Lobe Sciences Completes Debt Settlement to Improve Balance Sheet

VANCOUVER, BC / ACCESS Newswire / October 23, 2025 / Lobe Sciences Ltd. ("Lobe" or the "Company") (CSE:LOBE)(OTCQB:LOBEF)(FWB:LOBE.F), operates as a pharmaceutical platform that develops novel therapies through a scalable model of shared services, global teams, and outsourced infrastructure. The Company creates intellectual property, packages it into subsidiaries, and advances each toward clinical and commercial milestones.

The Company is pleased to announce closing of the settlement of USD 137,130 (CAD 191,884.32) in related party liabilities through the issuance of 3,837,686 common shares (the "Settlement Shares") at a price of C$0.05 per share (the "Debt Settlement"). This transaction reflects a proactive approach to strengthening Lobe's balance sheet and preserving cash for strategic growth initiatives. The accounts payable being settled represent amounts owed to Clearway Global, LLC (the "Creditor").

The Settlement Shares are subject to a statutory hold period of four months from the date of issuance under applicable Canadian securities laws and the policies of the Canadian Securities Exchange, in addition to such other restrictions as may apply under applicable securities laws of jurisdictions outside Canada.

The Creditor is a "related party" to the Company and the Debt Settlement constitutes a "related party transaction", as such terms are defined under Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("MI 61-101"), by virtue of the Creditor: (i) holding greater than 20% of the issued and outstanding common shares of the Company; and (ii) being beneficially owned and controlled by a director and officer of the Company. The directors of the Company have determined that the Debt Settlement was exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 in reliance on the exemptions set forth in sections 5.5(a) and 5.7(1)(a) of MI 61-101.

Management remains focused on delivering long-term growth and will continue to evaluate financing strategies that balance shareholder interests with operational needs.

The securities issued have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "1933 Act") or any applicable state securities laws and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the 1933 Act) or persons in the United States absent registration or an applicable exemption from such registration requirements. This news release does not constitute an offer to sell or a solicitation of an offer to buy securities in any jurisdiction where such sale would be unlawful.

About Lobe Sciences Ltd.
Lobe Sciences Ltd. (CSE:LOBE)(OTCQB:LOBEF)(FWB:LOBE.F) is a publicly traded pharmaceutical innovation platform focused on developing treatments for neurological, hematological, and rare diseases. The Company operates through a repeatable model that combines shared services, equity-driven teams, and outsourced infrastructure to accelerate development across multiple therapeutic programs. Lobe generates intellectual property and packages it into focused subsidiaries, at present, the company operates through two subsidiaries:

- Cynaptec Pharmaceuticals, Inc. (a private Delaware company currently owned 64% by Lobe Sciences Ltd) is advancing Conjugated Psilocin (CP), a patented new chemical entity targeting Chronic Cluster Headache, for which it plans to seek an orphan indication. Substance use disorder (SUD) and possibly additional CNS disorders, and other indications are under strategic review.
- Altemia, Inc. is addressing sickle cell disease with two complementary assets: a medical food currently in early-stage distribution, and S-100, a patent-pending therapeutic candidate designed to treat the underlying pathology of the disease.

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