



Press Release

Lobe Sciences Announces Application for Voluntary MCTO

December xx, 2023 -- Lobe Sciences Ltd. (OTCQB: LOBEF) (CSE: LOBE) ("Lobe" or the "Company"), a biopharmaceutical company focused on developing transformative medicines to treat rare diseases today announces that it has proactively applied for a voluntary management cease trade order (the "MCTO") with the British Columbia Securities Commission, as a result of certain factors beyond the Company's control, which will cause delays to the filing of the Company's annual financial statements and accompanying management's discussion and analysis for the fiscal year ended August 31, 2023 (the "Required Filings"). The MCTO only restricts the Chief Executive Officer and Chief Financial Officer of the Company from all trading in securities of the Company until such time as the Required Filings have been filed by the Company and the MCTO has been lifted. The MCTO does not affect the ability of other shareholders of the Company to trade in securities of the Company.

The Company's auditors have stated they require more time to complete the audit for its August 31, 2023 year end. The Company anticipates the audit will be completed no longer than 60 days after the reporting deadline. The delay is due to complexities with one of the Company's acquisitions during the year. Additional procedures on valuation are required.

Philip Young CEO of Lobe Sciences states: "Our business is growing and has expanded its operations via acquisition, which has brought about certain complexities. After careful consideration, we have made the decision to file a voluntary MCTO (Management Cease Trade Order) and take proactive measures to safeguard the liquidity of our stock. We view this as a responsible and proactive step towards ensuring transparency, compliance, and protecting the interests of our shareholders with regard to the liquidity of our stock."

The Company expects to file the Required Filings before February 27, 2024. Until the Company files the Required Filings, it will comply with the alternative information guidelines set out in National Policy 12-203 – Management Cease Trade Orders. The guidelines, among other things, require the Company to issue bi-weekly default status reports by way of a news release until such time as the Required Filings have been filed.

About Lobe Sciences Ltd.

Lobe Sciences is a biopharmaceutical company focused on developing transformative medicines to treat rare diseases. The Company, through collaborations with industry-leading partners, is additionally engaged in drug research and development using non-hallucinatory doses of stabilized psilocin based compounds to address unmet medical needs in orphan neurological therapeutic applications.

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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.