

Silo Wellness Executes Definitive Agreement to Acquire Dyscovry Science and Its Psilocybin Pharmaceutical Biosynthesis and Research Portfolio

Toronto, Ontario--(Newsfile Corp. - September 27, 2022) - Silo Wellness Inc. (CSE: SILO) (OTCQB: SILFF) (FSE: 3K7A) ("Silo Wellness" or the "Company"), a leading global psychedelics company, and Dyscovry Science Ltd. ("Dyscovry"), a Toronto-based biotechnology company focused on biosynthetic manufacturing of psilocybin and its derivatives targeting a physiological condition, irritable bowel syndrome, today announced the companies have entered into a definitive share exchange agreement through which Silo acquires 100% of Dyscovry.

With Dyscovry's research collaboration with Canadian federal government research laboratories, Dyscovry intends to develop a biotechnological process for the production of psilocybin and its potentially novel molecule derivatives. This transaction affirms Silo's commitment to the psychedelic pharmaceutical space and is expected to add pharmaceutical R&D capabilities to Silo's patent-pending metered-dosing formulations for psilocybin, DMT, mescaline, and 5-MeO-DMT, and its psychedelic retreat expertise to help unlock the value of its strategic portfolio.

"We are joining two teams that share a passion and vision for developing differentiated psychedelic healing therapies that advance science and transform the lives of patients. I look forward to all that we intend to accomplish together as a combined organization," stated Brad Dottin, founder and president of Dyscovry. "With Dyscovry's collaborative partnerships with Canadian federal government research institutions, a [Canadian Council on Animal Care](#) (CCAC) certified university facility for animal studies, and an Ontario-based DEL facility for pre-clinical research, this merger will further enhance Silo's platform for continued growth by adding R&D capability and a team with early-stage research, translational and clinical development capabilities along with deep-rooted scientific knowledge in Irritable Bowel Syndrome (IBS) and severe inflammatory diseases," Mr. Dottin continued.

"The Dyscovry transaction has been highly anticipated by our shareholder base and a long time coming," commented Silo founder and CEO Mike Arnold, an Oregon lawyer. Silo previously announced in May a letter of intent to acquire Dyscovry. "As I have gotten to know the Dyscovry team over the last year, I have seen potential synergies far beyond what is within the four corners of the Dyscovry portfolio," said Arnold. "I am thrilled to bring our networks together to add value to what we have built in Jamaica and intend to build in our home state of Oregon."

Terms of Share Exchange Agreement

Pursuant to the terms of the Share Exchange Agreement, Silo will acquire 100% of the issued and outstanding shares of Dyscovry in exchange for 12,762,325 (for a total of 49% of the issued shares post-closing of the transaction) common shares in the capital of Silo (the "Payment Shares"). The Payment Shares issued for shares of Dyscovry shall be subject to restrictions on resale for a period of 36 months from closing of the Acquisition and shall be released on a schedule consistent with the release schedule for an "emerging issuer" prescribed by section 4.3 of National Policy 46-201- Escrow for Initial Public Offerings. Acceleration of the release from the lock-up may be on terms and conditions established in good faith between the Parties and based on the performance of the Purchased Shares on the CSE and at any time following Closing upon the unanimous approval of the board of directors of Silo.

Following closing, Dyscovry shall have the right to immediately nominate one director to the board of directors of Silo. Silo has also agreed to pay approximately CAD\$120,000 of Dyscovry founder's debt in twelve equal monthly installments, and in any event, the total debt shall be paid no later than twelve

months from the Closing Date. Closing of the Transaction is subject to customary closing conditions and applicable regulatory approvals, including the approval of the CSE and the shareholders of Dyscovry if required.

OTHER CORPORATE UPDATES

On July 26, 2022, the Company also granted 500,000 common shares purchase options to each of the five directors of the Company; each option entitles the holder to purchase one common share of the Company at CAD\$0.025 until five years from the grant date. The options are subject to a four-month hold period.

Additionally, the Company has entered into an agreement with Bolt Media, Inc. ("BM") to provide services relating to social media support and strategic media services for a six-month term beginning in September 2022. The Company has agreed to pay a total

of USD\$8,833/month for the services to be provided during the term. In line with the Company's strategy for raising awareness, the Company has also retained Lifewater Media to introduce Silo and its services to the US investment community. The contract with Lifewater Media includes a USD\$60,000 budget for newsletter and display advertising and copywriting and design fees. Lifewater Media are well known professionals in the media industry with more than 40 years of combined experience. Lifewater Media is a pioneer in US marketing strategy and digital marketing. Neither provides investor relations or market making services. One purpose of the campaign is to drive awareness to the Company's psychedelic vacations in Jamaica.

ABOUT DYSCOVRY

DYSCOVRY SCIENCE LTD is an innovative Toronto-based biotechnology company conducting research to establish a world-leading position in the development of fungal- and plant-derived therapeutics through its proven drug discovery and development processes, its growing intellectual property portfolio, and regulatory and manufacturing expertise.

Dyscovry is led by an experienced team with government, university and private collaborations focusing on biosynthesis of psilocybin and investigating a quantifiable anti-inflammatory effect of psychedelics - believed to be mediated through 5-HT_{2A} activation - and how this relationship pertains to disorders that affect the large intestine. Dyscovry is focused on indications such as Irritable Bowel Syndrome (IBS) that inflict suffering on a double digit percentage of the entire human global population. This suffering includes the physiological symptoms but also the secondary psychological symptoms from living with this disease.

www.Dyscovry.com

ABOUT SILO WELLNESS

Silo Wellness is a growth-oriented holding company focused on psychedelic opportunities that benefit from a unified ecosystem and exceptional leadership. Founded in 2018 in Oregon and headquartered in Toronto, Silo Wellness has a presence in both Jamaica and Oregon. Silo Wellness is a publicly traded company on the Canadian (CSE: SILO) and Frankfurt (FSE: 3K7A) exchanges and trading on the OTCQB Venture Market (OTCQB: SILFF).

For more information about Silo Wellness or to book a Jamaican psychedelic retreat, please visit www.silowellness.com.

Silo Wellness Company Contact:

Mike Arnold, President
541-900-5871
ir@silowellness.com

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. Forward-looking information may relate to anticipated events or results including, but not limited to the successful completion of the Acquisition; Dyscovry's development of certain technologies and products; Dyscovry's initiation of research, clinical trials and timing thereof; Dyscovry's successful completion of clinical trials; the Company's ability to fund Dyscovry's as well as the company's pre-existing capital requirements; and any potential success in perfecting any patent claims. 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, regulatory, political and social uncertainties and the potential impact of COVID-19. Such risks and uncertainties include, among others, the risk factors included in Silo Wellness's continuous disclosure documents available on www.sedar.com. 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. Silo Wellness assumes no obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change, except as required by law.

NEITHER THE CANADIAN SECURITIES EXCHANGE NOR ITS REGULATION SERVICES PROVIDER ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.



SILO WELLNESS

To view the source version of this press release, please visit <https://www.newsfilecorp.com/release/138518>