



CSE: COOL
OTC: CLABF
Frankfurt: LD62, WKN: A2P8K3

Core One Labs Completes Sale of Non-Core Assets

Vancouver, British Columbia, Canada – January 15, 2021 – **Core One Labs Inc.** (CSE: COOL), (OTC: CLABF), (Frankfurt: LD62, WKN: A2P8K3) (the “**Company**” or “**Core One**”) is pleased to announce that further to its October 30, 2020 press release, the Company has completed the sale of certain of its non-core assets and subsidiaries in California for CAD\$3,000,000 plus the assumption of approximately USD\$4,000,000 in related liabilities.

The completion of this sale allows the Company to focus its core business on the continued development of psychedelic alternative medicines and experiential therapies, and its CannaStrip™ delivery technology.

The Company’s goal is to use its proprietary technologies to advance natural-based medicines for the treatment of mental health illnesses and addiction. Core One’s team of leading scientists, specializing in protein expression and biosynthetic fermentation, have developed a patentable method of producing psilocybin that will afford the Company the ability to manufacture consistent high-quality GMP API psilocybin at scale, and provide pharmaceutical companies, API manufacturers and medical research organizations conducting clinical trials, access to product at a significantly lower cost than other psilocybin-producing companies.

In consideration for the acquisition of the Assets (as defined below), the purchaser will complete a series of cash payments to the Company totaling CAD\$3,000,000 and will assume responsibility for all outstanding liabilities and obligations of Reveur Holdings Inc., Core, CSPA, LDS Agrotech Inc., LDS Scientific Inc., Agrotech LLC and LDS Development Corp., including all continuing employment obligations and certain additional liabilities of the Company associated with these assets. The total value of the assumed liabilities is approximately USD\$4,000,000.

The assets being sold are composed of the following:

- all of the issued and outstanding share capital of Rêveur Holdings Inc. (“**Rêveur**”), a California corporation, including its principal assets which are all of the issued and outstanding share capital of Core Isogenics Inc. (“**Core**”), a California corporation, and CSPA Group, Inc. (“**CSPA**”), a California corporation;
- all of the issued and outstanding share capital of LDS Agrotech Inc. (“**AgroCo**”), a Nevada corporation, held by Core One which represents 75% of the outstanding share capital of AgroCo;

- all of the issued and outstanding share capital of LDS Scientific Inc. (“**SciCo**”), a Nevada corporation, held by Core One which represents 75% of the outstanding share capital of SciCo;
- the membership interest in Agrotech LLC (“**AgroLLC**”), a California limited liability company, held by Core One which represents a fifty percent 50% membership interest in AgroLLC;
- all of the issued and outstanding share capital of LDS Development Corporation (“**DevCo**”), a California corporation, except for all tangible and intangible assets of DevCo related to the manufacturing and distribution of “CannaStrips” including all associated intellectual property and manufacturing equipment (the “**Excluded Assets**”); and
- all tangible and intangible assets currently being held by and utilized by Rêveur, Core, CSPA and DevCo, including, without limitation, all existing contracts, leases, client files, client billing records, vendor records, furniture, fixtures, equipment, employee files, employee time records, and other information customary for the cultivation, manufacturing and distribution of cannabis and cannabis related products, but excluding the Excluded Assets.

(collectively, the “**Assets**”)

“The completion of this sale eliminates monthly expenses related to the operation in Adelanto, California and provides the Company with increased working capital. This increased working capital will allow us to focus resources on the development of psychedelics as alternative medicines, which we believe will have a significant and positive impact on the future of those suffering from mental illness and addictions.” stated Joel Shacker CEO of the Company.

In connection with the completion of the Asset sale, the Company has issued 350,000 common shares to two arms-length third-parties who assisted with facilitating such sale. These shares will be subject to a hold period of four months and one day.

Also in connection with the divestment of the Adelanto assets, the Company announces the resignation of Mr. Casey Fenwick as President of Core One. The Company wishes to thank Mr. Fenwick for his service, and much success in his future endeavours.

The Company further announces that it intends to settle \$74,000.00 in outstanding indebtedness to an arms-length party through the issuance of 88,095 common shares at a price of \$0.84 per share. The shares issued under the debt settlement will be subject to a hold period of four months and one day from the date of issuance.

Finally, the Company announces that it intends to grant up to 6,720,000 incentive stock options (the “Options”) to certain directors, officers, employees and consultants of the Company. The Options are exercisable at a price of \$1.05 for a period of three years

from the date of grant. The Company's Stock Option Plan governs these incentive options, as well as the terms and conditions of their exercise, which is in accordance with policies of the Canadian Securities Exchange.

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.