

Silo Wellness Announce Cease Trade Order Due to Audit Delay

Springfield, Oregon--(Newsfile Corp. - March 6, 2023) - [Silo Wellness Inc.](#) (CSE: SILO) (OTCQB: SILFF) (FSE: 3K7A), announces further to its press release of [March 4, 2023](#), that the Ontario Securities Commission (the "OSC") has issued a Failure-to-File Cease Trade Order ("FFCTO") pursuant to National Policy 11-207 - Failure to File Cease Trade Orders dated March 6, 2023 in respect of the securities of the Company as a result of the Company's inability to file its audited annual financial statements and management discussion & analysis due February 28, 2023 for the financial year ended October 30, 2022, and the CEO and CFO certificates, all as required by National Instrument 51-102 - Continuous Disclosure Obligations and National Instrument 52-109 - Certification of Disclosure in Issuers' Annual and Interim Filings (collectively, the "Documents").

As previously disclosed, the default was expected as the Company's auditor has indicated it anticipates requiring additional time to complete its audit.

The Company continues to work diligently and expeditiously with its auditors and expects to file the Documents as soon as possible with a current expectation of on or about March 20, 2023.

The FFCTO prohibits the trading by any person any of securities of the Company in each jurisdiction in Canada in which the Company is a reporting issuer, including trades in the Company's common shares made through the Canadian Securities Exchange, for as long as the FFCTO remains in effect; however, the FFCTO provides an exception for beneficial securityholders of the Company who are not currently (and who were not as of March 6, 2023) insiders or control persons of the Company and who sell securities of the Company acquired before March 6, 2023 if both of the following criteria are met: (i) the sale is made through a "foreign organized regulated market", as defined in section 1.1 of the Universal Market Integrity Rules of the Investment Industry Regulatory Organization of Canada and (ii) the sale is made through an investment dealer registered in a jurisdiction of Canada in accordance with applicable securities legislation.

The Company reported on February 27, 2023, that on February 25, 2023, the auditor requested two to three additional weeks to complete the audited financials. If the default is able to be remedied within 90 days of the date of the FFCTO, the filing of the documents constitutes the application to revoke the FFCTO and no application fee is required under Appendix C of OSC Rule 13-502 Fees. However, there is no assurance that the Company will be able to remedy its filing default and have the FFCTO lifted in a timely manner or at all.

The Company is not currently subject to any insolvency proceedings. The Company also confirms that there is no other material information concerning the affairs of the Company that has not been generally disclosed as of the date of this press release.

The Company maintains [its position](#) that the OSC is failing to apply its policy in accordance with the well-established and ancient maxims of interpretation and should update their policies to better reflect their actual practice. Nonetheless, their responsive position is a reasonable alternative interpretation that may be unfavored by the tribunal and a waste of everyone's time if an appeal is unsuccessful. After conferring with the OSC, it appears that filing an appeal to the tribunal would likely be moot anyway given when the audit is expected to be complete. CEO Mike Arnold is recommending to the Silo Board that an appeal not be undertaken as his legal skills and time are best spent advancing the Oregon agenda and continuing to work on debt restructuring.

"As a [trial lawyer](#), I learned long ago that being right and just along with having 25 cents doesn't even buy you a cup of coffee anymore," stated Silo CEO Mike Arnold. "I appreciate the level of professionalism that the OSC staff and management has shown us over the past week. They took a lot of time to address our concerns despite us being a microcap company that was recently thinly traded. Although I'm

disappointed with the outcome, shareholders can rest assured that we left nothing on the table."

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