

**Form 51-102F3
Material Change Report**

Item 1 Name and Address of Company

Lobe Sciences Ltd. (the “**Company**”) – Suite 1400 – 1199 West Hastings Street, Vancouver, BC, V6E 3T5

Item 2 Date of Material Change

August 30, 2023

Item 3 News Release

The news releases attached hereto as Schedule A announcing the material change described herein was disseminated through the news dissemination services of Newsfile on September 14, 2023.

Item 4 Summary of Material Change

On August 30, 2023, the Company signed an amendment to its April 17, 2023 share purchase agreement to acquire a 100% interest in Altemia™ & Company, LLC (“**Seller**”) which includes all assets, know-how, intellectual property and commercial inventory of the Seller to manage patients suffering from Sickie Cell Disease (the “**Amendment**”).

Pursuant to the Amendment, the 76,000,000 common shares of the Company (each a “**Lobe Share**”) previously issued to the Altemia members shall be returned to Lobe and cancelled by Lobe pursuant a share cancellation agreement. The 76,000,000 Lobe Shares shall be reissued upon the later of:

1. Achievement of the following milestones:

- a. 25% on or after the closing date;
- b. 25% on delivery of inventory to a Lobe designated storage facility;
- c. 25% on the first commercial sale allowing the trademark validation; and
- d. 25% on successful completion of SAN100 Tech Transfer Documentation (which includes batch records for R&D batch produced in a lab setting for use in a stability study and includes ingredients and manufacturing instructions) and Samples of SAN100 are delivered to Lobe.

collectively, clauses (a) through (d) are referred to as a “**Milestone**”. Each Milestone a, b, c and d represents 19,000,000 Lobe Shares, and

2. Within ten (10) days of Selling Member providing Lobe a written notice to release some or all of the then available shares with respect to which the applicable Milestone has been met. Each Altemia member may in such notice designate one or more third parties to receive some or all of any such Lobe Shares then available for release.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

Please see the press release attached as Schedule A for a full description of the material change.

5.2 Disclosure for Restructuring Transactions

Not applicable.

Item 6 Reliance on subsection 7.1(2) of National Instrument 51-102

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

Philip J. Young, CEO and Executive Director
Telephone: (949) 505-5623

Item 9 Date of Report

September 14, 2023

Schedule A



Lobe Sciences, Ltd. Announces Amendment to the Acquisition of Altemia™ & Company

Vancouver, British Columbia, September 14, 2023 -- Lobe Sciences Ltd. (CSE: LOBE) (OTCQB: LOBEF) ("Lobe" or the "Company"), a North American Biopharmaceutical Company committed to discovering and developing patient-focused medicines for Orphan and Rare diseases announced that on August 30, 2023 it signed an amendment to the share purchase agreement to acquire a 100% interest in Altemia™ & Company, LLC ("**Seller**") which includes all assets, know-how, intellectual property and commercial inventory of the Seller to manage patients suffering from Sickle Cell Disease (the "**Amendment**") as originally announced on April 18, 2023.

Terms of the Amendment

Pursuant to the Amendment, the 76,000,000 common shares of the Company (each a "**Lobe Share**") previously issued to the Altemia members ("**Selling Members**") shall be returned by the Selling Members to the Company and cancelled by the Company pursuant a share cancellation agreement. The 76,000,000 Lobe Shares shall be reissued upon the later of:

1. Achievement of the following milestones:
 - a. 25% on or after the closing date;
 - b. 25% on delivery of inventory to a Lobe designated storage facility;
 - c. 25% on the first commercial sale allowing the trademark validation; and
 - d. 25% on successful completion of SAN100 Tech Transfer Documentation (which includes batch records for R&D batch produced in a lab setting for use in a stability study and includes ingredients and manufacturing instructions) and Samples of SAN100 are delivered to Lobe.

collectively, clauses (a) through (d) are referred to as a "**Milestone**". Each Milestone a, b, c and d represents 19,000,000 Lobe Shares, and

2. Within ten (10) days of Selling Member providing Lobe a written notice to release some or all of the then available shares with respect to which the applicable Milestone has been met. Each Altemia member may in such notice designate one or more third parties to receive some or all of any such Lobe Shares then available for release.

About Altemia™

Altemia™ is a trademark registered to Altemia and Company, LLC of Stuart Florida. Altemia™ is the brand name of a patent pending oral emulsion consisting of a proprietary mixture of polyunsaturated fatty acid triglyceride esters clinically evaluated to reduce inflammation associated in adults with SCD. The term medical food, as defined in section 5(b) of the Orphan Drug Act (21 U.S.C. 360ee (b) (3)) is "a food which is formulated to be consumed under the supervision of a physician and which is intended for the specific dietary management of a disease or condition for which distinctive nutritional requirements, based on recognized scientific principles, are established by medical evaluation." SCD is among a few inborn errors of metabolism specifically named in legislation that qualifies as treatable with medical foods. More information is available at <http://altemiascd.com/>. This product should not be confused with a previous product development program with a similar name. That program also called Altemia (SC411) was the project name used during the development of a drug product to treat SCD in children.

About Sickle Cell Disease

SCD is a group of hereditary red blood cell disorders. Healthy red blood cells are round, and they move through small blood vessels to carry oxygen to all parts of the body. In someone who has SCD, the red blood cells (RBC) become

inflamed under certain stress conditions resulting in among other symptoms, an increase of C-Reactive Protein (a biomarker for SCD). Inflammation causes the RBC's membrane to become hard and sticky, and this tends to slow or even block blood flow in the blood vessels (capillaries) of the limbs and organs. This slowing of the blood cells causes a cascade of events that results in pain and vaso-occlusive event (VOC). The sickle cells also die earlier than normal red blood cells and the bone marrow cannot make enough new red blood cells to replenish the dying ones, which causes a constant shortage of red blood cells called anemia. Blocked blood flow may cause pain and other serious problems such as infection, acute chest syndrome and stroke. Populations that suffer from SCD have a shortened life span. According to the CDC, it is estimated that SCD affects approximately 100,000 individuals in the United States, occurring among approximately 1 out of every 500 Black or African American births and 1 out of every 36,000 Hispanic American births. A similar number of patients are affected in Europe. There are millions of patients in the Middle East, Africa and India. Lobe plans to sell the product globally, either directly or through partners.

About Lobe Sciences Ltd.

Lobe Sciences is a biopharmaceutical company focused on developing patient-friendly, practical psychedelic medicines. The Company, through collaborations with industry-leading partners, is engaged in drug research and development using sub-hallucinatory doses of psychedelic compounds and the development of innovative devices and delivery mechanisms to improve mental health and wellness. Each of our New Chemical Entities, L-130 and L-131, are being developed to address unmet medical needs in neurological therapeutic applications.

For further information please contact:

Lobe Sciences Ltd.
Philip J Young, CEO
info@lobesciences.com
Tel: (949) 505-5623

NEITHER THE CSE NOR ITS REGULATION SERVICES PROVIDER HAVE REVIEWED OR ACCEPT RESPONSIBILITY FOR THE ACCURACY OR ADEQUACY OF THIS RELEASE.

This does not constitute an offer to sell or a solicitation of offers to buy any securities.

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.

Drug development involves long lead times, is very expensive and involves many variables of uncertainty. Anticipated

timelines regarding drug development are based on reasonable assumptions informed by current knowledge and information available to the Company. Every patient treated on future studies can change those assumptions either positively (to indicate a faster timeline to new drug applications and other approvals) or negatively (to indicate a slower timeline to new drug applications and other approvals). This news release may contain certain forward-looking statements regarding anticipated or possible drug development timelines. Such statements are informed by, among other things, regulatory guidelines for developing a drug with safety studies, proof of concept studies, and pivotal studies for new drug application submission and approval, and assumes the success of implementation and results of such studies on timelines indicated as possible by such guidelines, other industry examples, and the Company's development efforts to date. In addition to the risk factors set out above and those detailed in the Company's continuous disclosure filings from time to time, as available under the Company's profile at www.sedar.com, other factors not currently viewed as material could cause actual results to differ materially from those described in the forward-looking statements. Although Lobe has attempted to identify important risks and factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors and risks that cause actions, events or results not to be anticipated, estimated or intended. Accordingly, readers should not place any undue reliance on forward-looking statements.