



Company Leverages Household Brand Status in Effort to be World's Largest Chain of Psychedelic Mental Health Clinics

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LOS ANGELES, April 18, 2022 (GLOBE NEWSWIRE) -- **Irwin Naturals Inc. (CSE: IWIN) (OTC: IWINF) (FRA: 97X) ("Irwin" or the "Company")** announced today it has taken the next step in the execution of its ketamine clinic roll-up strategy – a move the Company says is motivated by an intention to become the world's largest chain of psychedelic mental health clinics.

The Company entered into an acquisition agreement (the "**Agreement**") dated April 17, 2022 with KHC Capital Group, LLC and related entities ("[Ketamine Health Centers](#)"), which owns a chain of five ketamine treatment clinics in Florida with an additional partnership contract with two affiliate clinics in Mexico.

Irwin's CEO, Klee Irwin, said, "The number of patients treated per month at Ketamine Health Centers makes this acquisition in our national roll-up particularly exciting. With each acquired clinic to be renamed Irwin Naturals Emergence, we are the world's first household name to enter the psychedelic mental health treatment sector. This transaction brings the total of our US-based clinics to six locations."

Irwin continued, “We see ourselves as the initial notable first mover and will be leveraging our brand equity to expand rapidly as society embraces the psychedelic mental health revolution. With nearly 80% of US households familiar with the trusted Irwin brand, it will be the welcome face of a familiar friend in a crowd of strangers – making this life altering solution a bit less intimidating to those in need.”

Chief Medical Officer of Ketamine Health Centers, Dr. Raul Cruz, commented, “What impressed us about Irwin’s approach to America’s mental health crisis is their philosophy of using their existing national scale to drive down patient costs, while being profitable at all stages of the expansion. That’s unusual. A key deciding factor for me getting behind this deal was the March 24th press release of Irwin Naturals titled [Planned Strategy to Add New Mental Health Treatments and Collaborate with 3rd Party Payors](#). This is because we also recognized the power of synergizing ketamine treatment with TMS (transcranial magnetic stimulation) and stellate ganglia block procedures. These three treatments are profound when used individually and are even more successful when used in combination. We have been having great success with these additional treatment modalities in our clinics. Many of the publicly traded players in the space have business models that justify losing money and charge non-accessible prices to patients. Irwin Naturals management has proven itself capable of building a national brand with an exceptionally loyal customer base.”

Transaction Terms

The Agreement is subject to certain customary closing conditions and regulatory approvals. As consideration for the acquisition, Irwin will issue subordinate voting shares (“**SVS**”) and proportionate voting shares (“**PVS**”) in the capital of Irwin, equivalent to 1,066,667 SVS on an as-converted to SVS basis (“**Closing Consideration Shares**”) and assume or pay off approximately US\$1,600,000 of debt at closing. In addition members of, Ketamine Health Center’s will be entitled to receive an additional payment equal to the value of 10 times the contracting entities’ 2022 EBITDA less the value of the Closing Consideration Shares at the time of closing to be paid in “SVS” and “PVS” as determined by Irwin will be based on the volume weighted average closing price of the SVS on the facilities of the CSE or such recognized Canadian or other senior stock exchange on which the SVS are then trading for the twenty trading days immediately prior to the date the applicable clinic satisfies the applicable conditions or such other price as may be mandated by the applicable policies of such exchange. Such

payment shall be made on time at the end of the first quarter in 2023. Ketamine Health Center's management team will remain in place following the acquisition. There are no finder's fees payable by the Company in connection with the transaction.

The pre-acquisition owners of Ketamine Health Centers will be eligible to receive additional consideration based on certain conditions. If in the first three years after closing, the current Ketamine Health Centers team opens and operates additional clinics (to be branded as Irwin Naturals Emergence clinics) that earn US\$150,000 in EBITDA on a per clinic basis, on an annualized basis over a 150 day rolling period, the members of Ketamine Health Centers shall earn US\$250,000 in additional consideration to be paid in SVS and PVS. Such additional consideration is limited to a maximum of 10 additional clinics, and each clinic can only earn the additional consideration one time. Accordingly, up to an additional US\$2,500,000 of SVS may be issuable. The value of Irwin shares that may be issued for the above mentioned additional consideration will be based on the volume weighted average closing price of the SVS on the facilities of the CSE or such recognized Canadian or other senior stock exchange on which the SVS are then trading for the twenty trading days immediately prior to the date the applicable clinic satisfies the applicable conditions or such other price as may be mandated by the applicable policies of such exchange.

About Irwin Naturals

Irwin Naturals Inc. is a household name and best-in-class herbal supplement formulator since 1994 that is leveraging its brand to enter the cannabis and psychedelic industries. On a mission to heal the world with plant medicine, Irwin has operated profitably for over 27 years². Irwin's growing portfolio of herbal products are available in more than 100,000 retail doors across North America, where nearly 100 million people know the Irwin Naturals brand³. 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 to become one of the first household name brands to offer THC-based products and psychedelic mental health treatment.

For investor-related information about the Company, please visit

ir.irwinnaturals.com/

To contact the Company's Investor Relations department, please call toll-free at (800) 883-4851 or send an email to Investors@IrwinNaturals.com.

About Ketamine Health Centers

Ketamine Health Centers is the only full-service health center in Florida fully dedicated to ketamine infusion therapy via joint expertise of board-certified anesthesiologist, Dr. Raul Cruz, and psychiatrist, Dr. Juan Oms, and our COO Dennis Diaz, CRNA. Headquartered in Miami, Florida, the practice is committed to delivering long-term solutions that incorporate ketamine infusions with a holistic approach. The collective knowledge and medical excellence of Ketamine Health Centers' elite team have generated programs to serve those suffering from mental health and chronic pain, offering a plan that supports their well-being and steps toward recovery. The goal is to use ketamine to help patients regain a balance between the mind, body, and spirit. For more information, visit www.ketaminehealthcenters.com.

Regulatory Overview

The following is a brief summary of regulatory matters concerning ketamine in the United States ("US"). Under the Controlled Substances Act (21 U.S.C. § 811) (the "CSA"), ketamine is currently a Schedule III drug as well as being listed under the associated Narcotic Control Regulations, and psilocybin is currently a Schedule I drug.

Most US States have enacted Controlled Substances Acts ("**State CSAs**") which regulate the possession, use, sale, distribution, and manufacture of specified drugs or categories of drugs and establish penalties for State CSA violations and form the basis for much state and local drug laws enforcement activity. State CSAs have either adopted drug schedules identical or similar to the federal CSA schedules or, in some instances, have incorporated the federal scheduling mechanism. Among other requirements, some US States have established a prescription drug monitoring or review programs collect information about prescription and dispensing of controlled substances for the purposes of monitoring, analysis and education.

In the United States, facilities holding or administering controlled substances must be registered with the US Drug Enforcement Agency ("**DEA**") to perform this activity. As such, medical professionals and/or the clinics in which they operate, as applicable, are also required to have a DEA license to obtain and administer ketamine (a "**DEA License**"). While ketamine is a controlled substance in the United States, it is approved for general anesthetic induction under the US Food, Drug, and Cosmetic Act. Once a drug is approved for use, physicians may prescribe that drug for uses that are not described in the product's labelling or that differ from those tested by the manufacturer and approved by the Food and Drug

Administration (the “**FDA**”). Licensed medical practitioners may prescribe ketamine legally in Canada or the United States where they believe it will be an effective treatment in their professional judgment.

Please see Irwin’s filing statement on its SEDAR profile for more information on the regulatory environment and regulations surrounding the US THC industry.

“Klee Irwin”

Klee Irwin

Chief Executive Officer

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Forward-Looking Information

This news release contains certain forward-looking statements that reflect the current views and/or expectations of management of the Company with respect to performance, business and future events. Forward-looking statements can often be identified by words such as “may”, “will”, “would”, “could”, “should”, “believes”, “estimates”, “projects”, “potential”, “expects”, “plans”, “intends”, “anticipates”, “targeted”, “continues”, “forecasts”, “designed”, “goal”, or the negative of those words or other similar or comparable words. Forward-looking statements are based on the then-current expectations, beliefs, assumptions, estimates and forecasts about the business and the industry and markets in which the Company operates. Forward-looking statements in this news release include statements related to, information concerning the ability of the Company to complete the transaction referred to herein, the satisfaction of conditions to closing, the receipt of all necessary approvals including regulatory approvals, expectations for other economic, market, business and competitive factors, and the Company entering into and doing business in the US THC cannabis and psychedelics markets. Except for with respect to the acquisition of Midwest Ketafusion announced March 16, 2022, the Company does not have any active operations or agreements with respect to the entrance into either the US THC cannabis or psychedelic markets at this time. The potential entrance by the Company into these new business segments are in their preliminary stages and may be subject to approval from the board of directors of the Company as well as any regulatory approval, including that of the Canadian Securities Exchange. These statements are based on numerous assumptions that are believed by management to be reasonable in the circumstances, and are subject to a number of risks and uncertainties, including without limitation: board and regulatory approval,

including the approval of the Canadian Securities Exchange, Irwin being able to acquire and or enter into business relationships to enter into these new markets, the Company obtaining the required licenses, and changes to regulations and laws regarding cannabis or psychedelics. Further information on the regulatory environment and risks, as applicable and/or required, will be contained in future disclosure. Forward-looking statements are subject to a number of known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from that which are expressed or implied by such forward-looking statements. Forward-looking statements are not guarantees of future performance and involve risks, uncertainties and assumptions which are difficult to predict. Accordingly, readers should not place undue reliance on forward-looking statements and information, which are qualified in their entirety by this cautionary statement. The Company does not undertake any obligation to release publicly any revisions for updating any voluntary forward-looking statements, except as required by applicable securities law.

Neither the CSE nor its Market Regulator (as that term is defined in policies of the CSE) accepts responsibility for the adequacy or accuracy of this release.

SOURCE: Irwin Naturals Inc.

¹ Based on a formal Company survey with a sample size of 500 randomly selected adults.

² Under several corporate structures, Klee Irwin has operated the Irwin brand profitably since 1994, as measured by EBITDA adjusted for extraordinary costs.

³ Based on a formal Company survey with a sample size of 500 randomly selected adults.

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