

Yukoterre Resources Announces Proposed Reverse Takeover by Psychedelics Company Silo Wellness

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TORONTO, June 17, 2020 -- YUKOTERRE RESOURCES INC. ("**Yukoterre**") (CSE:YT), is pleased to announce that it has entered into a binding letter of intent (the "**LOI**") with FlyOverture Equity Inc., operating as Silo Wellness ("**SILO**"), dated June 16, 2020 which sets forth, in general terms, the basic terms and conditions upon which Yukoterre and SILO will combine their business operations resulting in a reverse takeover (the "**Proposed Transaction**") of Yukoterre by SILO and its shareholders with a new ticker symbol intended as "SILO", insofar as it is available. The LOI was negotiated at arm's length and the Proposed Transaction will be an arms-length transaction.

Overview of SILO

SILO was founded in Oregon and has been in the psychedelics and functional mushroom space since 2018 and ultimately formulated and announced a patent-pending psilocybin nasal spray in Jamaica in 2019. This metered-dosing delivery modality was created for consumer microdosing to address some of the primary issues that may prevent many from trying natural psychedelics for the first time, including dose reliability, taste, stomach upset, and stigma. Its primary benefit is an uptake speed that is faster than nature intended for convenience and to help prevent dosage stacking, a problem that is most well-known from cannabis edibles "overdosing."

In addition to its IP portfolio, SILO is focusing on consumer product and wellness center/retreat brand development for psychedelic and functional mushrooms. Its go-to-market revenue strategy includes scaling its United States Silo Reboot brand of functional mushrooms (via www.SiloReboot.com) and its magic mushroom cultivation and psychedelic retreat operations in Jamaica (via www.SiloRetreats.com). Following the Proposed Transaction, SILO anticipates that it will continue to grow its operations organically and by strategically integrating complementary businesses to its operations.

The Proposed Transaction

In connection with the Proposed Transaction, SILO shall complete a concurrent private placement offering of SILO common shares (the "**SILO Shares**") for gross proceeds of approximately \$2,500,000 (the "**Private Placement**"). Further details on the Private Placement, including the type and number of securities offered for issuance and the agent or agents engaged to broker the Private Placement, if any, will be provided and confirmed in due course once available.

It is anticipated that Yukoterre will hold an annual general and special meeting of its shareholders in connection with the Proposed Transaction, to, among other items of business (a) effect a share consolidation of common shares of Yukoterre (the "**Yukoterre Shares**") on a two-for-one basis, (b) rename Yukoterre to "Silo Wellness Inc." and (c) elect a board of directors with two director nominees designated by SILO, two director nominees designated by Yukoterre and one director mutually nominated by Yukoterre and SILO, in a manner that complies with the requirements of the CSE and applicable securities and corporate laws.

Pursuant to the LOI, upon completion of the Proposed Transaction:

1. All issued and outstanding SILO Shares will be exchange for Yukoterre Shares, whereby each holder of SILO Shares will receive one Yukoterre Share for each SILO Share held.
2. All outstanding options, warrants and future obligations to issue SILO Shares will be exchanged with options, warrants and future obligations to issue common shares in the resulting issuer.
3. Yukoterre will change its name to "Silo Wellness Inc.," or such other name as may be acceptable to SILO, the CSE, and regulatory authorities.
4. The board of directors of the resulting issuer will be reconstituted to be comprised of five directors, two of which will be nominees of Yukoterre, two of which will be nominees of SILO and one of which will be a mutual nominee of Yukoterre and SILO. Management of the resulting issuer will be fully comprised of SILO representatives.

Yukoterre and SILO anticipate that the Proposed Transaction will close on or before August 14, 2020 or such other date as mutually agreed by both parties. When a definitive agreement between Yukoterre and SILO is executed, Yukoterre will issue a subsequent press release containing the details of the definitive agreement and additional terms of the Proposed Transaction. Completion of the Proposed Transaction is subject to a number of conditions, including but not limited to, receiving all required shareholder, regulatory, and other approvals. There can be no assurance that the Proposed Transaction will be completed as proposed or at all. The LOI shall terminate if the Proposed Transaction is not completed on or before October 30, 2020. No finder's fees are payable in connection with the Proposed Transaction.

The CSE has in no way passed upon the merits of the Proposed Transaction and has neither approved or disapproved the contents of this press release. All information contained in this news release with respect to SILO was supplied by SILO for inclusion herein and Yukoterre has relied on the accuracy of such information without independent verification. Financial statements for SILO will be made available once the listing statement for the Proposed Transaction is filed with the CSE.

About Yukoterre

Yukoterre is engaged in the business of mineral exploration and the acquisition of mineral property assets in the Yukon Territory. Its objective is to locate and develop mineral properties of merit and to conduct its exploration program on the Division Mountain Property.

About SILO

SILO is an industry leader in the mushroom/psychedelics space. With current operations ongoing in Jamaica for psilocybin cultivation and retreats, SILO seeks to become the predominant leader in the mushroom industry globally. SILO plans to quickly expand operations and sales to the states and provinces that legalize mushrooms. SILO has a sophisticated technical team that has created a patent-pending nasal spray to allow microdosing of mushrooms. SILO is currently undergoing final steps for a go-public event that will allow investors to access the mushroom space as one of the few companies that have revenue.

Further Information

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION:

This news release contains “forward-looking information” and “forward-looking statements” (collectively, “**forward-looking statements**”) within the meaning of the applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release. Any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as “expects”, or “does not expect”, “is expected”, “anticipates” or “does not anticipate”, “plans”, “budget”, “scheduled”, “forecasts”, “estimates”, “believes” or “intends” or variations of such words and phrases or stating that certain actions, events or results “may” or “could”, “would”, “might” or “will” be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements. In this news release, forward-looking statements relate, among other things, to: the Private Placement, the Proposed Transaction and the proposed annual general and special meeting of shareholders of Yukoterre and the items of business thereunder. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to: general business, economic, competitive, political and social uncertainties; and the delay or failure to receive board, shareholder or regulatory approvals. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on the forward-looking statements and information contained in this news release.

Readers should not place undue reliance on the forward-looking statements and information contained in this news release. Yukoterre assumes no obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change, except as required by law.

This news release does not constitute an offer to sell, or a solicitation of an offer to buy, any securities under from SILO in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”) or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.