

Lobe Sciences Provides Corporate Update to Investors and Stakeholders

Vancouver, British Columbia--(Newsfile Corp. - September 13, 2021) - Lobe Sciences Ltd. (CSE: LOBE) (OTC Pink: GTSIF) ("**Lobe**" or the "**Company**") is pleased to provide the following corporate update by CEO Philip Young, addressed to shareholders, investors and other stakeholders of the Company:

Dear Fellow Shareholders and Psychedelic Medicine Enthusiasts,

We are pleased to say that 2021 has been a busy and transformative year for the Company. During 2021, we have made significant progress on several fronts, and completed our transition to an integrated pharmaceutical development company. We have built the foundation of a drug development company and we are now following a path for the development of therapeutics for which we intend to seek FDA approval in the United States, and similar approvals internationally. Millions of people are experiencing the devastating, often long-term effects of mTBI (mild traumatic brain injury) and PTSD (post-traumatic stress disorder), with few, if any, effective treatments available. Our goal is to change that fact. We believe that psychedelic based therapeutics will bring a new era of treatment for many illnesses where current therapies are insufficient or unavailable. As such, we believe the Company is poised to lead the way in developing treatments for mTBI and PTSD, while altering the perception of psychedelic medicine as a treatment modality. Our entire team is dedicated to making a significant impact in this rapidly growing industry as we differentiate ourselves from other psychedelic medicine companies by executing our strategic plans and vision. The following is a brief review of the achievements we have made, laying the foundation for continued progress and milestones, which we believe will position the Company for long-term growth and success.

2021 Business Developments - the building blocks for our future

Our 2021 accomplishments spanned every aspect of our business as we executed our multi-prong strategy and vision for future developments. These accomplishments included: streamlining operations, enhancing our balance sheet, strengthening our intellectual property portfolio, further developing our medical devices, increasing our scientific breadth and reach by forming a world class scientific advisory board and entering into relationships with key organizations that promote mental health and wellness. Key accomplishments include:

Clinical and Scientific Developments and Operations:

Our pre-clinical study involving psilocybin and NAC (N-Acetylcysteine) led by Principal Investigator, Dr. Michael Hoffer of the University of Miami is progressing and in the process of analyzing the data. The Company continued to strengthen its overall product, device and intellectual property ("**IP**") portfolio through acquisitions and our development efforts. Other key highlights include:

- On February 18, 2021 we announced the successful completion and testing of the proof of concept prototype of its proprietary nasal mist device;
- On April 27, 2021 we announced the Company entered into a joint venture agreement with Virtual Psychedelics Incorporated to design, develop and commercialize the Krysalis Pod, a state-of-the-art media device that will deliver immersive virtual experiences without a headset. (the "JV");
- On April 29, 2021 we announced the filing of a PCT application entitled "Methods, Compositions and Devices for Treating Mild Traumatic Brain Injury";
- On May 4, 2021 we announced the acquisition of the Vitamind line of functional mushroom wellness products; and
- On May 19, 2021 we announced entering into a production and supply agreement with HAVN Life Sciences Inc.

As announced on March 8, 2021, the Company completed the divestiture of the Washington State cannabis asset to Ionic Brands Corp. ("**Ionic**"), strengthening our balance sheet with a cash payment to the Company of \$1,750,000, and

receipt of 100,406,701 Series E shares of Ionic and 4,000,000 Ionic warrants.

Executive Team, Advisors and Industry Relationships:

In 2021, in addition to myself as CEO, we added Michael Petter, an accomplished businessman to our board of directors. We also assembled an accomplished Scientific Advisory Board ("SAB"), led by our CSO, Maghsoud Dariani, including Dr. Mark Geyer, Dr. Charles Grob, Dr. Benjamin Kelmendi, Dr. Michael Hoffer and Dr. Skip Rizzo, all regarded as leaders and innovators in their respective psychedelic and medical communities. We also leveraged our advisor network and partnered with the NFL Alumni Association and the World Boxing Association to investigate and develop plans for monitoring, mitigating and managing the consequences of mTBI and PTSD.

Looking Ahead: on-going corporate initiatives

The Company intends to leverage its 2021 accomplishments achieved to-date. Key milestones we anticipate working towards include the following items. The Company plans on completing these items by the end of calendar 2022, barring any unforeseen delays.

Clinical and Scientific Development and Regulatory

- Announce the results of the University of Miami Pre Clinical Study of the treatment of mTBI and PTSD
- Submit Pre Investigational New Drug ("IND") meeting request to FDA
- Announce contract research organization ("CRO") partner, finalize study protocol, select sites for first-in-man study with our combination therapeutics
- Finalize agreement with a cGMP manufacturing partner for clinical trial and commercial supplies of psilocybin and NAC (N-Acetylcysteine)
- Initiate the first human study with Lobe's patent pending combination therapeutics of psilocybin and NAC (N-Acetylcysteine)
- Update on cGMP psilocybin production timing and availability
- File IND with FDA
- Update clinical trial enrolment progress
- Update IND plans based on feedback from FDA
- Finalize specifications for and design plan for nasal mist delivery device

Collaborations and Partnerships

- Update on Krysalis Pod design team and progress
- Launch the first products in the Vitamind product portfolio, subject to regulatory approval
- Update on Krysalis Pod design and tech stack development
- Expand Vitamind product offerings and launch in USA, subject to regulatory approval

Investment Conference Schedule:

The Company will be sharing its vision and plans with investors as we attend several leading investment conferences and trade conventions including:

- HC Wainwright 23rd Global Investment Conference, September 13-15, 2021
- Maxim Group, Advances in Mental Health - Psychedelics and Non-Psychedelics Conference, September 22, 2021
- Benzinga Healthcare Small Cap Conference, September 29, 2021
- MoneyShow Virtual Expo, October 5-7, 2021
- BioFuture 2021, October 5-7, 2021
- LD Micro Main Event, October 12-14, 2021
- Q4 Investor Summit Virtual Conference, November 16-17, 2021
- JP Morgan Healthcare Conference, January 10-13, 2022

In summary, we believe the balance of 2021 and 2022 will bring exciting developments as we build on the foundation of our accomplishments. We are committed to creating effective therapies and treatments to better the lives of millions of people. We believe we have built a solid foundation and strategy that incorporates strong partnerships with recognized industry leaders, a world-class Scientific Advisory Board, a growing intellectual property portfolio, along with multiple products and devices under development.

Thank you for your continued commitment and support as we continue to execute our strategy to position the Company for long-term growth and success.

Philip Young

CEO and Director

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About Lobe Sciences Ltd.

Lobe Sciences is a life sciences company focused on psychedelic medicines. The Company, through collaborations with industry-leading partners, is engaged in drug research and development using psychedelic compounds and the development of innovative devices and delivery mechanisms to improve mental health and wellness.

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THE CSE HAS NOT REVIEWED AND DOES NOT ACCEPT RESPONSIBILITY FOR THE ACCURACY OR ADEQUACY OF THIS RELEASE.

Disclaimer for Forward-Looking Statements

This news release contains forward-looking statements relating to the future operations of the Company and other statements that are not historical facts. Forward-looking statements are often identified by terms such as "will", "may", "should", "anticipate", "expects" and similar expressions. All statements other than statements of historical fact included in this release, including statements made by our Chief Executive Officer and regarding the future plans and objectives of the Company; progression with nasal mist device engineering and commercialization; the pursuit of M&A initiatives, and the expected benefits to be derived from previous M&A initiatives; the development of effective delivery methods and commercialization potential of the nasal mist device, research and development using NAC and psilocybin and growth of the business; the Company's expected attendance at various industry conferences; the timing of and results from the University of Miami pre-clinical study; expected timing to submit a pre IND meeting request to the FDA (and statements regarding FDA approvals generally); expected announcement and timing of a CRO partner, finalizing study protocol, and statements regarding a first-in-man study with our combination therapeutics; statements regarding expected development of the Krysalis Pod; anticipated timing and announcement of initiation of the first human study with Lobe's patent pending combination therapeutics of psilocybin and NAC (N-Acetylcysteine); expected timing and occurrence of the launch of products in the Vitamind product portfolio, expansion of the Vitamind product line and receipt of regulatory approvals required for product launches; expected statements and timing regarding cGMP psilocybin production and availability; and the expected timing for the launch of new products and revenue-generating activities and expected completion of milestones by the end of calendar 2022, are all forward looking statements that involve risks and uncertainties. Forward-looking statements, by their very nature, require management to make assumptions and are subject to inherent risks and uncertainties, and while

management of the Company believes the forward-looking statements contained herein have a reasonable basis, the possibility exists that our predictions, forecasts, projections, expectations or conclusions will not prove to be accurate. Material assumptions that underlie the forward-looking statements included in this news release include, without limitation, assumptions regarding: the outcomes of scientific studies showing the efficacy of psychedelic therapies on mTBI and PTSD, increasing acceptance in the medical community and among consumers for psychedelic therapies as an effective treatment modality; the Company having access to sufficient capital needed to support its various milestone objectives, expected synergies from M&A transactions and the timing of various milestone objectives, regulatory approvals and our ability to capitalize on business opportunities and develop revenue-generating activities; and the impact of COVID-19 on our business plans. Readers are cautioned that assumptions used in the preparation of the forward-looking statements may prove to be incorrect. As a result of the inherent uncertainty of forward-looking statements, there can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements, whether as a result of known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company. Important risks and uncertainties that could cause actual results to differ materially from the Company's expectations include without limitation risks relating to: that we may not have the capital needed or will not be able to raise sufficient capital to support our business activities or achieve our anticipated milestones; delays or stoppages in the Company's business activities resulting from the COVID-19 pandemic; adverse or unexpected findings in scientific research; adverse changes to the regulatory environment in which we operate; regulatory delays or the failure to obtain required regulatory approvals; failure to capitalize on business opportunities and develop revenue-generating activities; contract counterparty risks; key personnel risk; business integration risks; risks inherent to equity and debt markets and their effects on our share price, and such other risks as may be detailed from time to time in the filings made by the Company pursuant to securities regulations, as well as other risks that may presently be unknown to us or which we consider to be immaterial at the time such forward-looking statements are made. As a result of these risks and uncertainties, the Company cannot guarantee that any forward-looking statement will materialize as expected, and the reader is therefore cautioned not to place undue reliance on any forward-looking statements contained in this news release. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement, are made only as of the date of this news release and the Company does not intend to update any of the forward-looking statements contained in this news release except as expressly required by applicable securities laws.



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9/13/2021 9:43:00 AM