

FORM 51-102F3
MATERIAL CHANGE REPORT

1. **Name and Address of Company**

Lobe Sciences Ltd. ("**Lobe**" or the "**Company**")
1771 Robson Street, #1641
Vancouver, British Columbia, V6G 3B7

2. **Date of Material Change**

April 11, 2025

3. **News Release**

A press release relating to the material change was disseminated via Access Newswire on April 14, 2025 and was subsequently filed on SEDAR+.

4. **Summary of Material Change**

On April 14, 2025, Lobe announced a non-brokered private placement of shares of Series A-1 Preferred Stock, par value US\$0.01 per share, of Lobe's newly created subsidiary Cynaptec Pharmaceuticals, Inc. ("**Cynaptec**") for initial gross proceeds of US\$6,000,000 (the "**Private Placement**").

5. **Full Description of Material Change**

5.1 **Full Description of Material Change**

On April 14, 2025, Lobe announced the Private Placement, for initial gross proceeds of US\$6,000,000. In connection with the Private Placement, the investor holds an exclusive option to purchase additional shares of preferred stock of Cynaptec for gross proceeds of up to US\$20,000,000. The total gross proceeds, if the option is fully exercised, would total US\$26,000,000.

Cynaptec is a newly created private Delaware corporation which will own and develop the Company's novel drug development candidate Conjugated Psilocin™. Lobe previously announced its intention to spinout Conjugated Psilocin™ to Alera Pharma, Inc., another subsidiary of the Company.

Lobe has now successfully achieved the spinout of Conjugated Psilocin™ to Cynaptec and proceeds from the Private Placement secures funding for Conjugated Psilocin™ to be advanced in accordance with its development plan.

Accordingly, Lobe has transferred to Cynaptec (i) worldwide patents, applications, know-how and other intellectual property covering technology related to Conjugated Psilocin™ and (ii) related commercial contracts (collectively, the "**Transferred IP**"). In consideration for the Transferred IP, Cynaptec issued to Lobe 6,399,900 shares of Common Stock of Cynaptec. Furthermore, Cynaptec and Lobe entered into a shared services agreement pursuant to which Lobe will provide to Cynaptec certain administrative services, regulatory affairs services and financial services.

Pursuant to the Private Placement, Cynaptec issued to the investor 3,600,000 shares of Series A-1 Preferred Stock (the "**Preferred Shares**"), US\$0.01 par value per share, at a purchase price of US\$1.66 per share. The Preferred Shares (i) are entitled to a dividend if and when declared on the Common Stock, (ii) have preference to the Common Stock as it relates to the proceeds from any liquidation, dissolution or winding up of Cynaptec, (iii) are entitled to price-based anti-dilution adjustment protection, and (iv) are initially entitled to exclusively vote for 2 of the 5 members of the board of directors of Cynaptec, as well as other rights generally accorded to preferred stockholders in an early-stage financing. Immediately following the Private Placement, Lobe owns 64% of the issued and outstanding shares of capital stock of Cynaptec. If the option is fully exercised by the investor, the investor would own 68% of the issued and outstanding shares of capital stock of Cynaptec. The aforementioned option is exercisable by the investor within 120 days following (i) Cynaptec's completion of preclinical and Phase 1 Single Ascending Dose ("**SAD**") programs, as well as a Proof of Concept study ("**POC**") to determine if Conjugated Psilocin™ impacts headache frequency, intensity or duration; and (ii) the investor's receipt of final study reports for the SAD programs and the POC for Chronic Cluster Headaches and the investigational new drug enabling studies. The proceeds of the Private Placement will be used to fund additional preclinical research (including IND enabling studies), Phase 1 and Phase 2a clinical studies for Cynaptec's proprietary novel Conjugated Psilocin™. The funds from the additional option up to USD\$20M would be used to support the Phase 3 clinical program in the orphan indication for Chronic Cluster Headache.

5.2 Disclosure for Restructuring Transactions

Not applicable.

6. Reliance on subsection 7.1(2) of the National Instrument 51-102

Not applicable.

7. Omitted Information

No information has been omitted in this material change report on the basis that it is confidential information.

8. **Executive Officer**

The following is the name and business telephone number of an executive officer of the Company who is knowledgeable about the material change and this report.

Dr. Fred D. Sancilio, President
Tel. 561-762-4511

9. **Date of Report**

April 21, 2025

Forward-Looking Statements

This material change report includes forward-looking statements regarding Lobe and its business which may include, but is not limited to, statements with respect to the expected use of the proceeds of the Private Placement and the Company's development plans. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "is expected", "expects", "scheduled", "intends", "contemplates", "anticipates", "believes", "proposes" or variations (including negative 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. Such statements are based on the current expectations of the management of Lobe. The forward-looking events and circumstances discussed in this report may not occur by certain specified dates or at all and could differ materially as a result of known and unknown risk factors and uncertainties affecting Lobe. Although Lobe has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. No forward-looking statement can be guaranteed and actual future results may vary materially. Accordingly, readers are advised not to place undue reliance on forward-looking statements or information. Except as required by applicable securities laws, forward-looking statements speak only as of the date on which they are made and Lobe undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise, other than as required by law.