



CSE: COOL
OTC: CLABF
Frankfurt: LD62, WKN: A14XHT

Core One Labs Completes Acquisition of Vocan Biotechnologies Inc.

Vancouver, British Columbia, Canada – December 31, 2020 – **Core One Labs Inc.** (CSE: COOL), (OTC: CLABF), (Frankfurt: LD62, WKN: A2P8K3) (the “**Company**”) is pleased to announce that, further to its press release of December 24, 2020, it has completed the acquisition (the “**Transaction**”) of all of the outstanding share capital of Vocan Biotechnologies Inc. (“**Vocan**”) effective December 31, 2020.

Vocan is a Canadian-based genetic engineering and biosynthesis research firm developing a proprietary low cost production method to biosynthesize GMP (good manufacturing practices) API-grade psilocybin. Utilizing a Health Canada-certified Controlled Drugs and Substances Dealer's Licence, Vocan's fully operational research laboratory in Victoria, BC is seeking to begin Stage 1 production in early 2021.

Vocan's mission is to use science and proprietary technology to advance the knowledge of natural-based medicines for the treatment of mental health illnesses, and addictions. Vocan's team of scientists, specializing in protein expression and biosynthetic fermentation, have discovered a patentable method of producing psilocybin, the active ingredient in psychotropic mushrooms. This technology will enable the production of GMP (good manufacturing practices) API-grade psilocybin, which can be used by pharmaceutical companies, API manufacturers and medical research organizations conducting clinical trials. Vocan's management expects that the unique optimized DNA (deoxyribonucleic acid) construct and producer strain will allow for efficient, cost-effective commercial scale production. Psilocybin production methods developed by Vocan's innovative technology will allow access to affordable GMP API-grade psilocybin.

Vocan's team of high-calibre scientists includes Dr. Robert E.W. Hancock OC, OBC, FRSC, a Canada Research Chair holder in Health and Genomics, a Director of the Centre for Microbial Diseases and Immunity Research and a holder of the Order of Canada for his contributions in these and other fields.

ACQUISITION PROVIDES CORE ONE LABS FULLY OPERATIONAL LABORATORY AND ACCESS TO CONTROLLED DRUGS AND SUBSTANCES DEALER'S LICENSE

The market for psychedelic derived medicines and therapies is estimated to be as high as USD\$300 billion worldwide. Over the past decade, growing societal awareness and acceptance of mental disorders and addiction as real diseases has accelerated the push for new and innovative treatments using psychedelics, including psilocybin. According to a study published in the Journal of Clinical Psychiatry, treatment-resistant depression (TRD) cost employers upwards of \$48 billion each year in the US alone.¹ This cost is a result of direct increases in health care costs for the employer and both a decrease in

¹ Mrazek DA et al. Psychiatr Serv. 2014;65(8):977-987.

productivity and an increase in absenteeism of employees who suffer from TRD. The potential for psilocybin products extends beyond just the existing market for anti-depressant drugs. Psilocybin has also demonstrated therapeutic benefits that ease existential anxiety in those with terminal diseases and alcoholism. Alcohol dependence places third in a list of preventable deaths in the US alone, costing the country \$249 billion in 2010.²

“The acquisition of Vocan gives the Company all the necessary licensing and research facilities to continue the development of psilocybin as an alternative therapy. Vocan’s leading research team, led by Dr. Hancock, combined with its intellectual property to produce and patent biosynthesized API grade psilocybin, positions Core One as a leader in the psychedelic space. If Vocan can produce psilocybin at scale, it has the potential to provide products at a lower cost than every other company, disrupting the entire industry.

The addition of Vocan positions the Company as a vertically integrated industry leader, with production facilities, patient access and proprietary delivery methods,” stated Joel Shacker CEO of the Company.

Transaction Structure

The Transaction was completed pursuant to a share purchase agreement among the Company, Vocan and the shareholders of Vocan (the “**Definitive Agreement**”) dated December 23, 2020. Pursuant to the Definitive Agreement, and in consideration for the acquisition of Vocan, Core One issued (i) 23,500,000 common shares (the “**Consideration Shares**”); and (ii) 4,000,000 common share purchase warrants (the “**Consideration Warrants**”) entitling the holders to acquire a further 4,000,000 common shares of Core One for \$0.30 per share.

In addition to the Consideration Shares and the Consideration Warrants, the existing shareholders of Vocan are entitled to receive a bonus of up to 5,000,000 common shares of Core One (the “**Bonus Shares**”). The Bonus Shares will be issuable in two tranches, of which 2,500,000 will be issuable upon the successful synthesis of psilocybin, and a further 2,500,000 will be issuable upon the filing of a patent for such synthesis method in at least one jurisdiction.

The Consideration Shares are subject to a voluntary pooling agreement from which:

- (a) ten (10%) percent will be released upon completion of the Transaction;
- (b) a further fifteen (15%) percent will be released on April 31, 2021;
- (c) a further fifteen (15%) percent will be released on June 30, 2021; and
- (d) a further ten (10%) percent of the Consideration Shares will be released on July 31, 2021, and then a further ten (10%) percent on each successive

² Sacks, J.J.; Gonzales, K.R.; Bouchery, E.E.; et al. 2010 national and state costs of excessive alcohol consumption. *American Journal of Preventive Medicine* 49(5):e73–e79, 2015. PMID: 26477807

monthly anniversary thereafter, such that all Consideration Shares shall be released from the resale restrictions on December 31, 2021.

The Company is at arms-length from Vocan and its shareholders. The Transaction neither constitutes a fundamental change nor a change of business for the Company, nor has it resulted in a change of control of the Company within the meaning of applicable securities laws and the policies of the Canadian Securities Exchange. In connection with the completion of the Transaction, the Company has issued 235,000 common shares to an arms-length third-party who assisted with facilitating the Transaction.

About Core One Labs Inc.

Core One Labs Inc. is a research and technology company focused in life sciences and on bringing psychedelic medicines to market through novel delivery systems and psychedelic assisted psychotherapy. The Company has developed a patent pending thin film oral strip (the “technology”) which dissolves instantly when placed in the mouth and delivers organic molecules in precise quantities to the bloodstream, maintaining excellent bioavailability. With this technology, the Company intends to further develop its IP technology to focus on delivering psychedelic molecules with an initial focus on psilocybin. Core One also holds an interest in walk-in medical clinics which maintain a database of over 200,000 patients combined. Through research and development in these clinics, including the integration of its intellectual property related to psychedelic treatments and novel drug therapies, the Company intends to work towards regulatory approval for research that advances psychedelic-derived treatments for mental health disorders.

Core One Labs Inc.

Joel Shacker
Chief Executive Officer

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Cautionary Disclaimer Statement:

The Canadian Securities Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of the content of this news release.

Information set forth in this news release contains forward-looking statements that are based on assumptions as of the date of this news release. These statements reflect management’s current estimates, beliefs, intentions and expectations. They are not guarantees of future performance. The Company cautions that all forward looking statements are inherently uncertain and that actual performance may be affected by a number of material factors, many of which are beyond the Company’s control. Such factors include, among other things: risks and uncertainties relating to the Company’s limited operating history and the need to comply with environmental and governmental regulations. In addition, marijuana remains a Schedule I drug under the United States Controlled Substances Act of 1970. Although Congress has prohibited the US Justice Department from spending federal funds to interfere with the implementation of state medical marijuana laws, this prohibition must be renewed each year to remain in effect. Accordingly, actual and future events, conditions and results may differ materially from the estimates, beliefs, intentions and

expectations expressed or implied in the forward-looking information. Except as required under applicable securities legislation, the Company undertakes no obligation to publicly update or revise forward-looking information. In addition, psilocybin is currently a Schedule III drug under the Controlled Drugs and Substances Act (Canada) and it is a criminal offence to possess substances under the Controlled Drugs and Substances Act (Canada) without a prescription. Health Canada has not approved psilocybin as a drug for any indication. Core One Labs Inc. does not have any direct or indirect involvement with illegal selling, production, or distribution of psychedelic substances in jurisdictions in which it operates. While Core One Labs Inc. believes psychedelic substances can be used to treat certain medical conditions, it does not advocate for the legalization of psychedelics substances for recreational use. Core One Labs Inc. does not deal with psychedelic substances, except within laboratory and clinical trial settings conducted within approved regulatory frameworks.