



champignon
B R A N D S

NEWS RELEASE

CHAMPIGNON PROVIDES CORPORATE UPDATE; ANNOUNCES NAME CHANGE, REBRANDING AND PLANNED SPIN OUT

VANCOUVER, British Columbia, June 12, 2020 – Champignon Brands Inc. (“**Champignon**” or the “**Company**”) (CSE: **SHRM**) (FWB: **496**) (OTCQB: **SHRMF**), a human optimization sciences company with an emphasis on ketamine and psychedelic medicine, since commencing trading on March 2, 2020 has expanded its initiatives and rapidly executed on such initiatives to position the Company as a leading publicly traded psychedelic medicine company developing novel rapid onset treatments for depression, post-traumatic stress disorder (“**PTSD**”), and substance-use disorders (“**SUD**”) via the clinical delivery of ketamine and ketamine-derivatives. The Company is pleased to share its corporate advancements and achievements over the last quarter, which target key segments in the psychedelics as medicines industry that will complement each other as the sector matures and accelerates, including:

- Acquisition of the Canadian Rapid Treatment Centre of Excellence (the “**CRTCE**”), a vertically integrated, world-leader of peer-reviewed publications that specializes in rapid-onset treatment centres operating from proof-of-concept to human trials relating to ketamine for adults with depression;
- Executed term sheet to acquire California-based Wellness Clinic of Orange County Inc. (the “**WCOOC**”), a ketamine infusion treatment centre located within Mission Hospital's Laguna Beach campus;
- Appointment of Dr. Roger McIntyre as Chief Executive Officer
- Appointment of Pat McCutcheon and Dr. Bill Wilkerson as Directors of the Company;
- Establishment of its North American Clinical Expansion Committee, tasked with accelerating Champignon’s entry into the United States where it plans to open or acquire a minimum of five new clinical entities during 2020;
- Advancement of its new chemical entity (“**NCE**”) IP portfolio as it pertains to ketamine and psilocybin/psilocin molecular scaffolds via the engagement of a leading contract research organization (“**CRO**”) in the drug discovery space;
- Continuing development of commercialization initiatives for its planned intranasal (“**IN**”) ketamine delivery platforms;
- Ongoing pre-clinical studies, and eventual planned human clinical trials, in collaboration with the University of Miami’s Miller School of Medicine, with the objective of demonstrating safety and efficacy of the combination of psilocybin and cannabidiol in treating mild TBI with PTSD or stand-alone PTSD;
- Addition of planned central fill and compounding infrastructure for its proprietary topical ketamine formulations, as well as the dispensing of its products throughout a pharmacy network; and
- Closing its previously announced CAD \$15,000,375 bought-deal private placement co-lead by Canaccord Genuity Corp. and Eight Capital, including the exercise in full of the option granted to the Underwriters.

“While the topic of medical psychedelics has recently gained worldwide momentum, I am exceptionally pleased with strategic approach our team has taken in establishing a differentiated platform with operating treatment clinics in the U.S. and Canada that also facilitate research and development of a wide range of therapeutic and medical applications,” Dr. Roger McIntyre, CEO Champignon. “We have made tremendous progress to date and have proven our ability to quickly seize opportunities in this rapidly emerging industry. Looking forward to the second half of 2020, we will continue to work towards entering new markets and delivering new and innovative solutions throughout North America.”

NAME CHANGE & CORPORATE REBRANDING

The Company also announces that it plans to change its name from Champignon Brands Inc. to Apotheosis Scientific Ltd., or such other name as the Company's directors may determine to better reflect the Company's business activities going forward. Concurrently with the name change, the CUSIP number and ISIN of the company's issued and outstanding common shares may change. The effective date of the name change will be confirmed by the Company upon receipt of all required regulatory approvals.

Furthermore, the Company also plans to debut a new corporate website, investor presentation, and branding campaign alongside the effective date of its proposed name change.

CONTEMPLATED PLAN OF ARRANGEMENT (SPIN OUT)

In addition, the Company advises that it is contemplating a corporate reorganization by way of a plan of arrangement (the “**Arrangement**”) to liberate the value of its functional mushroom-infused consumer packaged goods (the “**CPG Business**”) division. Under the terms of the Arrangement currently being contemplated, the Company’s CPG Business would be spun out as a separate publicly listed reporting issuer (“**Newco**”).

The Company plans to announce a record date in connection with the Arrangement in due course and anticipates the record date will occur within Q3 of 2020. It is expected that upon closing of the Arrangement, each shareholder of the Company will receive common shares of Newco based on the amount of Company shares held on the record date.

There is no assurance that the Arrangement or the Offering will proceed on the terms above or at all. The Arrangement and the Offering would be subject to customary approvals, including shareholder approval and regulatory approval, as applicable.

ON BEHALF OF THE BOARD OF DIRECTORS

Dr. Roger McIntyre
Chief Executive Officer
E: info@champignonbrands.com

FOR INVESTOR INQUIRIES:

Champignon Brands | Storyboard Communications
Investor Relations, Toronto, Canada
Investor Line: +1 (833) 375-9995 x611
E: champignonbrands@storyboardcommunications.com

Tyler Troup
Circadian Group
E: SHRM@champignonbrands.com

FOR CHAMPIGNON BRANDS FRENCH INQUIRIES:

Remy Scalabrini
Maricom Inc.
E: rs@maricom.ca
T: (888) 585-MARI

The CSE and Information Service Provider have not reviewed and does not accept responsibility for the accuracy or adequacy of this release.

Forward-looking Information Cautionary Statement

This news release contains forward-looking statements within the meaning of applicable securities laws. All statements that are not historical facts, including without limitation, statements regarding future estimates, plans, programs, forecasts, projections, objectives, assumptions, expectations or beliefs of future performance, statements we make regarding the speed and effectiveness of our treatments, statements regarding the proposed Arrangement, name change, regarding the development of novel treatment and clinical expansions are "forward-looking statements." Forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "estimates", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, events, or developments to be materially different from any future results, events or developments expressed or implied by such forward looking statements. Such risks and uncertainties include, among others, the Company's requirements for additional financing, and the effect of capital market conditions and other factors on capital availability, the Company's limited operating history and lack of historical profits; competition; failure of treatments to provide the expected health benefits; unanticipated side effects; dependence on obtaining and maintaining regulatory approvals, including acquiring and renewing federal, provincial, state, municipal, local or other licenses; developments and changes in laws and regulations, including increased regulation of the Company's industries and the capital markets; economic and financial conditions; volatility in the capital markets; engaging in activities that could be later determined to be illegal under domestic or international laws; failure to obtain the necessary shareholder, government or regulatory approvals, including that of the CSE; and failure to retain, secure and maintain key personnel and strategic partnerships including but not limited to executives, researchers, clinicians, customers and suppliers. These factors should be considered carefully, and readers are cautioned not to place undue reliance on such forward-looking statements. Although the Company has attempted to identify important risk factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other risk factors that cause actions, events or results to differ from those anticipated, estimated or intended. Additional information identifying risks and uncertainties that could affect financial results is contained in the Company's filings with Canadian securities regulators, which are available at www.sedar.com. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in forward-looking statements. The Company has no obligation to update any forward-looking statement, even if new information becomes available.