



## Silo Wellness Closes \$2.5 Million Subscription Receipt Financing With Another \$2.4 Million in Escrow

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TORONTO, Feb. 05, 2021 (GLOBE NEWSWIRE) -- YUKOTERRE RESOURCES INC. (“Yukoterre”) (CSE:YT), is pleased to announce that further to the press release dated August 25, 2020, FlyOverture Equity, Inc. (“Silo Wellness”) has closed its previously announced brokered private placement financing (the “**Sub Receipt Financing**”) of subscription receipts (the “**Subscription Receipts**”) at a price of \$0.25 per Subscription Receipt, for gross proceeds of approximately \$2.5 million.

Additionally, Silo Wellness is conducting a concurrent non-brokered private placement for gross proceeds of up to approximately \$2.5 million (the “**Unit Financing**”) and together with the Sub Receipt Financing, the “**Financing**”) of units (the “**Units**”) at a price of \$0.25 per Unit and has received \$2.4 million (for a total of \$4.9 million raised), all such funds being held in escrow pending the completion of the transactions (the “**Proposed Transaction**”) contemplated in the amalgamation agreement dated as of August 25, 2020 among Yukoterre, Silo Wellness and 1261466 BC Ltd. (as amended to the date hereof, the “**Amalgamation Agreement**”).

Canaccord Genuity Corp. (“**CGF**”) acted as lead agent and sole book-runner for the Sub Receipt Financing and Gravitass Securities Inc. acted as agent (together, the “**Agents**”) pursuant to an agency agreement entered into with Yukoterre and Silo Wellness dated February 4, 2021.

*Douglas Gordon, Chief Executive Officer of Silo Wellness, stated, “Total gross proceeds of \$4.9 million from the Financing will position Silo Wellness to be able to scale its ketamine nature retreat held in Oregon and Jamaican psilocybin mushroom wellness retreats upon the satisfaction of the escrow release conditions and CSE approval and closing of the Proposed Transaction. This follows on Silo Wellness’ successful launch of the first-of-its-kind legal ketamine psychedelic wellness retreat in Oregon last month on the iconic McKenzie River.”*

The proceeds of the Sub Receipt Financing (the “**SR Escrowed Funds**”) have been deposited in escrow, pending the satisfaction of certain customary escrow release conditions which include Yukoterre and Silo Wellness receiving all applicable regulatory approvals to complete the Proposed Transaction (the “**Release Conditions**”). Upon satisfaction of the Release Conditions, immediately prior to the completion of the Proposed Transaction, each Subscription Receipt will automatically convert into Units consisting of one common share of Silo Wellness (collectively, the “**Silo Shares**”) and one-half of one common share purchase warrant of Silo Wellness exercisable at a price of \$0.33 (collectively, the “**Silo Warrants**”) for a period of 24 months from the date the Release Conditions are satisfied. Subsequently, the Silo Shares will be exchanged for common shares of Yukoterre (the “**Resulting Issuer Shares**”) and the Silo Warrants will be exchanged for common share purchase warrants of Yukoterre (the “**Resulting Issuer Warrants**”), in each case on a one-for-one basis pursuant to the terms of the Amalgamation Agreement. If the Proposed Transaction is not completed on or before June 4, 2021 or Silo Wellness advises the 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 SR Escrowed Funds will be returned to the subscribers and the Subscription Receipts will be void and be of no further effect or value.

The proceeds of the Unit Financing (the “**Unit Escrowed Funds**”) have been deposited in escrow, pending Yukoterre and Silo Wellness receiving all applicable regulatory approvals (the “**Unit Escrow Conditions**”). Upon satisfaction of the Unit Escrow Conditions, immediately prior to the completion of the Proposed Transaction, the Unit Financing shall close and Units comprised of one Silo Share and one-half of a Silo Warrant will be issued. Subsequently, the Silo Shares and the Silo Warrants will be exchanged for Resulting Issuer Shares and Resulting Issuer Warrants, in each case on a one-for-one basis pursuant to the terms of the Amalgamation Agreement.

In consideration for their services in connection with the Sub Receipt Financing, Silo Wellness agreed to (i) pay to the Agents a fee equal to 8.0% of the gross proceeds from the Sub Receipt Financing; (ii) pay to CGF a corporate finance fee equal to 5.0% of the aggregate number of Subscription Receipts issued pursuant to the Sub Receipt Financing; and (iii) issue to the Agents broker warrants (the “**Broker Warrants**”) equal to 8.0% of the number of Subscription Receipts sold pursuant to the Sub Receipt Financing. In exchange for certain advisory services provided by the Agents to Silo Wellness, the Agents also received an advisory fee equal to \$47,677.

The net proceeds of the Financing, once released from escrow, are intended to be used by Silo Wellness to expand and grow the business of Silo Wellness and for working capital purposes.

### Further Information

Further details about the Proposed Transaction will be provided in a CSE listing statement to be prepared and filed by Yukoterre in respect of the Proposed Transaction.

Investors are cautioned that, except as disclosed in the CSE listing statement (or other disclosure document prepared by Yukoterre) 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.

The CSE has not passed upon the merits of the Proposed Transaction and has neither approved nor disapproved the contents of this press release. All information contained in this news release with respect to Silo Wellness and Yukoterre was supplied by each party respectively for inclusion herein and each party has relied on the accuracy of such information without independent verification.

### **About Yukoterre**

Yukoterre is engaged in the business of mineral exploration and the acquisition of mineral property assets in the Yukon Territory. Its objective is to locate and develop mineral properties of merit and to conduct its exploration program on the Division Mountain Property.

### **About Silo Wellness**

The mission of Silo Wellness is to improve health and wellness by developing and introducing psychedelic medicine to reduce trauma and increase performance by destigmatizing the active compounds in psychedelics and innovating ease of administration and ingestion. Silo Wellness intends to introduce new, safe, and affordable alternatives to current medicines by facilitating entry into new and emerging markets where psychedelics are legal by conducting ketamine and psilocybin wellness retreats and elsewhere by manufacturing and distributing functional mushrooms.

Since inception, Silo Wellness' activities have focused on: (1) development of psilocybin-free functional mushroom tinctures, (2) the development of the formulation of a psilocybin nasal spray in Jamaica and (3) offering of Jamaican and Oregon wellness retreats and Jamaican cultivation of psychedelic mushrooms. None of Silo Wellness' products claim to cure or mitigate any physical or mental disease, symptoms, disorders or abnormalities.

### **Further Information**

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### **CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION:**

This news release contains "forward-looking information" and "forward-looking statements" (collectively, "**forward-looking statements**") within the meaning of the applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release. Any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as "expects", or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "budget", "scheduled", "forecasts", "estimates", "believes" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may" or "could", "would", "might" or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements. In this news release, forward-looking statements relate, among other things, to: the Financing, the Amalgamation Agreement and the Proposed Transaction (including all required approvals), the use of proceeds, the business plans of Silo Wellness, including the scaling of its ketamine retreats in Oregon and Jamaican psilocybin retreats, and satisfaction of the Release Conditions and the Unit Release Conditions. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to: general business, economic, competitive, political and social uncertainties; the impact of COVID-19, the failure to satisfy some or all of the Release Conditions and/or the Unit Release Conditions, and the delay or failure to receive regulatory approvals for the Proposed Transaction. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements.

Readers should not place undue reliance on the forward-looking statements and information contained in this news release. Yukoterre assumes no obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors,

should they change, except as required by law.

This news release does not constitute an offer to sell, or a solicitation of an offer to buy, any securities from Yukoterre or Silo Wellness in the United States. The 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.