



## **Levitee Labs Signs Letter of Intent to Acquire a Chain of Specialty Addiction Pharmacies Located in British Columbia**

- Signed LOI to acquire 100% interest in chain of specialty addiction pharmacies in Vancouver, BC
- Acquisition price of \$4.0 million based upon approximately 4.7x trailing 6 months annualized EBITDA of \$850,000
- The chain operates 3 locations, which will be added to the Levitee Pharmacies growing portfolio of locations throughout Alberta and British Columbia

**VANCOUVER, BC, CANADA, November 10<sup>th</sup>, 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 100% of the issued and outstanding shares in a company owning and operating a chain of specialty addiction pharmacies located throughout the lower mainland of British Columbia, Canada.

The chain of pharmacies presently operates in 3 locations throughout the lower mainland, which will be brought under the Levitee Pharmacies umbrella subsequent to the closing of the acquisition.

The acquisition price of \$4.0 million is based upon approximately 4.7x trailing 6 months annualized EBITDA (earnings before interest, taxes, depreciation, and amortization). Levitee Labs will pay \$2.0 million in cash and \$1.2 million in shares of Levitee Labs stock at the closing of the transaction (the "Closing"). The shares have selling restrictions with 25% being released at 4, 6, 8, and 10 months following closing. The remaining \$0.8 million will be paid 12 months after the Closing and is structured to incentivize a smooth transition in ownership. This LOI is non-binding and remains subject to the drafting of definitive agreements, approval from Levitee Labs' board, and regulatory body approvals, and confirmatory due diligence.

"This acquisition is our first move into our home province of British Columbia, a province where the opioid epidemic and addiction has been a major visible problem for decades" said Ken Osborne, Head of Mergers & Acquisitions at Levitee Labs. "Our team is excited to make a positive impact by combating this problem so close to home."

"We have grown tremendously since closing multiple acquisitions in July that positioned us with a formidable footprint of clinics and pharmacies in Alberta," said Pouya Farmand, Chief Executive Officer at Levitee Labs. "This is our second largest acquisition to date and provides us

a solid foundation to build upon in British Columbia, as we establish the Levitee Labs name as a dominant player in treating patients suffering from addiction and substance use disorder throughout Western Canada. Our M&A team remains active in identifying other opportunities as we continue building momentum and value into the new year.”

Levitee expects to fund this acquisition using current cash reserves.

### **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](http://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](http://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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