



CSE: CULT OTCQB: CULTF FRA: LNO

NEWS RELEASE

## CULT Food Science Executes Share Exchange Agreement with Cella Food Systems

*The Company has Followed Up on its Previously Announced Expansion of its IP Portfolio via Multiple Cellular Agriculture Patents, Machine Learning Data and Bioprocess Prototyping Toolkits*

Vancouver, British Columbia – May 6, 2022 / CNW / – CULT Food Science Corp. (“CULT” or the “Company”) (CSE: CULT)(OTCQB: CULTF)(FRA: LNO), an innovative investment platform with an exclusive focus on cellular agriculture that is advancing the development of novel technologies to provide a sustainable, environmental, and ethical solution to the global factory farming and aquaculture crises, is pleased to announce that it has entered into a share exchange agreement (the “Share Exchange Agreement”) dated as of April 27, 2022 with Cella Food Systems Inc. (“Cella”). Under the Share Exchange Agreement, the parties will exchange \$300,000 worth of shares of the respective companies with one another (the “Transaction”). In addition, on closing of the share exchange transaction, the parties will enter into a license agreement (the “License Agreement”) pursuant to which Cella will grant CULT and its affiliates and portfolio companies a 15-year non-exclusive right to use Cella’s intellectual property (“IP”).

Under the Share Exchange Agreement, CULT will issue an aggregate of 1,672,862 common shares of CULT (“CULT Shares”) to Cella at a deemed price of \$0.17933 as determined by the volume-weighted average price of the Company’s common shares over the 15-day period prior to the Transaction, and Cella will issue an aggregate of 30,000 common shares of Cella (“Cella Shares”) to CULT. When issued, the CULT Shares will be subject to a statutory hold period of four months and a day from the date of issuance, and will also be subject to a contractual six month hold period, and the Cella Shares will be subject to an indefinite statutory hold period, because Cella is a private issuer.

The License Agreement will be executed by the parties on closing of the Transaction. As consideration for the license, CULT will pay to Cella a royalty equal to one percent (1%) of the gross revenues received by CULT or its affiliates or portfolio companies from the sale of products incorporating Cella’s IP (the “License Fee”). Under the License Agreement, Cella is required to use the License Fee to further develop its business and IP, including without limitation its registered or provisional patents. The parties will close the share exchange transaction on or about May 9, 2022.

The Share Exchange Agreement follows the Letter of Intent that was previously announced on February 28, 2022 as being executed between the two companies. The Transaction will enable

CULT to accelerate its proprietary, cell-based, product development capabilities via Cella's patent portfolio, machine learning data and prototyping IP toolkits, all while crystalizing turnkey research collaborations and leveraging the methodologies of Cella's accomplished inventors. CULT continues to build defendable moats around its leading cellular agriculture IP, patent and investment platform through the additive commercial arrangement.

The Transaction is designed to accelerate CULT's proprietary cell biology and bioprocess engineering capabilities, as well as complement its existing cell-based investment platform holdings. Further, the Transaction potentially allows for cost savings, increased yields, faster times to market and decentralized cellular agriculture product development across the Company's evolving investment portfolio and IP platform.

### **About Cella Food Systems**

Cella Food Systems ("Cella") is the perfect OS platform for innovative cell-based food companies to advance technologies that can solve the world's biggest food supply challenges, which are being lost in commercialization bottlenecks today. Cella speeds up the development process so that we can find solutions in time to feed our growing population in the near decades.

### **About CULT Food Science**

CULT Food Science Corp. is an innovative investment platform with an exclusive focus on cellular agriculture that is advancing the development of novel technologies to provide a sustainable, environmental, and ethical solution to the global factory farming crisis. The first-of-its-kind in North America, CULT Food Science aims to provide individual investors with unprecedented exposure to the most innovative start-up, private or early-stage cultivated meat and cultured dairy companies around the world.

Additional information can be found by viewing the Company's website at [www.cultfoodscience.com](http://www.cultfoodscience.com) or its regulatory filings on [www.sedar.com](http://www.sedar.com).

**The CSE has neither approved nor disapproved the contents of this news release. Neither the CSE nor its Market Regulator (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release.**

On behalf of the Board of Directors of the Company,

### **CULT FOOD SCIENCE CORP.**

"Leify Gafour"

Leify Gafour, Chief Executive Officer

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## **Forward-Looking Information**

Information set forth in this news release may involve forward-looking statements. Forward-looking statements are statements that relate to future, not past, events. In this context, forward-looking statements often address a company's expected future business and financial performance, and often contain words such as "anticipate", "believe", "plan", "estimate", "expect", and "intend", statements that an action or event "may", "might", "could", "should", or "will" be taken or occur, or other similar expressions. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include but are not limited to the following risks: those associated with marketing and sale of securities; the need for additional financing; reliance on key personnel; the potential for conflicts of interest among certain officers or directors with certain other projects; and the volatility of common share price and volume. Forward-looking statements are made based on management's beliefs, estimates and opinions on the date that statements are made and except as required by law, the Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change. Investors are cautioned against attributing undue certainty to forward-looking statements. For further information on risk, investors are advised to see the Company's MD&A and other disclosure filings with the regulators which are found at [www.sedar.com](http://www.sedar.com).

**SOURCE: CULT Food Science Corp.**