



## Press Release

### Lobe Sciences Provides Corporate Update

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April 7, 2025

**VANCOUVER, B.C. -- Lobe Sciences Ltd. ("Lobe" or the "Company") (CSE: LOBE) (OTCQB: LOBEF) (FWB: LOBE.F)**, a commercial stage biopharmaceutical company focused on developing products using lipid technology to treat diseases with significant unmet medical needs is providing a corporate update with respect to certain recent transactions. The Company wishes to provide notice of the following transactions:

- On March 14, 2024, the Company issued C\$678,450 (US\$500,000) principal amount of convertible notes (the "**Notes**"). The Notes were secured against the Company's intellectual property. The security interest has since been released. The Notes bear interest at 10% per annum and mature on March 15, 2027. The Notes are convertible into common shares in the capital of the Company ("**Common Shares**") upon listing of the Common Shares on the Australian Securities Exchange Ltd. or another recognized securities exchange in the United States or Australia (collectively, a "**Designated Stock Exchange**") prior to maturity at any initial public offering price. The Company and the holder of the Notes have agreed to amend the Notes to comply with the policies of the Canadian Securities Exchange (the "**CSE**") and to provide that the conversion price shall be equal to the lowest price permitted by the policies of the CSE.
- On April 4, 2024, the Company issued 16,424,220 Common Shares in settlement of C\$318,782 owing by the Company to Clearway Global, LLC ("**Clearway**"), a related party.
- On May 15, 2024, the Company issued C\$1,462,716 (US\$1,072,609) principal amount of convertible notes (the "**Settlement Notes**") in satisfaction of outstanding accounts payable. The Settlement Notes bear interest at 10% per annum and mature on May 15, 2027. The Settlement Notes are convertible upon a change of control or upon listing of the Common Shares on a Designated Stock Exchange prior to maturity at the greater of: (i) C\$0.024; and (ii) the initial public offering share price, if applicable; provided that in no case shall the conversion price be less than the minimum price permitted under applicable law or the rules of any exchange on which the Common Shares are then listed for trading, which shall be not less than \$0.05 while the Common Shares are listed on the CSE, without the prior consent of the CSE.
- Effective September 1, 2024, the Company entered into a compensation agreement (each, a "**Compensation Agreement**") with each director of the Company providing for the issuance of 7,000,000 Common Shares to each director (the "**Compensation Shares**"). One third of the Compensation Shares were issued upon signing of the Compensation Agreements, one third of the Compensation Shares are to be issued on the one-year anniversary of signing the Compensation Agreements and the remaining Compensation Shares are to be issued on the two-year anniversary of signing the Compensation Agreements.

- On November 13, 2024, the Company issued an aggregate of 10,828,400 Common Shares to a former director, a current officer and Clearway, in settlement of \$246,572 owing to such person.
- On December 12, 2024, the Company issued a convertible note to a private investor for gross proceeds of US\$250,000. The convertible note bears interest at 10% per annum and matures on December 12, 2027. The note is convertible into Common Shares upon completion of a transaction as defined in the convertible note agreement at a 30% discount to the prevailing market price at the time of conversion. The Company and the holder of the convertible note intend to amend the convertible note to comply with the policies of the CSE and to provide that the conversion price shall be equal to the lowest price permitted by the policies of the CSE.
- On December 13, 2024, the Company issued an aggregate of 850,000 Common Shares to a former officer and director in settlement of \$17,000 owing to such person.
- On January 29, 2025, the Company issued an aggregate of 9,413,333 Common Shares to current officers and directors of the Company in settlement of \$188,267 owing to such persons.
- On January 31, 2025, the Company issued 3,500,000 restricted share units to an officer of one of the Company's subsidiaries, with 1/3 of such restricted share units vesting on issuance, and 1/3 vesting on each of the first and second anniversaries of issuance.

In connection with the above transactions, an aggregate of 36,015,952 Common Shares and 3,500,000 restricted share units were issued to "related parties" (within the meaning of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("MI 61-101")), and such issuances were considered "related party transactions" for the purposes of MI 61-101. Such related party transactions are exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as neither the fair market value of the securities issued to the related parties nor the consideration paid by the related parties exceeded 25% of the Company's market capitalization.

The Company also wishes to provide the following corporate update on its current operations:

- The Company continues to make significant progress in its businesses, notably Conjugated Psilocin™ and Altemia. As previously reported, the Company has obtained two patents issued by the US patent office for psilocin mucate (Conjugated Psilocin™). The Company has also filed patent applications in multiple key international pharmaceutical markets as a follow-up step.
- The Company published the results of a key clinical study: "*Phase 1, First-in-Man Clinical Trial and Pharmacokinetics of Psilocin Mucate (L-130)*" in the peer reviewed Journal of Clinical Pharmacology and Therapeutics (2024;5(3):1061.
- The Company has received pre-IND "Investigational New Drug" feedback from the FDA. This key consultative step with the US regulator allows the Company to confirm the steps necessary to complete the pre-clinical program to file and obtain an IND to initiate human

clinical trials. The Company is now actively finalizing the development plan based upon this feedback.

**About Lobe Sciences, Ltd.** - Lobe Sciences, Ltd. is a commercial stage biotechnology company focused on using lipid technology developing solutions for unmet medical needs. Lobe Sciences is developing patented drug candidates to treat chronic cluster headache and innovative medical foods to address deficiencies commonly seen in sickle cell disease (Altemia®).

**Dr. Fred D. Sancilio, CEO**

**Lobe Sciences Ltd.**

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#### Cautionary Statement Regarding "Forward-Looking" Information

*This news release includes certain statements and information that may constitute forward-looking information within the meaning of applicable Canadian securities laws. All statements in this news release, other than statements of historical facts, including statements regarding future estimates, plans, objectives, timing, assumptions or expectations of future performance, including, without limitation: expectations regarding the Company's ability to achieve its current business objectives are forward-looking statements and contain forward-looking information. Generally, forward-looking statements and information can be identified by the use of forward-looking terminology such as "intends" or "anticipates", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should" or "would" or occur.*

*Forward-looking statements are based on certain material assumptions and analysis made by the Company and the opinions and estimates of management as of the date of this press release, including, among other things, that: the Company's planned activities will be able to create shareholder value and address serious unmet medical needs; the Company will continue to pursue its planned research and development activities, that the Company will be able to raise funds among others. These 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 the Company to be materially different from those expressed or implied by such forward-looking statements or forward-looking information. Important risks that may cause actual results to vary, include, without limitation, the risk that: the Company's planned activities will be unable to create shareholder value or address the targeted unmet medical needs; the Company is unable to obtain the desired results from its current research and development activities; and the Company is unable to raise funds or to do so on the timelines anticipated.*

*Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements or forward-looking information,*

*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 and forward-looking information. Readers are cautioned that reliance on such information may not be appropriate for other purposes. The Company does not undertake to update any forward-looking statement, forward-looking information or financial out-look that are incorporated by reference herein, except in accordance with applicable securities laws.*