

# Irwin Naturals Signs Letter of Intent to Acquire Braxia Scientific

- **Strategic transaction assembles an experienced management and scientific team world-renowned in mental health treatment, research and development**
- **Establishes large footprint of 17 specialized mental health clinics across North America, enhanced by a telehealth platform expected to extend access to critical treatments for millions of people across multiple states in the US**
- **Combined network of clinics creates a leading international mental health research platform for in-human clinical development of novel therapeutics**

Toronto, Ontario--(Newsfile Corp. - January 27, 2023) - Braxia Scientific Corp. (CSE: BRAX) (OTC Pink: BRAXF) (FSE: 4960) ("Braxia", or the "Company") a medical research company providing psychiatric, innovative ketamine and psilocybin treatments for mental health disorders, is pleased to announce it has entered into a non-binding amended and restated letter of intent ("LOI") for a business combination with Irwin Naturals Inc. (CSE: IWIN) (OTCQB: IWINF) (FSE: 97X) ("Irwin"). Irwin has been one of North America's leading health and wellness companies for nearly three decades and has recently developed a rapidly growing network of mental health clinics in the US. The LOI sets forth the material terms and conditions upon which Irwin will acquire all of the issued and outstanding common shares (the "Braxia Shares") of Braxia (the "Proposed Transaction").

Under the terms of the LOI, Irwin is prepared to offer a purchase price per Braxia Share based upon a valuation of the outstanding Braxia Shares of US\$30,000,000 and a deemed value per subordinate voting share ("Irwin Share") and/or proportionate voting share of Irwin ("Consideration Shares") equal to the greater of US\$3.00 and the volume weighted average trading price of Irwin Shares on the Canadian Securities Exchange (the "CSE") for the 20 trading days immediately prior to the execution of the Arrangement Agreement. The purchase price would be payable on closing of the Proposed Transaction (the "Closing Date") by the issuance of Consideration Shares to each holder of Braxia Shares. Based on the closing price of Irwin Shares and Braxia Shares on the CSE on January 25, 2023 of C\$3.80 and C\$0.05, respectively, the purchase price and exchange ratio imply a 315.72% premium to the price of Braxia Shares. The number of Consideration Shares will also be adjusted upward in the event that the total consideration received by holders of Braxia Shares is less than US\$30,000,000, to be determined at a specified period of time after the Closing Date and as set forth in the Arrangement Agreement.

**The final purchase price per Braxia Share and the exchange ratio will be set forth and determined at the time the Arrangement Agreement is executed.** The LOI further provides that the Consideration Shares would be subject to a lock-up period (the "Lock-Up") and would be restricted from transfer or sale for a period of 6 months after the Closing Date. Insiders of Braxia would be subject to a Lock-Up period of 12 months from the Closing Date.

Additionally, under the terms of the LOI and in connection with the Proposed Transaction, it is expected that the convertible securities of Braxia would, pursuant to the Arrangement Agreement, either remain outstanding in accordance with their terms or be exchanged for substantially similar securities of Irwin.

**The LOI is non-binding and there is no assurance that the Proposed Transaction will be completed as proposed.** The completion of the Proposed Transaction is subject to, among other things (i) completion of satisfactory due diligence by each of Braxia and Irwin; (ii) negotiation of and the entering into of a binding definitive Arrangement Agreement in connection with the Proposed Transaction; (iii) receipt of all required corporate approvals from the board of directors of Braxia and Irwin, respectively, and all regulatory and shareholder approvals, including the approval of the CSE and any required third-party consents; and (iv) Braxia having at least C\$575,000 in working capital immediately before closing on the Closing Date.

## **Creating a New Market Leader in US and North American Mental Health**

The combined business creates a new market leader with operations in multiple markets in the US (~40+ markets) and in Canada across three important business verticals;

- **Clinics:** A large and rapidly growing network of clinics providing much needed mental health services. The network of clinics will act as highly specialized hubs of excellence with several deployed in larger population centers, while others will be deployed more regionally to greatly improve and expand access to mental health services throughout the North American market;
- **International Clinical Research Services:** A leading mental health clinical research organization (CRO) providing in-human clinical study services to a growing pipeline of strategic pharmaceutical sponsors and partners looking to develop innovative therapeutic and diagnostic products to secure marketing authorization from FDA and other health regulators;
- **Telehealth:** A telehealth platform (KetaMD) designed to expand access to patients virtually in ~40+ US state, extending the operational reach of the clinics within the network, providing services to patients directly in their own home, and multiplying the supply of mental health services available in the market today.

**Dr. Roger McIntyre, CEO, Braxia Scientific commented,** "With a proven track record of execution in the wellness sector spanning nearly three decades, Irwin has established a strong foothold in mental health. Its growing network of US based clinics combined with its experienced team and access to capital, makes Irwin an excellent partner for Braxia. More importantly, we will be able to quickly and better address the unmet need for treatment of millions of people living with mental health disorders across North America."

**Klee Irwin, CEO, Irwin Naturals,** "We are excited to be building North America's leading mental health and depression network under the medical expertise of Braxia's scientific management team, including Dr. McIntyre, the world's foremost expert in depression and ketamine research. This combination is a major accelerator and differentiator for Irwin's network of Emergence<sup>TM</sup> clinics across the US as we launch clinical research services for large pharma and emerging biotechnology companies and enhance our capacity with telemedicine capabilities. Additionally, we are pleased to continue support Braxia's growth and access to more attractive financing making this an attractive potential business combination for Braxia shareholders."

**Adam Berk, President, Irwin Naturals added,** "This combination will optimize the drive for growth of mental health services, creating a first mover advantage in many important markets in North America, while also expanding innovative drug development research to benefit from economies of scale across the businesses."

None of the securities to be issued pursuant to the Arrangement Agreement have been or will be registered under the United State Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws, and any securities issued in the Proposed Transaction are anticipated to be issued in reliance upon available exemptions from such registration requirements pursuant to Section 3(a)(10) of the U.S. Securities Act and applicable exemptions under state securities laws. This press release does not constitute an offer to sell or the solicitation of an offer to buy any securities.

### **About Irwin Naturals Inc.**

Irwin Naturals has been a household name and best-in-class herbal supplement formulator since 1994. It is now leveraging its brand to enter into both the cannabis and psychedelic industries. On a mission to heal the world with plant medicine, Irwin has operated profitably for over 27 years.<sup>1</sup> Irwin's growing portfolio of products is available in more than 100,000 retail doors across North America, where nearly 100 million people know the Irwin Naturals brand.<sup>2</sup> In 2018, the Company first leveraged its brand to expand into the cannabis industry by launching hemp-based CBD products into the mass market. The

Company is now leveraging its famous halo of brand trust with an objective to become one of the first household name brands to offer THC-based products and psychedelic mental health treatment. Irwin Naturals became a publicly traded company on the Canadian Securities Exchange (CSE) in August 2021. The Company's shares began to be traded on the OTCQB Venture Market in November 2021. More information on the Company's stock can be found via Bloomberg as well as the Wall Street Journal.

### **About Braxia Scientific Corp.**

Braxia Scientific is a medical research and telemedicine company with clinics that provide innovative ketamine treatments for persons with depression and related disorders. Braxia also launched its U.S. based end-to-end telemedicine platform KetaMD, that utilizes leading technology to provide access to safe, affordable, and potentially life-changing at-home ketamine treatments for people living with depression and related mental health conditions. Through its medical solutions, Braxia aims to reduce the illness burden of brain-based disorders, such as major depressive disorder among others. Braxia is primarily focused on (i) owning and operating multidisciplinary clinics, providing treatments in-person and virtually for mental health disorders, and (ii) research activities related to discovering and commercializing novel drugs and delivery methods. Braxia seeks to develop ketamine and derivatives and other psychedelic products from its IP development platform. Through its wholly owned subsidiary, Braxia Health (formerly the Canadian Rapid Treatment Center of Excellence Inc.), operates multidisciplinary community-based clinics offering rapid-acting treatments for depression located in Mississauga, Toronto, Kitchener-Waterloo, Ottawa, and Montreal.

### **ON BEHALF OF THE BOARD**

"Dr. Roger S. McIntyre"

Dr. Roger S. McIntyre

Chairman & CEO

- 30 -

FOR FURTHER INFORMATION PLEASE CONTACT:

**Braxia Scientific Corp.**

**Tel:** 416-762-2138

**Email:** [info@braxiascientific.com](mailto:info@braxiascientific.com)

**Website:** [www.braxiascientific.com](http://www.braxiascientific.com)

The CSE has 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, future estimates, plans, programs, forecasts, projections, objectives, assumptions, expectations, or beliefs of future performance are "forward-looking statements."

Forward-looking statements include statements about the intended promise of ketamine-based treatments for depression, the potential for ketamine or other psychedelics to treat other mental health conditions, the ability of telemedicine and the Proposed Transaction to address the unmet need for mental health disorders or expand or accelerate the growth of Braxia or Irwin, the potential business or strategic advantages to either Irwin or Braxia in connection with the Proposed Transaction, the negotiation and execution of a definitive Arrangement Agreement, the completion and proposed terms of the Proposed Transaction and the acquisition of all of the issued and outstanding Braxia Shares,

required conditions precedent to the Proposed Transaction, including regulatory, court, and securityholder approvals for the Proposed Transaction, and the anticipated benefits of the Proposed Transaction. 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 failure of ketamine, psilocybin and other psychedelics to provide the expected health benefits and unanticipated side effects, dependence on obtaining and maintaining regulatory approvals, including acquiring and renewing federal, provincial, municipal, local or other licenses and engaging in activities that could be later determined to be illegal under domestic or international laws. Ketamine and psilocybin are currently Schedule I and Schedule III controlled substances, respectively, under the Controlled Drugs and Substances Act, S.C. 1996, c. 19 (the "CDSA") and it is a criminal offence to possess such substances under the CDSA without a prescription or a legal exemption. Health Canada has not approved psilocybin as a drug for any indication, however ketamine is a legally permissible medication for the treatment of certain psychological conditions. It is illegal to possess such substances in Canada without a prescription.

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, including the Amended and Restated Listing Statement dated April 15, 2021 and its most recent MD&A, which are available at [www.sedar.com](http://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.



To view the source version of this press release, please visit <https://www.newsfilecorp.com/release/152669>