

PRESS RELEASE**Cynapsus Therapeutics Retains US Investor Relations Firm**

May 17, 2012

TORONTO, ONTARIO – (Marketwire) – Cynapsus Therapeutics Inc. (<http://www.cynapsus.ca>) (TSX-V: CTH) today announced that it has retained JSDC, Inc. ("JSDC") to provide US-based investor relations services for the Company. Cynapsus is a specialty pharmaceutical company developing an improved dosing formulation of an approved drug used to treat the symptoms of Parkinson's disease. Over one million people in the United States and an estimated 5 million people globally suffer from Parkinson's disease.

Under the terms of the agreement, JSDC will undertake to use its well-established relationships with the institutional and retail investment communities to assist Cynapsus in fostering productive, continuing relationships with analysts, brokers, potential investors, and other financial professionals, as well as to manage information flow to Cynapsus' current shareholders.

The term of this Agreement is one (1) year. Cynapsus has agreed to pay JSDC a monthly retainer of \$6,000 per month for the first two months and \$9,000 per month thereafter. The Company has also agreed to immediately grant JSDC stock options to purchase up to 462,500 common shares at an exercise of \$0.10 per share, to vest in equal amounts quarterly over a 12 month period (the "Initial Grant"). In addition, the Company has agreed to grant 462,500 stock options three (3), six (6) and nine (9) months after the Initial Grant date at an exercise price equal to the Company's share price on the day of grant, provided that such price shall not be less than \$0.10 per share, to vest in equal amounts quarterly over a 12 month period.

All stock options will have an expiry period of 5 years from the date of grant, provided that the stock options will expire one year following the termination of this agreement in accordance with the policies of the Exchange. All stock option grants shall be granted in accordance with the Stock Option Plan of the Company, which is approved annually by the Exchange.

Other than the stock options mentioned above, JSDC does not own any securities of the Company, nor do they have any direct or indirect interest in the Company.

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 Inc.

Cynapsus is a specialty pharmaceutical company developing an improved dosing formulation of an approved drug used to treat the symptoms of Parkinson's disease. Over one million people in the United States and an estimated 5 million people globally suffer from Parkinson's disease. Parkinson's disease is a chronic and progressive neurodegenerative disease that impacts motor activity, and its prevalence is increasing with the aging of the population. It is estimated that between 25 percent and 50 percent of patients experience "OFF episodes" in which they have impaired movement or speaking capabilities. Current medications only control the disease's symptoms, and most drugs become less effective over time as the disease progresses.

Cynapsus' lead drug candidate, APL-130277, is an easy-to-administer, fast-acting and oral reformulation of an approved drug, apomorphine, used to rescue patients from OFF episodes. Cynapsus is focused on rapidly maximizing the value of APL-130277 by completing pivotal studies in advance of a New Drug Application expected to be submitted in 2013 or 2014. Cynapsus anticipates out-licensing to an appropriate pharmaceutical partner before such an application is submitted.

More information about Cynapsus (CTH: TSX-V) is available at www.cynapsus.ca and at the System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com.

About JSDC, Inc.

JSDC, Inc. is a US-based boutique consulting firm with offices in New York and Los Angeles that provides advisory services and capital raising solutions to private and publicly held healthcare and technology companies. JSDC typically represent commercial stage companies with disruptive technologies and experienced management teams seeking access to institutional investors, economic development funds, strategic partners and service providers.

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Forward Looking Statements

This announcement 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 and Uncertainties" in "Management's Discussion and Analysis of Operating Results and Financial Condition" for the year ended December 31, 2011, 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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