

Greenstar Biosciences Signs Agreement to Acquire 100% of Eleusian Biosciences Corp.

Strategic acquisition by GreenStar to add innovative company focused on the development of effective therapeutics using psychedelic medicine

Vancouver, British Columbia--(Newsfile Corp. - June 16, 2020) - GreenStar Biosciences Corp. (CSE: GSTR) (OTC Pink: GTSIF) ("**GreenStar**" or the "**Company**"), is pleased to announce that it has signed a non-binding letter of intent dated June 12, 2020 (the "**Agreement**") to acquire 100% of Eleusian Biosciences Corp. ("**Eleusian**") (the "**Transaction**") through the issuance of common shares of GreenStar.

Transaction Highlights:

- Brings seasoned pharmaceutical leader and executive to GreenStar: Maghsoud Dariani, Eleusian's Chief Science Officer to join GreenStar's executive team as Chief Science Officer
- Eleusian expands GreenStar's portfolio of brands in the life sciences space, opening access to the emerging psychedelic medicine sector
- Provides development opportunities with brain health and mental wellness - pre-clinical studies in progress to lead to IND submission
- Expands intellectual property portfolio with two provisional patent applications filed by Eleusian in the United States

Eleusian is a private Toronto-based company focused on the development of medical devices and therapeutics for specific diseases. It has filed two provisional patent applications, one for a nasal mist transducer medical device and a second for a combination therapy of psilocybin (the active ingredient of psychedelic mushrooms) and N-Acetylcysteine ("**NAC**"). It is collaborating with a multidisciplinary team of scientists and physicians at the Miller School of Medicine at the University of Miami to develop effective therapeutics for the treatment of mild traumatic brain injury/concussion ("**mTBI**") with post-traumatic stress disorder ("**PTSD**"), or PTSD alone, using psilocybin and NAC. NAC has been shown to be safe and efficacious in a phase I human clinical study treating military personnel who had suffered mTBI. The initial research focus is to demonstrate the efficacy of the combination of psilocybin and NAC in the treatment of mTBI with PTSD in established rodent models. The research team at the Miller School of Medicine has a license from the United States Drug Enforcement Administration to conduct research using Schedule I controlled substances, which include psilocybin.

Eleusian is currently in the process of seeking strategic partners to build the prototype of its nasal mist transducer. It expects to test the prototype in collaboration with the Miller School of Medicine using its combination therapy. It is also exploring other areas of the health and wellness space in which it may be able to provide potential consumer products that will help with brain health and mental wellness.

The Eleusian management team includes seasoned capital markets and life sciences executives. CEO and Director, Jonathan Gilbert, had a successful prior exit in the psychedelic space, was the CEO of Scythian Biosciences, Inc., a publicly traded research and development company focusing on the prevention and treatment of concussions and traumatic brain injury using a proprietary cannabinoid combination, as well as experience in strategic investments and partnerships related to the cultivation, distribution and retail sale of legal cannabis. Maghsoud Dariani, Chief Science Officer, brings years of expertise with life sciences companies. He is currently also President and CEO of Semorex Inc., a privately held company focused on the discovery and development of novel therapeutics for cancer. Prior to joining Semorex, Mr. Dariani was President of Focus Pharmaceuticals, Inc., where he managed the development and approval of drug products, achieving one FDA approval and bringing another to the clinical evaluation stage, then successfully negotiated the sale of the company in February 2003. Prior to Focus, Mr. Dariani was Vice President of the chiral pharmaceutical business unit at Celgene Corporation. During his twelve years at Celgene, Mr. Dariani was responsible for the successful development and FDA approval of the chirally pure versions of Ritalin, which are currently marketed by Novartis under the Focalin and Focalin XR trade names.

Pursuant to the Agreement, the Company will issue Eleusian shareholders total consideration of up to \$3,000,000, through the issuance of 60,000,000 common shares of GreenStar (each, a "**GreenStar Share**") at a deemed price of \$0.05 per share, and will issue an aggregate of 250,109 stock options to certain Eleusian personnel. All GreenStar Shares to be issued will be subject to voluntary pooling arrangements, pursuant to which 25% of the GreenStar Shares will be released on the closing date of the Transaction and further 25% releases will occur every three months thereafter. The Company will issue a finder's fee of 5%, to be settled by the issuance of 3,000,000 GreenStar Shares, to an arms-length finder as part of the Transaction. In addition to Mr. Dariani joining GreenStar as its Chief Scientific Officer, Eleusian will have the right to appoint one nominee to the GreenStar board of directors.

The Transaction is subject to a number of conditions, including but not limited to, final due diligence by the parties, execution of a definitive acquisition agreement (the "**Definitive Agreement**"), which shall supersede the Agreement, and receipt of applicable corporate and regulatory approvals. There can be no assurance that the Transaction will be completed as proposed herein or at all.

"We are excited by this new partnership with GreenStar. Our goal at Eleusian has been to create a best in class management and scientific team, develop our IP portfolio, and develop our medical devices and therapeutics to treat certain brain diseases and promote mental wellness," said Jonathan Gilbert, CEO of Eleusian. "The research and use of psychedelic mushrooms, specifically psilocybin, for the treatment of brain injury, has been gaining significant traction and support recently. With our in-house expertise and collaboration partners at the Miller School of Medicine, we believe our development efforts can result in a groundbreaking treatment for mTBI with PTSD or PTSD alone."

"This is an important transaction for both Eleusian and GreenStar. Eleusian has proven competence in the life sciences market, with its team that encompasses not only R&D and scientific expertise, but also significant capital markets expertise and a successful history of strategic acquisitions and partnership transactions. Mr. Dariani's experience with developing, obtaining FDA approval for, and commercializing drug products will be instrumental as GreenStar progresses with its development efforts," said Thomas Baird, GreenStar CEO. "In our ongoing review of potential acquisitions, Eleusian instantly struck us as a unique opportunity in the growing and exciting emerging psychedelics market. We fully support this acquisition and are enormously excited by this opportunity as we enter our next phase of growth and add to our portfolio companies."

The key assets that will indirectly be acquired through the acquisition of Eleusian under the Transaction are:

- two provisional patents:
 - U.S. Provisional Patent Application entitled "Device and Method for the Treatment of Traumatic Brain Injuries and Post-Traumatic Stress Disorder" Serial No.: 63/016,455 Filing Date: April 28, 2020
 - U.S. Provisional Patent Application entitled "Methods and Compositions for Treating Post Traumatic Stress Disorder or Mild Traumatic Brain Injury with Post Traumatic Stress Disorder" Serial No.: 63/012,435 Filing Date: April 20, 2020
- a Collaborate Research Agreement related to Eleusian's combination therapy of NAC and Psilocybin for the treatment of mTBI with PTSD; and
- cash balance of approximately \$225,000, net of all liabilities.

To date, Eleusian has earned no revenue, and has incurred limited operating costs, as all research and development related to the provisional patents has been internally generated.

About GreenStar

GreenStar is a growth-oriented technology and services company that provides real estate, financial, management, IP and branding support to licensed cannabis businesses in the United States. The Company operates a growing portfolio of tenant partner companies in the United States. GreenStar applies refined strategies tested in the Washington State market to help partner companies reach their full potential. Based in Vancouver, BC, GreenStar intends to facilitate growth through acquisitions and development of additional assets, products and technologies in legal cannabis markets by leveraging its capital markets, branding and operational expertise.

About Eleusian

Eleusian Biosciences Corp., a Toronto based company, is focused on development of therapeutics for multiple pathological psychological diseases based on psilocybin plus N-Acetylcysteine (NAC) compounds. Eleusian is collaborating with a multidisciplinary team of scientists and physicians at the Miller School of Medicine at the University of Miami to develop effective therapeutics for the treatment of mTBI (mild traumatic brain injury/concussion) with PTSD or PTSD alone based on Psilocybin (the active ingredient of psychedelic mushrooms) and NAC. NAC has been shown to have efficacy in treating mTBI, particularly in reducing neuronal losses and also reducing impaired cognitive and neurological symptoms after injury to head. For more information, visit the company's website at www.eleusian.bio.

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Disclaimer

The information in this news release pertaining to Eleusian was provided by Eleusian. Although GreenStar does not have any knowledge that would indicate that such information is untrue or incomplete, GreenStar has not completed its due diligence in connection with the Transaction, and neither GreenStar nor any of its directors or officers assumes any responsibility for the accuracy or completeness of such information.

This news release contains forward-looking statements relating to the future operations of the Company and other statements that are not historical facts. Forward-looking statements are often identified by terms such as "will", "may", "should", "anticipate", "expects" and similar expressions. All statements other than statements of historical fact, included in this release, including statements regarding the future plans and objectives of the Company, the proposed acquisition of Eleusian, the Company's expansion initiatives and pursuit of M&A activity are forward looking statements that involve risks and uncertainties. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to

differ materially from the Company's expectations are risks detailed from time to time in the filings made by the Company with securities regulations. Readers are cautioned that assumptions used in the preparation of the forward-looking statements may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company, including changes to the regulatory environment; and that the current Board and management may not be able to attain the Company's corporate goals and objectives. As a result, the Company cannot guarantee that any forward-looking statement will materialize and the reader is cautioned not to place undue reliance on any forward-looking information. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement. The forward-looking statements contained in this news release are made only as of the date of this news release and the Company does not intend to update any of the included forward-looking statements except as expressly required by applicable Canadian securities laws.

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