



Levitee Labs Signs LOI to Acquire Controlling Interest in a R&D Compounding Pharmacy; Focus to be on Levitee-Branded Products

- Levitee Labs acquiring 51% interest in new R&D compounding pharmacy in Calgary, Alberta, Canada
- New pharmacy to focus on production of intranasal ketamine and sublingual preparations, topical and transdermal formulations, capsules and other Levitee-branded compounds and products

VANCOUVER, BC, CANADA, November 8th, 2021 /CNW/ – Levitee Labs Inc. (CSE: LVT) (OTC: LVTF) (FSE: 7H7) (the "**Company**" or "**Levitee**"), an integrative wellness company with a diversified portfolio of healthcare and wellness assets, has signed a letter of intent ("LOI") to acquire 51% of the issued and outstanding shares of a new pharmacy with compounding capacities in Alberta (the "Compounding Pharmacy"). The Compounding Pharmacy is led by an expert pharmacy operator with deep experience in the compounding space.

The Compounding Pharmacy is a licensed Level C non-sterile compounding lab adjacent to a separate compounding space and retail pharmacy. The separate compounding space and retail pharmacy was part of an acquisition announced by Levitee Labs on October 12th, 2021. Through licensed compounding services, a pharmacy creates custom medications from base ingredients for patients, which Levitee Laboratories will use to expand the therapeutic options available to patients and physicians – this will fill gaps in health care for specific needs.

The Company will provide a variety of innovative delivery methods and unique forms of dosage such as intranasal ketamine and sublingual preparations, topical and transdermal formulations, capsules, suppositories, oral liquids and lollipops. The initial focus for formulations is on addiction treatment, mental healthcare, and pain management, with plans to expand the scope of work to other areas.

The acquisition represents the launch of the Company's initiative into production and distribution of pharmaceutical products under the Levitee Labs banner. The Compounding Pharmacy will be used to expand Levitee Labs' operations by introducing a R&D laboratory for the discovery and production of cutting-edge ketamine and psychedelic medicines (when permitted by law) for the safe and effective treatment of addiction, depression, and pain management.

"This acquisition has tremendous implications for our business as we look ahead to our own formulations and branded consumer goods, which will include products such as intranasal medicines and ketamine creams," commented Pouya Farmand, Chief Executive Officer at

Levitee Labs. “Bringing a large R&D compounding pharmacy to our Levitee Pharmacies group is a true value-add as we work towards economies of scale as a fully integrated company.”

As part of the acquisition announced by Levitee Labs on October 12th, 2021, Levitee Labs will hold a 51% ownership stake in the Compounding Pharmacy. Levitee Labs will retain the right to acquire the remaining 49% of the Compounding Pharmacy at a pre-determined valuation (multiple of EBITDA – earnings before interest, taxes, depreciation, and amortization). This LOI is non-binding and remains subject to the drafting of definitive agreements, approval from Levitee Labs’ board, and regulatory body approvals.

According to a study conducted by the Toronto Rehabilitation Institute¹, transdermal ketamine and lidocaine was found to be effective in 73% of patients diagnosed with acute neuropathic pain, from a sample size of 854 patient charts. These findings indicate the effectiveness and potential that ketamine-based compounds have on individuals with ailments that require their use.

1. <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3401865/>

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. 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.

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. 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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