

Britannia Announces Partial Repayment and Extension of Sellers' Note Agreement

- Britannia pays down vendor loan with £1.7mm of funds on hand
- Extends vendor note into 2022 to facilitate due diligence timeline for new debt facility
- Britannia commits to an additional 10% interest in operating subsidiary

Toronto, Ontario--(Newsfile Corp. - January 5, 2022) - Britannia Life Sciences Inc. (CSE: BLAB) ("**Britannia**") is pleased to announce that it has entered into an agreement with the vendors of Advanced Development and Safety Laboratories ("**ADSL**"), a 60%-owned operating subsidiary of Britannia (each a "**Noteholder**", collectively the "**Noteholders**"), to extend the maturity date of the sellers' note agreement between Britannia Bud Canada Holdings Inc., a wholly-owned subsidiary of Britannia, and the Noteholders (the "**Sellers' Note**") to February 28, 2022, to facilitate the credit approval process related to a new debt facility.

On December 23, 2021, Britannia repaid £1,551,032.57 in principal amount owing under the Sellers' Note, plus accrued interest, to the Noteholders.

Britannia is currently in the due diligence phase with new lenders with respect to a debt facility which is expected to provide a minimum of £5 million to fund the repayment of the Sellers' Note and acquire a minimum of an additional 10% interest in ADSL. Britannia expects the credit process to be completed in 6 to 8 weeks. In order to allow time for Britannia to complete the credit process, the Noteholders have agreed to extend the maturity date of the Sellers' Note to February 28, 2022.

As consideration for facilitating the extension of the Seller's Note, Britannia issued 3,000,000 common shares of Britannia ("**BLAB Shares**") to Mark Bowes-Cavanagh.

Mark Bowes-Cavanagh, Chief Technical Officer of Britannia, is a "related party" of Britannia within the meaning of Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). As such, the extension of the Sellers' Note and the issue of the common shares in satisfaction of the extension fee, each constitute a "related party transaction" within the meaning of MI 61-101. Pursuant to MI 61-101, Britannia will file a material change report providing disclosure in relation to the "related party transaction" on SEDAR under Britannia's issuer profile at www.sedar.com. Britannia did not file the material change report more than 21 days before the expected closing date of the issuance as the details of the issuance to Mr. Bowes-Cavanagh were not settled until shortly prior to the issuance, and Britannia wished to close the issuance on an expedited basis for sound business reasons. Britannia is relying on the exemptions from the formal valuation and minority approval requirements under MI 61-101. Britannia is exempt from the formal valuation and minority approval requirements of MI 61-101 in reliance on sections 5.5(a) and 5.7(1)(a) of MI 61-101 as the fair market value of the transaction, insofar as it involves related parties, is not more than the 25% of Britannia's market capitalization.

Required Early Warning Report Disclosure

Following the issuance, Mr. Bowes-Cavanagh has beneficial ownership or control, directly or indirectly, over an aggregate of 18,600,000 BLAB Shares and 1,960,000 options, representing approximately 11.5% of the issued and outstanding BLAB Shares on an undiluted basis immediately following the Issuance (approximately 12.6% on a partially diluted basis). At the time of the last early warning report filed by the Mr. Bowes-Cavanagh, Mr. Bowes-Cavanagh held beneficial ownership or control, directly or indirectly, over 15,600,000 BLAB Shares, representing approximately 10% of the issued and outstanding BLAB Shares on an undiluted basis. The total dollar value of the issuance based on the closing market price of \$0.18 per BLAB Share on the day preceding the issuance is \$540,000.00. An early warning report will be filed by Mr. Bowes-Cavanagh in respect of Britannia with applicable

Canadian securities regulatory authorities. A copy of the early warning report filed by Mr. Bowes-Cavanagh will be available on SEDAR (www.sedar.com) under Britannia's issuer profile or may be requested from Britannia using the contact information below.

As of the date of this news release, Mr. Bowes-Cavanagh is not aware of any plans nor has any future intentions which would relate to or result in any of items (a) to (k) described in Item 5 of Form 62-103F1.

About Britannia Life Sciences Inc.

Britannia Life Sciences Inc. is a global platform offering an integrated suite of services to assist companies along their product development journey. Britannia's services, including product formulations, safety assessments, analytical and microbiological testing, global compliance and consumer evaluations are offered to companies ranging from multinationals to startups particularly in the cosmetics, food and wellness industries. Britannia has garnered significant expertise in the development and regulatory approval of topical and edible cannabis products, including preparation and support for novel food authorizations.

Britannia's head office is located at 120 Adelaide Street West, Suite 2400, Toronto, Ontario, M5H 1T1.

For further information about Britannia Life Sciences Inc., please contact:

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Cautionary Note Regarding Forward-Looking Information

Certain statements contained in this news release may be deemed "forward-looking statements" within the meaning of applicable Canadian securities laws. These forward-looking statements, by their nature, require Britannia to make certain assumptions and necessarily involve known and unknown risks and uncertainties that could cause actual results to differ materially from those expressed or implied in these forward-looking statements. Forward-looking statements are not guarantees of performance. Words such as "may", "will", "would", "could", "expect", "believe", "plan", "anticipate", "intend", "estimate", "continue", or the negative or comparable terminology, as well as terms usually used in the future and the conditional, are intended to identify forward-looking statements. Information contained in forward-looking statements, including future prospects in the laboratory services and product development industry, is based upon certain material assumptions that were applied in drawing a conclusion or making a forecast or projection, including management's perceptions of historical trends, current conditions and expected future developments, public disclosure from peer companies, as well as other considerations that are believed to be appropriate in the circumstances. Britannia consider its assumptions to be reasonable based on information currently available, but cautions the reader that their assumptions regarding future events, many of which are beyond Britannia's control, may ultimately prove to be incorrect since they are subject to risks and uncertainties that affect Britannia, and its business.

For additional information with respect to these and other factors and assumptions underlying the forward-looking statements made in this news release concerning Britannia, see the Listing Statement available electronically under Britannia's issuer profile on SEDAR (www.sedar.com). The forward-looking statements set forth herein concerning Britannia reflect management's expectations as at the date of this news release and are subject to change after such date. Britannia disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, other than as required by law.

The CSE has neither approved nor disapproved the contents of this news release.



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