

Lobe Sciences Announces the Expansion of its Patent Portfolio with International Filings

Resignation of Board Chairman, Jonathan Gilbert and Shares for Debt Transactions

Vancouver, British Columbia--(Newsfile Corp. - October 3, 2022) - Lobe Sciences Ltd. (CSE: LOBE) (OTCQB: LOBEF) ("Lobe" or the "Company"), a Canadian Biopharmaceutical company committed to discovering and developing psychedelic derived medicines for neurologic and brain disease today announced that it has expanded its patent portfolio through the filing of international patents in Canada, the United States, Europe and Australia for Methods, Compositions and Devices for Treating Mild Traumatic Brain Injury, Post Traumatic Stress Disorder and Mild Traumatic Brain Injury with Post Traumatic Stress Disorder.

"This important step is a significant demonstration of our capabilities, particularly as we expand our footprint globally through conducting controlled clinical trials with our patent-pending compound and expanding our patent portfolio internationally. Specifically with the filing of PCT/US2021/028068 in critical international geographies," said Philip J. Young, Chief Executive Officer of the Company.

Resignation of Board Chairman, Jonathan Gilbert and Shares for Debt Transactions

On October 3, 2022, Jonathan Gilbert and the Company entered into a mutual separation agreement whereby Mr. Gilbert agreed to resign as Executive Chairman of the board of directors of the Company, effective immediately. As part of the agreement, the Company agreed to issue to Mr. Gilbert an aggregate of 5,300,836 common shares of the Company.

The common shares to be issued to Mr. Gilbert will be subject to a statutory hold period of four months and one day from the date of issuance, in accordance with applicable securities legislation, and further, subject to escrow restrictions whereby 1,325,209 shares will be released on each of the following dates: four months and 1 day after October 3, 2022, March 31, 2023, June 30, 2023 and September 30, 2023.

"We are thankful to have had Jon as our Founder and Chairman for the last several years and wish him well in his new endeavours. Our team of highly successful biotech executives will drive the implementation of our clinical, development and regulatory strategies outlined previously, and I look forward to providing ongoing updates of our progress," said Mr. Young.

"As the founder of Lobe's predecessor company, Eleusian Biosciences Corp., it is very rewarding to see the progress we have made advancing the development of our proprietary compounds. I am confident that the team is on the right track and are the right people to execute our plans. I look forward to being a long-term shareholder as we track the success of the Company moving forward," said Mr. Gilbert.

On October 3, 2022, the Company and an arm's length independent consultant (the "**Consultant**") entered into a separate mutual separation agreement, whereby the Consultant and the Company agreed to terminate a consulting agreement entered into by the parties, effective immediately. As part of the agreement, the Company agreed to issue to the Consultant an aggregate of 4,500,000 common shares of the Company.

The common shares to be issued to the Consultant will be subject to a statutory hold period of four months and one day from the date of issuance, in accordance with applicable securities legislation.

The shares for debt transaction involving Mr. Gilbert (as described above) will constitute a "related party transaction" under Multilateral Instrument 61-101 - *Protection of Minority Securityholders in Special*

Transactions ("MI 61-101"). The Company intends to rely on the exemptions from the formal valuation and the minority approval requirements of MI 61-101 provided for in subsections 5.5(a) and 5.7(1)(a) of MI 61-101, respectively, as the fair market value of the subject of, and the consideration paid in the shares for debt transactions, in relation to the interested party, will not represent more than 25% of the Company's market capitalization, as determined in accordance with MI 61-101. The participation by Mr. Gilbert in the aforesaid shares for debt transaction has been approved by directors of the Company who are independent in connection with such transaction. A material change report will be filed less than 21 days before the closing date of the transactions contemplated by this news release. The Company believes this shorter period is reasonable and necessary in the circumstances as the Company wishes to improve its financial position by reducing its liabilities as soon as possible.

About Lobe Sciences Ltd.

Lobe Sciences is a life sciences company focused on psychedelic medicines. The Company, through collaborations with industry-leading partners, is engaged in drug research and development using psychedelic compounds and the development of innovative devices and delivery mechanisms to improve mental health and wellness.

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Forward Looking Statements

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 news release (including, without limitation, statements regarding the future plans and objectives of the Company, research and development using psychedelic compounds, and the development of innovative devices and delivery mechanisms to improve mental health and wellness) 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. 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; that the Company's drug research and development activities may be unsuccessful; that drugs and medical devices produced by, or on behalf of, the Company, may not work in the manner intended or at all, and may subject the Company to product liability or other liability claims; that the Company may not be able to attain the Company's corporate goals and objectives; and other risk factors detailed in the Company's continuous disclosure filings from time to time, as available under the Company's profile at www.sedar.com. 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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