

Awakn Life Sciences Inc. and 1169082 B.C. Ltd. Enter into Binding Agreement for Reverse Takeover Transaction

Vancouver, British Columbia--(Newsfile Corp. - May 17, 2021) - **1169082 B.C. Ltd.** (the "**Company**") is pleased to announce that it has entered into a definitive binding amalgamation agreement dated May 13, 2021 (the "**Amalgamation Agreement**") among the Company, 2835517 Ontario Ltd. ("**Subco**"), a wholly-owned subsidiary of the Company, and Awakn Life Sciences Inc. ("**Awakn**"), which, subject to certain conditions and applicable shareholder and regulatory approvals, will result in a reverse takeover of the Company by Awakn (the "**Proposed Transaction**"). The resulting issuer from the Proposed Transaction (the "**Resulting Issuer**") will carry on the business of Awakn.

The Proposed Transaction

Pursuant to the terms of the Amalgamation Agreement, the Proposed Transaction will be completed by way of a three-cornered amalgamation involving Subco amalgamating with Awakn to form a single, wholly-owned subsidiary of the Resulting Issuer. Shareholders of Awakn shall receive one (1) post-Consolidation (as defined below) common share of the Resulting Issuer for each common share of Awakn, and convertible securities of Awakn shall be exchanged for convertible securities of the Resulting Issuer on substantially the same terms and exercisable into such number of Resulting Issuer shares as the holder of such Awakn convertible security would have been entitled to, if it had been exercised prior to the completion of the Proposed Transaction.

In connection with the Proposed Transaction, the Company will reconstitute its board of directors and management team, consolidate all of its issued and outstanding shares on the basis of 1 post-consolidation share for every 42.5105 pre-consolidation shares (the "**Consolidation**"), and change its name to "Awakn Life Sciences Corp." or such other name as may be accepted by the relevant regulatory authorities (the "**Name Change**") and the Resulting Issuer will conduct its business under the new name. As a condition to the Proposed Transaction, the common shares of the Resulting Issuer will have been conditionally approved for listing on the NEO Exchange Inc. ("**NEO**"), and the listing of the Resulting Issuer shares on NEO will be subject to the satisfaction of all conditions of listing required by NEO.

The Amalgamation Agreement provides for certain other conditions to the completion of the Proposed Transaction, including Awakn completing a brokered financing (the "**Concurrent Financing**"), the Company obtaining the necessary shareholder and board approvals to reconstitute its board and management, and effect the Consolidation and the Name Change, Awakn obtaining the necessary shareholder and board approvals to effect the Proposed Transaction, and other closing conditions customary for transactions of the nature of the Proposed Transaction.

Concurrent Financing

In connection with the Proposed Transaction, Awakn plans to complete a private placement of subscription receipts with a syndicate of agents (the "**Agents**") co-led by Canaccord Genuity Corp. and Eight Capital (together, the "**Co-Lead Agents**") to raise up to 3,200,000 subscription receipts on a commercially reasonable efforts basis ("**Subscription Receipts**") at a price of \$2.50 per Subscription Receipt (the "**Issue Price**") for gross proceeds of up to \$8,000,000. In addition, the Agents shall have the option, exercisable at any time prior to the closing date of the Concurrent Financing, to increase the size of the financing by up to 480,000 additional Subscription Receipts for additional gross proceeds of up to \$1,200,000. Up to \$1,000,000 of the Concurrent Financing may be subscribed for by "President's List" investors.

The gross proceeds of the Concurrent Financing, less 50% of the Agents' cash commission (as

described below) and certain expenses of the Agents, will be deposited in escrow on the closing date of the Concurrent Financing until the satisfaction of certain release conditions, including that all conditions precedent to the Proposed Transaction have been met (the "**Release Conditions**").

Upon the satisfaction of the Release Conditions, each Subscription Receipt will be converted into one common share in the capital of Awakn (each, an "**Awakn Share**") without payment of any additional consideration or further action on the part of the holder thereof. At the effective time of the Proposed Transaction, each Awakn Share will be exchanged for one Resulting Issuer Share (on a post-consolidation basis).

In the event that the Release Conditions have not been satisfied prior to 120 days following the closing of the Concurrent Financing (the "**Escrow Release Deadline**"), or Awakn advises the Co-Lead Agents or announces to the public that it does not intend to satisfy the Release Conditions or that the Proposed Transaction has been terminated, the aggregate Issue Price of the Subscription Receipts (plus any interest earned thereon) shall be returned to the applicable holders of the Subscription Receipts (net of any applicable withholding taxes), and such Subscription Receipts shall be automatically cancelled and be of no further force and effect.

In consideration for their services in connection with the Concurrent Financing, the Agents will be entitled to receive (i) a cash commission (the "**Agents' Commission**") equal to 7.0% of the gross proceeds raised under the offering (provided that the Agents' Commission for President's List subscribers will be 3.5%); and (ii) that number of warrants (the "**Agents' Warrants**") as is equal to 7.0% of the aggregate number of Subscription Receipts issued under the offering (provided that the Agents shall receive that number of Agents' Warrants as is equal to 3.5% for President's List subscribers). Each Agents' Warrant will be exercisable into one Awakn Share at the Issue Price for a period of 24 months from the closing date of the Proposed Transaction. In connection with the completion of the Proposed Transaction, each Agents' Warrant will be exchanged into one compensation warrant of the Resulting Issuer, which will be exercisable for one Resulting Issuer Share at the Issue Price of the Subscription Receipts.

The Subscription Receipts will be offered in all provinces of Canada and such other jurisdictions as Awakn and the Co-Lead Agents may agree, where the Concurrent Financing can be offered and sold without the requirement to file a prospectus or similar document. It is expected that the net proceeds from the Concurrent Financing will be used for clinic openings, research and development, general and administration, and general working capital.

The Subscription Receipts issued in the Concurrent Financing will be subject to a statutory four month hold period. Upon completion of the Proposed Transaction and satisfaction of the Release Conditions, the Resulting Issuer Shares will not be subject to any hold period under applicable Canadian securities laws.

Closing of the private placement is subject to negotiation and execution of definitive documentation.

The Resulting Issuer

Upon completion of the Proposed Transaction, the Resulting Issuer will carry on the business of Awakn, which is a biotechnology company with clinical operations, researching, developing, and delivering psychedelic medicine to treat addiction and other mental health conditions.

Subject to applicable shareholder and NEO approval, upon completion of the Proposed Transaction, the board of directors and management of the Resulting Issuer will be comprised of the following individuals:

Anthony Tennyson, President, Chief Executive Officer, Director

Mr. Tennyson is an experienced professional and financial services industry executive, with over 15 years Risk Consulting and Capital Markets experience. Prior to co-founding Awakn Life Sciences, Anthony worked at Aon plc, a leading global professional services firm providing a range of risk,

reinsurance, and health solutions, for 10 years holding a range of senior strategy and commercial roles. Anthony was global head of operations and strategy for Aon's risk consulting division and Anthony also led Aon's Energy and Financial Institutions risk consulting practice groups globally. Prior to Aon, Anthony worked in capital markets for five years with both Merrill Lynch and Bank of Ireland. Anthony holds an MBA in specializing in Strategy and Finance and an MSc in Technology both from University College Dublin's Smurfit Graduate School of Business, Ireland's top ranked business school.

Jonathan Held, Chief Financial Officer and Secretary

Mr. Held, CPA, CA, is a seasoned financial executive with CFO level experience for private / public companies. Mr. Held is a partner at ALOE Finance, a boutique firm specializing in transaction advisory and senior level finance solutions. Mr. Held has worked in a number of sectors including technology, biotech and natural resources, both domestic and international, and has been involved in numerous successful public market transactions including initial public offerings, reverse takeovers and financings. Mr. Held was previously a Director and Chief Financial Officer of Tassili Life Sciences Corp. which focused on mTBI and PTSD research. Mr. Held holds a Bachelor of Mathematics and Masters of Accounting from the University of Waterloo.

Dr. Benjamin Sessa, Chief Medical Officer and Director

Dr. Sessa MBBS (MD) BSc MRCPsych is a consultant child and adolescent psychiatrist who has worked with young people and adults in the field of addictions and trauma-related psychiatry for over 20 years. For the last 15 years Ben has been at the forefront of psychedelic research in the UK through his affiliations with Bristol University and Imperial College London, alongside of Professor David Nutt. He has taken part as a study doctor and as a healthy subject both receiving and administering MDMA, psilocybin, LSD, DMT and ketamine in multiple UK research studies. He ran one of the first UK-based medical cannabis prescribing clinics, having written over 500 prescriptions for medical cannabis. Ben is the Chief Medical Officer at Awakn Life Sciences, a company opening Europe's first psychedelic medical clinic, providing psychedelic psychotherapy with ketamine for a wide range of psychiatric indications. Ben is an approved and registered MDMA and psilocybin therapist. He has led research into MDMA-assisted therapy for Alcohol Use Disorder and continues to carry out research in this area. Ben has been delivering keynote talks at international conferences in the psychedelic community for over 15 years and is also developing psychedelic therapist training courses as part of his role at Awakn Life Sciences. Ben is the co-founder and former president of Europe's largest psychedelic conference, Breaking Convention.

James Collins, Chief Operating Officer

Mr. Collins is a senior business leader and mental health champion with 17 years of experience with Accenture Strategy, 7 years as Managing Director, designing and delivering corporate, digital and operating model strategies. James is an industry thought leader with several publications on digital innovation and the transformation of industries, including major studies in collaboration with the World Economic Forum. While at Accenture James was a champion for Inclusion, Diversity & Mental Health driving awareness and structural change to address inequity in the workplace. James holds a BSc and MPhil in Psychology from University College London (UCL), and a Foundation Certificate in Psychotherapy, Counselling & Coaching from the New School of Psychotherapy and Counselling (NSPC).

Shaun McNulty, Chief Science Officer

Dr. McNulty is an experienced drug development expert who has worked in and consulted for pharmaceutical and biotechnology companies for over 25 years. After obtaining a D.Phil. in CNS cell signaling from the University of York, he undertook post-doctoral studies at the University of Cambridge, researching neuronal cell signaling and molecular regulation of circadian physiology. Dr. McNulty's industrial career began managing research and drug development teams and projects first for Pfizer and then for GSK Neuroscience departments. Dr. McNulty then moved into the biotechnology sector,

managing portfolios and product development activities for both Syntaxin and ImmBio. Shaun went on to lead all research and drug development activities for Biosceptre and Inflection Biosciences as CSO. His career has focused on the identification, development and translation of innovative therapeutics, from target identification and characterization, to obtaining regulatory clearance for and managing clinical trials.

George Scorsis, Chairman of the Board

Mr. Scorsis has over 25 years of experience leading companies in highly regulated industries to rapid growth, including alcohol, energy drinks and, most recently, medical cannabis. While attending York University, completing his Bachelor in Administrative Studies, Mr. Scorsis worked as a University Ambassador for Bacardi Canada and held several executive roles. Following York University, Mr. Scorsis obtained an MBA at Queens University. Mr. Scorsis, formerly President of Red Bull Canada, was instrumental in restructuring the organization from a geographical and operational perspective, growing the business to \$150 million in revenue. He also worked closely with Health Canada on guidelines regulating the energy drink category. Mr. Scorsis also brings agricultural and technological experience from his time as President at Mettrum Health Corp., which was acquired for \$473 million by Canopy Growth Corporation. Mr. Scorsis was also the CEO and Director of Liberty Health Sciences Inc., which was one of the first Canadian cannabis companies to expand into the United States. He also served as Chairman of the Board of Directors of Scythian Biosciences Corp., a research and development company committed to advancing treatment efforts for traumatic brain injury with its proprietary cannabinoid-based combination drug therapy and additional cannabis-related activities across the globe as well as the former Chairman of Tassili Life Sciences Corp. which focuses on PTSD research. Mr. Scorsis is currently the Executive Chairman of WeedMD Inc.

Stephen Page, Director

Mr. Page is an experienced healthcare executive and board member, having significant experience working with both the National Health Service ("**NHS**"), and private enterprises in the United Kingdom. Mr. Page worked in the NHS for fifteen years and was the first CEO of Oxleas NHS Trust from 1993 through 1998, which focused on mental health and learning difficulties. From 1998 to 2005, Mr. Page worked on the board of directors of a number of private sector companies, including Priory Healthcare and Nestor plc. In 2005, Mr. Page was the CEO of Acorn Care and Education, which he grew through acquisitions and organic growth to become a leading national provider of special needs education and foster care resulting in the eventual sale to the Ontario Teachers' Pension Plan in 2010. Mr. Page currently consults within the health, social care and education industry and acts as an executive coach seeking to promote high quality leadership and management in the sector. Mr. Page also acts as the Chair of Sequence Care, New Reflections and Brain in Hand. Mr. Page holds an MBA from London Business School and a Business Studies Degree from Sheffield University.

John Papastergiou, Director

Professor Papastergiou is an experienced clinical research scientist and pharmacist. He has served as an advisor to many large pharmaceutical organizations including Bayer, Pfizer, GSK, and Astra Zeneca and he owns and operates four large community pharmacies in Canada. Prof. Papastergiou's innovative research in the area of point-of-care diagnostic testing and pharmacogenomics has led to the development and advancement of a number of tech start-up companies of which he has sat on the board of directors. Prof. Papastergiou holds Faculty appointments at the schools of Pharmacy at each of the University of Toronto and the University of Waterloo. Prof. Papastergiou has won a number of awards including Canadian Pharmacist of the Year. In 2019, he was named by the International Forum on Advancement of Healthcare as one of the top 100 healthcare leaders globally and was also presented with the Ontario Pharmacists' Association Award for Excellence in Research and Academia. Prof. Papastergiou holds multiple degrees including a PhD from Rhabdoud University, Netherlands. He is a sought after speaker, author, and media personality participating at events in over 30 countries.

Upon the completion of the Proposed Transaction, it is expected that Awakn shareholders will hold

approximately 99% of the issued and outstanding Resulting Issuer shares on a non-diluted basis. Investors are cautioned that, except as disclosed in the Company's management information circular to be prepared in connection with the Proposed Transaction, any information released or received with respect to the Proposed Transaction may not be accurate or complete and should not be relied upon. There can be no assurance that the Proposed Transaction will be completed as proposed or at all.

About Awakn

Awakn Life Sciences is a biotechnology company with clinical operations researching, developing, and delivering psychedelic medicine to treat Addiction. Awakn is integrating psychedelic medicine into mainstream healthcare through Research, Digital, Clinics, and Ecosystems.

1169082 B.C. LTD.

On behalf of the Board of Directors

Scott Munro, Chief Executive Officer

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Notice Regarding Forward-Looking Information

This news release contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). Forward-looking statements reflect current expectations or beliefs regarding future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates", "targets" or "believes", or variations of, or the negatives of, such words and phrases or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved, including statements relating to the Proposed Transaction and the completion thereof, the Concurrent Financing and the completion thereof, the Name Change, the Consolidation, the business of Awakn and the Resulting Issuer, the composition of the board and management teams of the Resulting Issuer, obtaining the requisite approvals, the listing of the Resulting Issuer's common shares on the NEO, and the satisfaction of the Release Conditions by the Escrow Release Deadline. All forward-looking statements, including those herein are qualified by this cautionary statement.

Although the Company believes that the expectations expressed in such statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the statements. There are certain factors that could cause actual results to differ materially from those in the forward-looking information. These include: information concerning the Proposed Transaction; expectations on whether the Proposed Transaction will be consummated, including whether conditions to the consummation of the Proposed Transaction will be satisfied including obtaining receipt of all required regulatory and shareholder approvals; the timing for completing the Proposed Transaction; there is no assurance that the Concurrent Financing will be completed or as to the actual offering price or gross proceeds to be raised in connection with the Concurrent Financing; the business plans and strategies of Awakn and the Resulting Issuer, the ability of Awakn and the Resulting Issuer to comply with all applicable governmental regulations in a highly regulated business; the inherent risks in investing in target companies or projects which have limited or no operating history and are engaged in activities currently considered illegal in some jurisdictions; changes in laws; limited operating history; reliance on management; requirements for additional financing; competition; inconsistent public opinion and perception regarding the medical-use of psychedelic drugs; and regulatory or political change. Readers are cautioned that the foregoing list of factors is not exhaustive of the factors that may affect

forward-looking statements. Accordingly, readers should not place undue reliance on forward-looking statements. The forward-looking statements in this news release speak only as of the date of this news release or as of the date or dates specified in such statements.

Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking information. For more information on the Company, investors are encouraged to review the Company's public filings on SEDAR at www.sedar.com. The Company disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, other than as required by law.

*This news release does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States. The Company's and Awakn's securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.*

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