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## **Cannabix Technologies and Omega Laboratories Inc. enter Strategic Partnership to Commercialize Marijuana Breathalyzer Technology**

Vancouver, British Columbia, May 16, 2024 -- Cannabix Technologies Inc. (CSE: BLO) (OTC PINK: BLOZF) (Frankfurt: 8CT) (the “Company” or “Cannabix”) reports that it has entered into a strategic partnership and development agreement dated May 15, 2024 (the “Agreement”) with Omega Laboratories Inc of Ohio, USA (“Omega Laboratories” or “Omega”). The Agreement provides a pathway for commercialization of Cannabix’s marijuana breathalyzer technology.

Omega Laboratories is an international industry leader in forensic drugs of abuse testing for over twenty years. Omega has multiple federal as well as international certifications and accreditations for its world class facility and has extensive experience in novel technology for detection of drugs of abuse.

Pursuant to the Agreement, Cannabix and Omega Laboratories (together, the “Parties”) have agreed to, among other things, complete research and development, refine and expand the use of Cannabix’s technology to meet existing and emerging needs of Omega’s clients, contemplate manufacturing and distribution and introduce the delta9 THC breath testing technology to customers in North America.

### **Highlights:**

- Cannabix and Omega have entered into the Agreement for the purpose of facilitating an pathway for commercialization of Cannabix’s innovative technology.
- Omega will be the exclusive laboratory in North America to process and analyze Cannabix delta9 THC breath sample cartridges in conjunction with its Breath Collection Unit and Mass Spectrometer Breath Sampler technology (the “Cannabix Hardware”) for five (5) years.
- The Agreement contemplates critical steps to further Cannabix’s technology from the research and development stage to commercialization.
- Pursuant to the Agreement, the Parties agreed to key milestones that will provide mutual benefits to each of Cannabix and Omega including validation of results, publication of validation results to industry journals, and enter into potential large-scale studies, and testing agreements with Omega’s clients.
- The Agreement contemplates hardware licence fees, revenues, future manufacturing, distribution arrangements, carve outs and leaves the door open for additional agreements in other global jurisdictions.

- Omega will become a shareholder of Cannabix (as more particularly described below) and, pursuant to the Agreement, Omega was granted the right to appoint a director to the Company’s board of directors, subject to certain conditions including, but not limited to, the Board Right Threshold (as defined below).

Omega Laboratories is headquartered in Ohio, USA in a state-of-the-art facility providing drugs of abuse testing to over 6,000 clients worldwide, including several Fortune 500 companies police and highway patrols, several court systems, military organizations, and school systems. Omega also has one of the largest Third-Party Administrator (TPA) client lists in America.

Bill Corl, CEO of Omega Laboratories, stated, “Our partnership with Cannabix Technologies underscores our commitment to staying at the forefront of advancements in drug testing technology. By incorporating their groundbreaking THC breathalyzer technology, we are poised to enhance the accuracy, efficiency, and accessibility of cannabis testing.”

Rav Mlait, CEO of Cannabix stated, “This strategic partnership and development agreement with Omega Laboratories is a major inflection point for Cannabix Technologies. Cannabix, as an early-stage company, has been focused on technological innovation in breath analysis and we are truly excited to be working alongside Omega. Omega has tremendous people, expertise and capabilities in drug testing, regulatory, accreditation and business relationships globally.”

Dr. Bruce Goldberger, Scientific Advisor to Cannabix, stated, “The strategic partnership with Omega Laboratories is an important step towards the adoption of this new and innovative technology in the workplace and traffic safety sectors.”

## **Agreement Terms**

The Agreement includes an “R&D Phase” and “Commercial Phase” and “Exclusive Testing” of Cannabix’s delta9 THC breath sample cartridges for drugs for five (5) years within North America, subject to certain exemptions as set out in the Agreement. The R&D phase covers key milestone developments where the Parties will work within Omega’s certified laboratories. During the Commercial Phase of the Agreement, the Parties will determine, pricing, licensing and other revenue parameters.

As consideration for the completion of specific milestones by Omega and to align the interests of both parties, Omega will receive : (i) 1,000,000 common shares of the Company (each, a “Common Share”), which will be issued by the Company to Omega in conjunction with the execution of the Agreement; and (ii) an aggregate of 11,000,000 special warrants (the “Special Warrants”) of the Company that will vest and automatically convert into Common Shares (each, a “Special Warrant Share”) upon the occurrence of specific milestones as set out in the Agreement and summarized as follows:

### *R&D Phase*

- 3,000,000 of the Special Warrants will convert into Special Warrant Shares upon Omega completing a Validation Packet for Cannabix Hardware under forensic testing validation requirements. Omega will have six (6) months from the date of the Agreement to complete and certify a Validation Packet of Cannabix Hardware;
- 2,000,000 of the Special Warrants will convert into Special Warrant Shares upon Omega successfully converting the Validation Packet data into a white paper for publishing in peer reviewed journal and the

submission of a formal proposal to use Cannabix Hardware in a prominent study. Omega will have twelve (12) months from the date of the Agreement to complete this milestone; and

- 2,000,000 of the Special Warrants will convert into Special Warrant Shares upon Omega successfully achieving detection of a panel of drugs (“Drug Panel”) using existing or enhanced Cannabix Hardware. Achieving a Drug Panel would entail establishing that the Cannabix Hardware could detect multiple drug species in breath in addition to delta9 THC.

### *Commercial Phase*

- Subject to the achievement of the “R&D Phase” milestones: (i) 2,000,000 of the Special Warrants will convert into Special Warrant Shares upon Omega entering into a commercial testing agreement (a “Testing Agreement”) with three (3) of its clients for employee drug testing; and (ii) 2,000,000 of the Special Warrants will convert into Special Warrant Shares upon Omega entering into a Testing Agreement with three (3) law enforcement organizations (being either state, civic or municipal police agencies).

The Special Warrants expire on the date that is five (5) years from the date of execution of the Agreement. All securities issuances described herein remain subject to the approval of the Canadian Securities Exchange (the “CSE”), if necessary. All securities issued pursuant to the Agreement are subject to a four-month plus one day hold period.

### **Manufacturing, Distribution, Intellectual Property and Other Terms**

- During the Commercial Phase, the Parties have agreed that they will negotiate to enter into a distribution agreement with Omega for the North American distribution of Cannabix Hardware.
- During the Commercial Phase, the Parties may negotiate to enter into a manufacturing and/or license agreement whereby Omega would manage the manufacturing of the Cannabix Hardware.
- For so long as Omega holds at least 3,000,000 Common Shares, Omega will have the right to appoint one person to the board of directors (the “Board Right Threshold”).
- Omega will have a right of first refusal for a period of two (2) years after the date of the Agreement to participate in future equity private placements conducted by the Company.
- Under the Agreement, Cannabix will retain interest to all developed and background intellectual property.

### **About Omega Laboratories, Inc.**

Omega Laboratories, headquartered in Mogadore, Ohio with additional state-of-the-art facilities in Ontario and British Columbia, Canada provides laboratory-based advanced testing solutions to over 6,000 clients worldwide. Omega Laboratories has over 22 years of experience in pioneering innovative drug testing methodologies, specializing in the detection of drugs of abuse utilizing Hair, Oral Fluid and Urine. Omega continues to innovate with the launch of their Technical Solutions portfolio that incorporates a paperless Custody & Control Form system (CCF) in eight languages, licensure of a Laboratory Information Management System (LIMS) designed specifically for Toxicology and powers new laboratories in countries that have demand for local service providers.

### **About Cannabix Technologies Inc.**

Cannabix Technologies Inc. is a developer of marijuana and alcohol breathalyzer technologies for law enforcement, workplaces and laboratories. Cannabix is developing delta-9 THC and alcohol screening devices. Delta-9 THC is the psychoactive component of marijuana that causes impairment. Breath testing for delta-9 THC would allow employers and law enforcement to identify recent marijuana use. Cannabix is the developer of *its Breath Logix Series of breath alcohol detection devices* for employers and a range of other settings.

We seek Safe Harbor.

*On behalf of the Board of Directors*

“Rav Mlait”

CEO

Cannabix Technologies Inc.

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***Cautionary Statement Regarding Forward-Looking Statements***

*This news release contains certain "forward-looking statements" within the meaning of such statements under applicable securities law. Forward-looking statements are frequently characterized by words such as "anticipates," "plan," "continue," "expect," "project," "intend," "believe," "anticipate," "estimate," "may," "will," "potential," "proposed," "positioned" and other similar words, or statements that certain events or conditions "may" or "will" occur. Forward-looking statements in this news release include, but are not limited to, statements relating to: the achievement of any or all of the goals and aims of the Agreement; the achievement of the milestone developments and perceived benefits of the Agreement described in this news release; final development of a commercial or prototype product(s); the successful trial or pilot of company technologies; the commercialization of the Company's products; the negotiation and potential entry into additional agreements with Omega; and the completion of future financings. There are numerous risks and uncertainties that could cause actual results and the Company's plans and objectives to differ materially from those expressed in the forward-looking information. Important factors that could cause actual results to differ materially from those expressed in the forward-looking information include (but are not limited to): adverse market conditions; risks regarding protection of proprietary technology; the ability of the Company to complete future financings; the ability of the Company to develop and market its future product; risks regarding government regulation, managing and maintaining growth, the effect of adverse publicity, litigation, competition; that Omega may not complete all or any of the milestones as contemplated in the Agreement; that the CSE may not approve the issuance of the securities; that the Company's development of breathalyzer technology will provide any benefit to the Company; there is no assurance that any proposed new products will be built, will be successful in beta testing or clinical trials; there is no assurance that the Company will enter into any partnerships to advance any of its corporate initiatives or technologies; there is no assurance that any "patent pending" or "provisional patents" technologies licensed by the Company or owned by the Company will receive patent status by regulatory authorities; the Company is not currently selling commercial breathalyzers and there is no assurance that the Company ever will; and other factors beyond the control of the Company. Actual results and future events could differ materially from those anticipated in such information. These and all subsequent written and oral forward-looking information are based on estimates and opinions of management on the dates they are made and are expressly qualified in their entirety by this notice. Except as required by law, the Company does not intend to update these forward-looking statements.*

*The CSE has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.*