

Albert Labs announces Strategic Investment from Cantheon Capital LLC for First In-Human Trials

Highlights:

- Cantheon Capital, one of the largest global pharmaceutical psychedelics venture capital firms, sign terms for ~CA\$830,000 (£500,000) of funding to Albert Labs, allocated towards its first in-human clinical trials in 2023
- Albert Labs is nearing their first in-human studies on its primary drug candidate, KRN-101, a psilocybin-based, natural pharmaceutical product
- Albert Labs' first human trials, due to commence in Q2 2023, will be carried out in partnership with industry leading clinical research partner, iGENU CRO as previously [announced](#). The trials will take place in Australia, providing the Company with the additional benefit of access to a 43.5% cash reimbursement on all eligible related costs equating to a further benefit of ~CA\$1.2 million
- Albert Labs [recognised in Canadian Venture](#) for "Revolutionizing Mental Health Drug Development"

VANCOUVER, BC, March 28, 2023 /CNW/ - [Albert Labs International Corp.](#) (CSE: ABRT), the "Company" or "Albert Labs"), a fully-integrated biopharmaceutical company bringing innovative prescription medicines to patients with unmet mental health needs, has announced a strategic investment from prominent psychedelic pharmaceutical investment fund, [Cantheon Capital LLC](#) ("Cantheon Capital").



investment, fund, mental health, psychedelics, research, clinical trials. (CNW Group/Albert Labs International Corp.)

On 23 March 2023, the Company entered into an agreement which sees Cantheon Capital sign funding terms for ~CA\$830,000 (£500,000) of Convertible Debentures to support financing of Albert Labs' forthcoming clinical trials in 2023.

Cantheon Capital's investment mandate is focussed on pharmaceutical companies with near term catalysts for high-value generation, deploying capital to support with achieving major drug development milestones.

This investment comes on the cusp of the third major milestone for Albert Labs. The first, an extensive drug discovery programme, the second, the completion of pre-clinical studies, and the third, to be commenced shortly, being KRN-101 administered to humans for the first time.

KRN-101 is an IP-protected, psilocybin-based pharmaceutical product, for which Albert Labs will seek regulatory approval across global medical regulatory jurisdictions.

This investment will be entirely allocated towards Albert Labs' first in-human studies, to be conducted by iNGENU in Australia, which are [due to take place in Q2 2023](#).

- From commencement to completion (including clinical outputs), the study will run for 3-months
- The study will cost a total of ~CA\$2.7 million, and will be funded through:
 - Cantheon Capital investment of: ~CA\$830,000
 - [Australian Government R&D rebate](#) (43.5% of eligible costs): ~CA\$1.2 million
 - Albert Labs cash contribution: ~CA\$670,000
- Upon completion KRN-101 will be validated as a safe pharmaceutical product
- This study will enable submissions for late-stage Real World Evidence trials in the United Kingdom and the United States, pursuing Special Access Programs' and accelerated licensing

Aaron Ray, General Partner of Cantheon Capital, commented: "We are pleased to partner with Albert Labs and excited by what we see as a huge growth proposition for 2023. First in-human studies are significant for any early-stage pharmaceutical company. Reaching this milestone is reflective of the incredible amount of work that has gone into delivering KRN-101. The company will benefit greatly from carrying out these trials in Australia with iNGENU, the leading CRO for the burgeoning entheogen drug development space.

Beyond the investment itself, we look forward to supporting the company with our deep expertise in pharmaceutical research and commercialization. We are highly selective in the companies we choose to invest into but in the case of Albert Labs, we were attracted by their ability to accelerate product through the regulatory channels and clinical trials pathways to hasten the timeline to commercialization."

Dr. Michael Raymont, CEO of Albert Labs, stated: "We are delighted to come to this agreement with Cantheon Capital, one of the most sophisticated later stage psychedelics venture capital firms in the world, and feel it serves as a real statement of confidence in our growth as a company and the upside potential of our product that will help improve the lives of millions of patients globally. We are a differentiated offering within the industry, holding extensive intellectual property protection and a unique regulatory strategy focussed on speed to market. We look forward to building upon the significant progress to date with some key clinical milestones in the year ahead."

Further to the announcement of this investment, Albert Labs has been [recognised in Canadian Venture](#) for "Revolutionizing Mental Health Drug Development".

Canadian Venture commented:

- "Albert Labs is a leading pharmaceutical drug development company that is revolutionizing mental health drug development."
- "It's team of experts leverage advanced culture technology and natural extraction, coupled with a comprehensive regulatory approach, to accelerate the development of mental health drugs."

Are you an Albert Labs investor yet? Let's talk.

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Convertible Debentures

Cantheon Capital has signed terms with Albert Labs for an aggregate investment of GB£500,000 (~CA\$830,000), provided in two (2) tranches, relating to their upcoming first in-human clinical trials. The tranches of the Convertible Debentures will be triggered by the commencement and first dosing events in the trials, which will evaluate Albert Labs' proprietary psilocybin-based pharmaceutical product, KRN-101.

The Convertible Debenture conversion price, if executed, shall be at a 20% discount to the closing price of the Company's common stock 20-day VWAP trading average, as quoted on the Canadian Securities Exchange ("CSE") the effective day of the Convertible Debenture, subject to a minimum of \$0.05 (the "Conversion Price"). They include a 10% interest rate paid in cash annually in arrears, with an option to pay at the Company's election within the first 6 months of closing, subject to a 3% prepayment penalty. The Convertible Debentures include 100% warrant cover, exercisable at the same conversion price as the common shares upon issue, as approved by the CSE. In accordance with the terms, the conversion price per Common Share shall be adjusted to ensure that Cantheon and its affiliates shall not beneficially own, or have control or direction over, Common Shares in excess of 19.99% of the number of Common Shares issued and outstanding immediately after giving effect to the issuance of Common Shares issuable under the applicable tranche.

Completion of the Convertible Debentures remain subject to the final agreement and regulatory approvals, including from the CSE.

Business of Albert Labs International Corp.

Albert Labs is a fully-integrated biopharmaceutical company bringing innovative prescription medicines to patients with unmet mental health needs. Its team of experts leverage advanced culture technology and natural extraction, coupled with a comprehensive regulatory approach, to accelerate the development of mental health drugs, for which patient needs are both urgent and unmet. Albert Labs looks to develop solutions through an approved, fast-track clinical pathway focusing on Real World Evidence (RWE). RWE studies are a recognised clinical pathway, heavily used in oncology and recently, in the successful development of COVID-19 vaccines.

Through collaborations with research institutions, hospital centres and government agencies, Albert Labs uses existing clinical infrastructure to deliver and improve patient access to its treatment. Albert Labs' first drug target, KRN-101, is a potential solution for cancer-related anxiety, a market of over 15 million people with roughly 1 million new sufferers each year. From this initial focus, Albert Labs will address broader mental health concerns, reported to affect over a billion people worldwide.

The company's goal is to deliver effective medicines to those who suffer with their mental health in the shortest possible time without compromising safety and/or quality, while also providing significant returns to shareholders.

Albert Labs (CSE: ABRT) (FSE: VB50) is publicly [listed on the Canadian Securities Exchange \(CSE\)](#)

You can find more details about Albert Labs on our website [here](#).

ON BEHALF OF THE BOARD OF DIRECTORS

Albert Labs International Corp.

Dr. Michael Raymont

Chief Executive Officer, Chairman


Cautionary Statement

This news release includes forward-looking statements that are subject to assumptions, risks, and uncertainties. Statements in this news release that are not purely historical are forward-looking statements, including without limitation any statements concerning the Company's intentions, plans, estimates, beliefs, or expectations regarding the future. Although the Company believes that any such intentions, plans, estimates, beliefs, and expectations in this news release are reasonable, there can be no assurance that any such intentions, plans, beliefs, and expectations will prove to be accurate.

The Company cautions readers that all forward-looking statements, including without limitation those relating to the Company's future operations and business prospects, are based on assumptions none of which can be assured, and are subject to certain risks and uncertainties that could cause actual events or results to differ materially from those indicated in the forward-looking statements. Readers are advised to rely on their evaluation of such risks and uncertainties and should not place undue reliance on forward-looking statements.

Any forward-looking statements are made as of the date of this news release, and the Company assumes no obligation to update the forward-looking statements or to update the reasons why actual events or results could or do differ from those projected in the forward-looking statements. The Company assumes no obligations to update any forward-looking statements, whether as a result of new information, future events, or otherwise unless required by the applicable securities laws.

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