Elixxer Ltd. Provides Corporate Update

MONTRÉAL, Feb. 26, 2021 (GLOBE NEWSWIRE) -- Elixxer Ltd. (TSX-V: ELXR) (OTC-QB: ELIXF) (FRA: 2LQA) ("**Elixxer**" or (the "**Company**") wishes to announce that it has been in discussions with YA II PN, Ltd. and Riverfort Global Opportunities PLC (the "**Lenders**") over claims that Elixxer is in default under the terms of its previously announced convertible loan agreement with the Lenders (see press release dated March 17, 2020). Negotiations towards arriving at a resolution are ongoing; however, if such negotiations prove to be unsuccessful, it may result in the Lenders instituting default proceedings against the Company in order to recover amounts owing pursuant to the loan in the amount of US$1,078,698, including accrued interest thereon. Although Elixxer has so far made several attempts to settle matters with the Lenders, including negotiations on the repayment of the amount owed, including payments consisting of cash and shares, it does not have the ability at present to repay the full amount in cash.

In the event where the Lenders and the Company cannot come to an agreement, a default under the terms of the Lenders' loan may trigger cross default provisions under the terms of the Company's secured loan agreement of 2019, pursuant to which $3.6m is owed, and the secured loan agreement of 2020, pursuant to which $4m is owed, plus accrued interest, for a total of CDN$7,964,825.52 with AIP Convertible Private Debt Fund L.P. ("**AIP**"). In light of the Lenders' position, AIP and Elixxer have entered into discussions in order to arrive at a solution including securities-for-debt conversion of amounts owed under the 2019 loan on substantially the same terms as previously announced by the Company on August 21, 2020, which referred to a price per share of $0.015 and a five-year warrant exercisable at $0.05 per share, all of which would be subject to shareholder and TSX Venture Exchange approval.

About Elixxer Ltd. (www.Elixxer.com)

Elixxer is a Canadian public company listed on the TSX Venture Exchange (TSX-V: ELXR) and the US OTC-QB exchange (OTCQB: ELIXF).

Through its partners, Elixxer presently has significant interests in Australia, Jamaica, Switzerland, Italy and Canada.

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Caution Regarding Press Releases

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

Notice Regarding Forward Looking Statements

This press release may contain forward-looking statements with respect to Elixxer and its operations, strategy, investments, financial performance and condition. These statements can generally be identified by use of forward-looking words such as "may", "will", "expect", "estimate", "anticipate", "intends", "believe" or "continue" or the negative thereof or similar variations. The actual results and performance of Elixxer could differ materially from those expressed or implied by such statements. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Some important factors that could cause actual results to differ materially from expectations include, among other things, general economic and market factors, competition, government regulation and the factors described under "Risk Factors and Risk Management" in Elixxer's most recent Management's Discussion and Analysis filed on SEDAR (www.sedar.com). The cautionary statements qualify all forward-looking statements attributable to Elixxer and persons acting on its behalf. Unless otherwise stated, all forward-looking statements speak only as of the date of this press release, and Elixxer has no obligation to update such statements, except to the extent required by applicable securities laws.