Shares for Interest Debt Settlement

TORONTO, Feb. 03, 2025 -- Arch Biopartners Inc., ("Arch" or the "Company") (TSX Venture: ARCH and OTCQB: ACHFF), announced today that the Company has arranged a shares for debt transaction to settle an aggregate of $57,246.57 in interest accrued up to February 1, 2025 on the one remaining deferred convertible note outstanding and disclosed in the Company's financial statements for the year ended September 30, 2024 (the "Note").

The shares for debt settlement is pending final approval from the TSX Venture Exchange (TSXV) which will be followed by the Company issuing 31,112 common shares (Settlement Shares) at a deemed price of $1.84 to the holder of the Note and who is an arms-length party to the Company. The terms of the Note require the issuance of common shares to settle interest owing by the Company, and subject to TSXV approval pursuant to TSXV Policy 4.3 - Shares for Debt. The Settlement Shares will be issued subject to prospectus exemptions available pursuant to Canadian securities law and will be subject to a four month hold period which will expire June 1, 2025.

The total notional value of the Note is $500,000 CAD which converted into 561,798 common shares at maturity on February 1, 2025.

The shares for debt transaction was approved by the Company's Board of Directors and did not require a formal valuation nor minority shareholder approval pursuant to Multilateral Instrument 61-101.

About Arch Biopartners

Arch Biopartners Inc. is a late-stage clinical trial company focused on preventing acute kidney injury and organ damage caused by inflammation. The Company is developing a platform of novel drugs targeting the dipeptidase-1 (DPEP1) inflammation pathway prevalent in the kidneys, lungs and liver.

Its lead drug candidates, LSALT peptide and cilastatin, are being developed to target kidney injury caused by inflammation or toxins respectively, which are both significant unmet medical needs.

For more information on Arch Biopartners' science and drug platform, please visit: www.archbiopartners.com/our-science

For investor information and other public documents the company has filed on SEDAR+, please visit www.archbiopartners.com/investor-hub

The Company has 64,940,956 common shares outstanding.

For more information, please contact:

Richard Muruve
Chief Executive Officer
Arch Biopartners, Inc.
647-428-7031
info@archbiopartners.com

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of applicable Canadian securities laws regarding expectations of our future performance, liquidity and capital resources, as well as the ongoing clinical development of our drug candidates targeting the dipeptidase-1 (DPEP-1) pathway, including the outcome of our clinical trials relating to LSALT peptide (Metablok) or cilastatin, the successful commercialization and marketing of our drug candidates, whether we will receive, and the timing and costs of obtaining, regulatory approvals in Canada, the United States, Europe and other countries, our ability to raise capital to fund our business plans, the efficacy of our drug candidates compared to the drug candidates developed by our competitors, our ability to retain and attract key management personnel, and the breadth of, and our ability to protect, our intellectual property portfolio. These statements are based on management's current expectations and beliefs, including certain factors and assumptions, as described in our most recent annual audited financial statements and related management discussion and analysis under the heading "Business Risks and Uncertainties". As a result of these risks and uncertainties, or other unknown risks and uncertainties, our actual results may differ materially from those contained in any forward-looking statements. The words "believe", "may", "plan", "will", "estimate", "continue", "anticipate", "intend", "expect" and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. We undertake no obligation to update forward-looking statements, except as required by law. Additional information relating to Arch Biopartners Inc., including our most recent annual audited financial statements, is available by accessing the Canadian Securities Administrators' System for Electronic Document Analysis and Retrieval ("SEDAR") website at www.sedarplus.ca .

The science and medical contents of this release have been approved by the Company's Chief Science Officer

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release