N/A**
Average Daily Volume (sh)	**186,571**
Shares Outstanding (mil)	**15**
Market Capitalization ($mil)	**$15**
Short Interest Ratio (days)	**N/A**
Institutional Ownership (%)	**35**
Insider Ownership (%)	**N/A**
Annual Cash Dividend	**$0.00**
Dividend Yield (%)	**0.00**
5-Yr. Historical Growth Rates	
Sales (%)	**N/A**
Earnings Per Share (%)	**N/A**
Dividend (%)	**N/A**
P/E using TTM EPS	**N/A**
P/E using 2023 Estimate	**N/A**
P/E using 2024 Estimate	**N/A**
Zacks Rank	**N/A**

Risk Level	**High**
Type of Stock	**Small Growth**
Industry	**Biotech**

ZACKS ESTIMATES

Revenue
(in millions of $)

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2022	0 A	0 A	0 A	0 A	0 A
2023	0 A	0 A	0 A	0 A	0 A
2024	0 E	0 E	0 E	0 E	0 E
2025	0 E	0 E	0 E	0 E	0 E

Earnings per share*

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2022	N/A	N/A	N/A	N/A	(0.48) A
2023	(0.09) A	(0.10) A	(0.26) A	(0.37) A	(0.64) A
2024	(0.12) A	(0.10) E	(0.26) E	(0.15) E	(0.62) E
2025	(0.15) E	(0.10) E	(0.08) E	(0.07) E	(0.40) E

*numbers may not add to yearly total due to share issuance.

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Update

MIRA Pharmaceuticals is a preclinical-stage pharmaceutical company focused on the development and commercialization of a new molecular synthetic cannabinoid analog for the treatment of adult patients with neuropathic pain as well as anxiety and cognitive decline typically associated with early-stage dementia. The company also acquired the rights to Ketamir, which, in layman's terms, is a potential derivative of the antidepressant ketamine that has shown indications of having fewer side effects, working more rapidly, and having the opportunity to impact millions of patients that have not responded to other, existing treatments.

The company announced that it is in advanced discussions with Memorial Sloan Kettering Cancer Center (MSK) to initiate a preclinical study evaluating Ketamir-2 for the treatment of cancer-related pain and depression. We believe this potential collaboration is another positive sign for the prospects of Ketamir-2, and for MIRA stock. MSK has been recognized by US News & World Report as a top two cancer hospital in the US for over 30 years. According to the company, MSK currently treats pain in patients with refractory cancer (cancer that has not responded to initial treatment or is getting worse) using intravenous (IV) ketamine, among other methods. However, company management notes that MIRA's oral ketamine analog (Ketamine-2) presents a promising alternative due to its potential for high oral bioavailability and lack of interaction with mu opioid receptors, which potentially enhances its safety profile. Oral administration is clearly more convenient and less invasive than IV treatments and would potentially enable at-home treatment, as opposed to the current method of in-hospital treatment.

According to CEO of MIRA, Erez Aminov, the aim of this potential collaboration would be to assess the potential of oral Ketamir-2, in comparison with non-oral administration of ketamine, to alleviate symptoms of cancer pain in a rodent animal model. In parallel, MIRA is exploring the effects of Ketamire-2 on neuropathic pain within the framework of its collaboration with Pharmaseed Ltd.

The Director of Chronic Pain from MCK, Dr. Amitabh Gulati, noted that, "We are excited about the potential treatment options presented by MIRA, Ketamir-2 and Mira-55 (MIRA's other drug moving its way through the approval process). These compounds should improve the lives of our cancer pain patients."

We remain extremely positive on MIRA, and this announcement is yet another confirmation that the potential for MIRA's treatments is exciting, with a top cancer hospital wanting to collaborate with MIRA. This announcement, in our view, helps to validate the potential for MIRA therapies. The company has two potential groundbreaking therapies and is rightly focusing on the one with the potential to get to market the fastest. We urge investors to look at MIRA and suggest those with a modestly higher risk tolerance consider investing before MIRA announces more positive results or collaborations the stock really starts to move higher.

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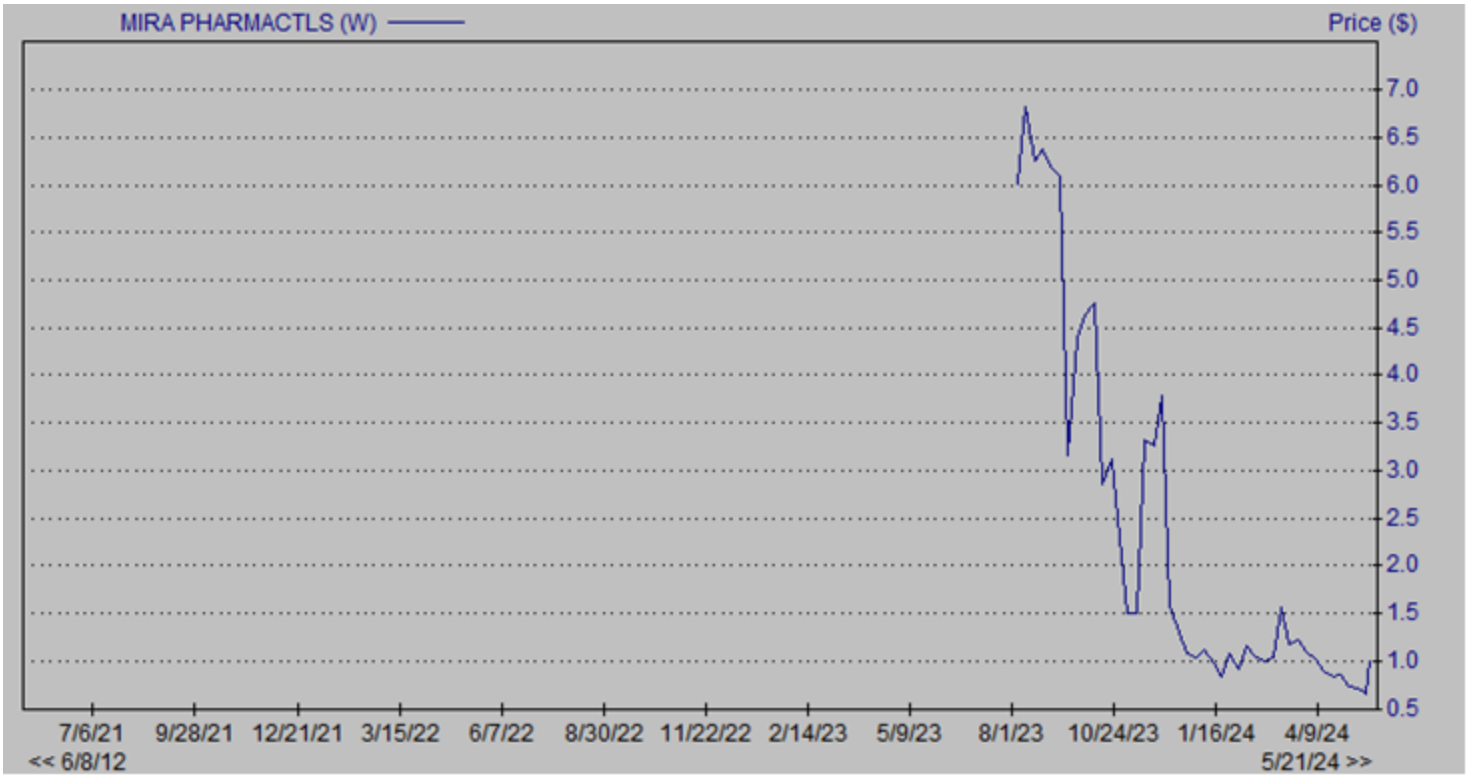
HISTORICAL STOCK PRICE



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