



Levitee Labs Enters into Credit Facility For Up To \$12 Million

VANCOUVER, BC, October 21st, 2021 /CNW/ - Levitee Labs Inc. (CSE: LVT) (OTCMKTS: LVTF) (FSE: 7H7) (the "**Company**" or "**Levitee**"), an integrative wellness company with a diversified portfolio of healthcare and wellness assets, is pleased to report that it has entered into a financing agreement for up to \$12 million for further business expansion. The secured loan facility (the "**Loan**") was arranged by RiverFort Global Capital Ltd. (a UK firm) and the Loan is from RiverFort Global Opportunities PCC Ltd. ("**RiverFort**" or the "**Lender**"). The Company will utilize the proceeds from the Loan to support the Company's prospective future acquisitions of several assets in the clinics, pharmacies and mental health space as well as for working capital purposes.

Pouya Farmand, CEO of Levitee commented, "We are grateful for the support we are receiving from RiverFort. We believe this financing is not only reflective of their confidence in the proposed acquisition strategy, but also in the acquisitive growth potential of Levitee Labs once acquisitions are completed. We are committed to continuing to execute our accretive acquisition program, adding another catalyst engine to Levitee's future growth potential."

Pursuant to the terms of the Loan, Levitee has agreed to draw down an initial \$2.5 million tranche ("**Tranche 1**"), with this debt maturing on October 20th, 2023 (the "**Maturity Date**"), with interest payable by Levitee in an amount equal to 10% per annum of the amount of the Tranche 1 advance. Any subsequent advances under the Loan, which will be entirely at the discretion of Levitee, will be subject to interest payable by Levitee in an amount equal to 20%, to be applied to the term between the date of the relevant advance date and the Maturity Date. The closing of Tranche 1, and each subsequent tranche of the Loan, will be subject to the satisfaction of customary closing conditions involving Levitee and RiverFort, including the final regulatory approval by the Canadian Securities Exchange.

The Loan provides for 25% warrant coverage for each advance or draw down, determined as being 25% of the principal amount of the tranche divided by the Company's share price at the time of the advance. The exercise price of the warrants will be set at 150% of the Company's share price at the time of the advance and the warrants will expire three years after the date they are granted. Subject to the satisfaction of the Tranche 1 closing conditions, Levitee will issue 1,378,778 warrants ("**Warrants**") to RiverFort whereby each Warrant will entitle RiverFort to purchase one common share of the Company (a "**Share**") at a price of \$0.68 per Share for a term of three years.

As part of the Loan agreement, RiverFort will have the option to convert up to 50% of the principal amount of the Loan into Shares at a fixed conversion price equal to 125% of the market price of the Shares at the time of the applicable draw down. Subject to the satisfaction of the Tranche 1 closing conditions, the fixed conversion price for Tranche 1 will be \$0.544 per Share. In addition, RiverFort may at its option, once every thirty (30) days, request and require that the debt represented by the interest that has been deemed to accrue on the Loan be converted into Shares pursuant to a private placement price equal to 90% of the last closing price of the Shares on the day prior to the notice of such conversion.

Gytis Martinkus, CEO of RiverFort Global Capital Limited stated, "We are excited to be working with Levitee Labs as its financing partner as it moves to implement its strategy to be a leading integrative wellness company dedicated to redefining traditional mental health and addiction treatments. The strategy communicated to me and my team by the board of Levitee Labs was very clear, with the intention to deploy capital through M&A as

well as expanding its operational interests within the medical and wellness space. Despite being new to the CSE having listed in July this year, our due diligence showed the business to have a clear and proven cash generative model which will be able to expand with additional working and operational capital. As a result, we invest in Levitee Labs with confidence and look forward to our further work with the Company on its journey.”

Levitee and RiverFort are independent and operate at arm’s length from one another. The Loan agreement and any Warrants issued to RiverFort pursuant to the Loan agreement will be issued pursuant to prospectus exemptions set out in National Instrument 45-106 *Prospectus Exemptions* (“**NI 45-106**”) and any Shares issued upon conversion of the Loan or upon exercise of the Warrants will, if issued, also be issued pursuant to prospectus exemptions set out in NI 45-106 and will be subject to applicable statutory hold periods under National Instrument 45-102 *Resale of Securities*.

About Levitee Labs Inc.

Levitee is establishing itself as a leader in the integrative wellness space. Through leveraging an M&A regimen that focuses on the centralization of complementary integrative wellness assets, Levitee aims to transform mental health and addiction treatments through the integration of psychedelic medicines and therapies into a medical home care model. The Company’s current portfolio of assets includes: Levitee Clinics™, a group of five operating addiction and pain treatment clinics in Alberta; Levitee Pharmacies™, three pharmacies operating in Alberta specialized in filling prescriptions for patients with substance use disorders, mental health conditions, and chronic pain; BlockMD, the first technology company in Alberta to receive provincial approval for electronic-prescriptions in the addiction treatment space; and Earth Circle Organics, a direct-to-consumer and wholesaler of supplements and superfood products with 180+ SKUs in its product lineup across three brands. Further information about Levitee is available on its website at www.leviteelabs.com.

About RiverFort Global Capital Ltd.

RiverFort Global Capital Ltd. provides comprehensive and innovative growth funding solutions to publicly listed and private companies across a range of sectors. With extensive industry knowledge and experience RiverFort prides itself in creating win-win-win partnerships between its alternative funding sources, including family office co-investors, and investee companies that it believes in. RiverFort Global Capital Ltd. is authorised and regulated by the UK Financial Conduct Authority (766760).

Forward-Looking Statements

This news release contains certain statements that may constitute forward-looking information under applicable securities laws. All statements, other than those of historical fact, which address activities, events, outcomes, results, developments, performance, or achievements that Levitee anticipates or expects may or will occur in the future (in whole or in part) should be considered forward-looking information. Such information may involve, but is not limited to, statements respecting Levitee’s business plans and proposed products, and the benefits derived from mushroom-infused products; the expected use of proceeds from the Loan; the acquisitive growth potential of Levitee once acquisitions are completed; the expectation that Levitee will continue to execute its accretive acquisition program, and the contribution of such program to Levitee’s future growth potential; the closing of Tranche 1, including the Levitee’s ability to satisfy the Tranche 1 closing conditions; the closing of any future tranches under the Loan, including Levitee’s ability to satisfy the closing conditions for future tranches of the Loan; and Levitee’s objective to transform mental health and addiction treatments through the integration of psychedelic medicines and therapies into a medical home care model. Often, but not always, forward-looking information can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or statements formed in the future tense or indicating that certain actions, events or results "may", "could", "would", "might" or "will" (or other variations of the forgoing) be taken, occur, be achieved, or come to pass. These statements and other forward-looking information are based on assumptions made by

Levitee based on currently available competitive, financial and economic data and operating plans, strategies or beliefs as of the date of this news release as well as management's current expectations or beliefs regarding future growth, results of operations, future capital (including the amount, nature and sources of funding thereof) and expenditures. These assumptions may also be based on information obtained from third-party industry analysts and other third-party sources. Forward-looking information is necessarily based on a number of opinions, assumptions and estimates that, while considered reasonable by Levitee as of the date such statements are made, are subject to known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements to be materially different from those expressed or implied by such forward-looking information, including but not limited to risks associated with the following: Levitee's limited history of operations; ability to secure additional financing; negative cash flow from operating activities since inception; regulatory requirements; changes in consumer preferences; supply of raw materials; reliance on a limited number of products; brand awareness; the ability to develop, market and produce new products; dependence on certain key senior managers; reliance on third parties for manufacturing and packaging; potential product liability claims and product recalls; and significant competition. For additional information regarding these risks, please see the risk factors identified and reported in Levitee's public filings under its SEDAR profile at www.sedar.com. Any and all forward-looking information contained in this press release is expressly qualified by this cautionary statement. Readers are cautioned not to place undue reliance on forward-looking statements or information. The forward-looking information is made as of the date of this news release, and Levitee assumes no obligation to publicly update or revise such forward-looking information, except as required by applicable securities laws. The CSE (operated by CNSX Markets Inc.) has neither approved nor disapproved of the contents of this press release and accepts no responsibility for the adequacy or accuracy hereof.

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