



LOBE SCIENCES ANNOUNCES UPSIZING AND FIRST CLOSING OF NON-BROKERED PRIVATE PLACEMENT

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December 24, 2020, Vancouver, B.C. – Lobe Sciences Ltd. (“**Lobe**” or the “**Company**”) (CSE:LOBE) (OTC Pink:GTSIF), is pleased to announce that it has upsized its previously announced non-brokered private placement of units (the “**Units**”) from \$2,000,000 to up to \$2,700,000 (the “**Offering**”) and has completed a first closing raising gross proceeds of \$2,327,100 (the “**First Tranche Closing**”). The First Tranche Closing consisted of the issuance of an aggregate of 23,271,000 Units at a price of \$0.10 per Unit.

Each Unit consists of one common share in the capital of the Company (each a “**Share**”) and one share purchase warrant (each a “**Warrant**”). Each Warrant entitles the subscriber to acquire one additional Share at a price of \$0.25 per Warrant for a period of two years from the applicable closing date, subject to an accelerated expiry provision described herein. If on any 10 consecutive trading days occurring after four months and one day has elapsed following the final closing date of the Offering, the closing price of the Shares (or the closing bid, if no sales were reported on a trading day) as quoted on the Canadian Securities Exchange (the “**CSE**”) is greater than \$0.35 per Share, Lobe may provide notice in writing to the holders of the Warrants by issuance of a news release that the expiry date of the Warrants will be accelerated to the 30th day after the date on which Lobe issues such news release. No finder's fees were paid in connection with the First Tranche Closing.

The closing of the Offering is subject to a number of conditions, including but not limited to, approval of the Offering by the CSE. The Offering may be closed in one or more tranches. The Company may pay finders fees to eligible finders.

Lobe CEO Tom Baird said, “This is a very exciting time in the industry and the significant interest in Lobe Sciences shown in this private placement is great validation of our strategy and support for the entire Lobe team. This funding will allow us to continue development of our devices, further our pre-clinical studies, as well as support other Company growth initiatives. We are pleased to welcome our new strategic shareholders and would like to thank our existing shareholders for their continued support of the Company.”

Proceeds from the Offering are expected to be used to fund the Company's existing business operations, preclinical studies with N-Acetylcysteine and psilocybin, device development/engineering, general working capital, marketing and costs of the Offering. Although the Company intends to use the proceeds of the Offering as described above, the actual allocation of proceeds may vary from the uses set out above depending on future operations, events or opportunities.

The Shares and Warrants comprising the Units issued pursuant to the Offering are subject to a statutory

four month and one day hold period from the date of issue in accordance with applicable Canadian securities laws. None of the Units will be registered under the United States Securities Act of 1933, as amended, and none may be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy any securities of the Company, nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

About Lobe Sciences Ltd.

Lobe is a growth-oriented research, technology & services company that provides financial, management, IP and branding support to businesses. The Company operates a portfolio of companies focused on developing transformational medicines and applies refined strategies to help partner companies reach their full potential. Based in Vancouver, BC, Lobe Sciences creates value through acquisitions and development of assets, products and technologies by leveraging its scientific, engineering, branding and operational expertise supported by strong capital markets acumen.

For further information please contact:

Lobe Sciences Ltd.

Thomas Baird, CEO
info@lobesciences.com
Tel: (949) 505-5623

THE CSE HAS NOT REVIEWED AND DOES NOT ACCEPT RESPONSIBILITY FOR THE ACCURACY OR ADEQUACY OF THIS RELEASE.

Disclaimer for Forward Looking Statements

This news release contains forward-looking statements relating to the future operations of the Company and other statements that are not historical facts. Forward-looking statements are often identified by terms such as “will”, “may”, “should”, “anticipate”, “expects” and similar expressions. Certain statements included in this release, including statements regarding the Company’s proposed use of proceeds of the Offering, are forward looking statements that involve risks and uncertainties. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Company’s expectations are risks detailed from time to time in the filings made by the Company with securities regulations. Readers are cautioned that assumptions used in the preparation of the forward-looking statements may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company, including that the Company may determine to use the proceeds in a manner different than that currently expected; changes to the regulatory environment; and that the current Board and management may not be able to attain the Company’s corporate goals and objectives. As a result, the Company cannot guarantee that any forward-looking statement will materialize and the reader is cautioned not to place undue reliance on any forward-looking information. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement. The forward-looking statements contained in this news release are made only as of the date of this news release and the Company does not intend to update any of the included forward-looking statements except as expressly required by applicable Canadian securities laws.