



Aion Therapeutic Announces Intellectual Property Sale And Management and Board Changes

TORONTO, ONTARIO – June 30, 2022 – Aion Therapeutic Inc. (CSE: AION) (“Aion Therapeutic” or the “Company”) announced today that it has sold four patent applications and all associated supporting data to Apollon Formularies PLC (“**Apollon**”), a UK based international pharmaceutical company listed for trading on the Aquis Stock Exchange (AQSE: APOL). Furthermore, Dr. Stephen D. Barnhill has resigned as a Director of Aion Therapeutic and Dr. Herbert Fritsche has resigned as Chief Science Officer of Aion Therapeutic.

Under the terms of an asset purchase agreement (the “**APA**”), the Company has sold four patent applications, and all associated supporting data to Apollon (collectively, the “**Intellectual Property**”) as detailed below:

- Compositions and Methods for Treatment of Cancers;
- Compositions and Methods for Treatment of Inflammation;
- Methods for Treatment of Human Cancers Using Mushroom Compositions; and
- Methods for Treatment of Human Cancers Using Cannabis Compositions.

In consideration for the Intellectual Property, Apollon has (i) issued to Aion Therapeutic an aggregate of 4,348,679 common shares of Apollon at a deemed price of £0.066 per share; and (ii) agreed to pay to Aion Therapeutic an indefinite royalty fee of 4% of the global net revenue generated by the Intellectual Property (the “**Royalty**”). The Royalty is payable quarterly in arrears, commencing upon the first commercial product sales utilizing the Intellectual Property.

The Company has retained the following patent applications:

- Compositions and Methods for Treatment of Psychoses and Psychotic Disorders;
- Compositions and Methods for Promoting Weight Loss and for Treatment of Obesity;
- Antiviral Compositions and Methods for Their Use;
- Compositions For Treatment of Interstitial Cystitis and Other Bladder Disease;
- Cannabis Compositions and Emulsions; and
- Cannabis Compositions and Nanoemulsions.

Graham Simmonds, Chief Executive Officer of Aion Therapeutic, stated, “The Company has sold its intellectual property to Apollon associated with the treatment of cancer and inflammation which will

allow Aion Therapeutic to focus on product development and intellectual property development related to a range of innovative plant-based wellness products including cannabinoids and functional mushrooms in Jamaica and North America. Aion Therapeutic also continues to be a long-term believer in the potential of psilocybin mushrooms and other psychedelic ingredients in the areas of mental health and wellness treatments and will leverage the regulatory landscape and its presence in Jamaica to drive forward operation of Aion International Center for Psychedelic Psychiatry.”

This repositioning of the Company’s assets will provide for a more streamlined approach to the commercialization of functional wellness-based products and treatments while still having shareholders benefiting through Royalties and stock ownership from Apollon’s focus on the treatment of cancer and inflammation.

The APA was unanimously approved by all disinterested directors of the Company. Dr. Barnhill is the Chairman and Chief Executive Officer of Apollon and abstained from voting to approve the APA.

Furthermore, the Company announced that Dr. Stephen D. Barnhill has resigned as a Director of Aion Therapeutic and from all subsidiary level appointments, and Dr. Herbert Fritsche has resigned as Chief Science Officer of Aion Therapeutic, with both resignations effective June 30, 2022. The Company would like to thank Dr. Barnhill and Dr. Fritsche for their respective contributions and wish them success in their future endeavors.

In connection with Dr. Barnhill’s resignation, Aion Therapeutic has issued an aggregate of 5,500,000 common shares of the Company at a deemed price of \$0.05 per share to settle all amounts owing by Aion Therapeutic and its subsidiaries to Dr. Barnhill (the “**Settlement Transaction**”). The common shares issued to Dr. Barnhill are subject to a statutory hold period of four months plus a day from the date of issuance in accordance with applicable securities legislation, and such further restrictions as apply under foreign securities laws.

The Settlement Transaction constituted a “related party transaction” as defined in Multilateral Instrument 61-101 – *Protection of Minority Securityholders in Special Transactions* (“**MI 61-101**”), as Dr. Barnhill was a director of Aion Therapeutic at the time of the Settlement Transaction and acquired an aggregate of 5,500,000 common shares of the Company. The Company is relying on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(a) and 5.7(1)(a), respectively, of MI 61-101, as the fair market value of the common shares issued to Dr. Barnhill does not exceed 25% of the market capitalization of the Company, as determined in accordance with MI 61-101. The Company did not file a material change report in respect of the related party transaction at least 21 days before the closing of the transaction, which the Company deems reasonable in order to complete the Settlement Transaction in an expeditious manner. The Settlement Transaction was unanimously approved by all disinterested directors of the Company.

About Aion Therapeutic Inc.

Aion Therapeutic Inc. through its wholly-owned subsidiary, AI Pharmaceuticals Jamaica Limited, is in the business of research and development, treatment, data mining and state-of-the-art artificial intelligence (machine learning) techniques, focused on the development of combinatorial pharmaceuticals,

nutraceuticals and cosmeceuticals utilizing compounds from cannabis (cannabinoids), psychedelic mushrooms (psilocybin), fungi (edible mushroom), natural psychedelic formulations (Ayahuasca), and other medicinal plants in a legal environment for this type of discovery. In addition, Aion Therapeutic is creating a strong international intellectual property portfolio related to its discoveries.

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