NEWS RELEASE

SATELLOS Announces 2023 Q1 Financial Results and Operational Highlights

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SATELLOS BIOSCIENCE ANNOUNCES 2023 Q1 FINANCIAL RESULTS AND OPERATIONAL HIGHLIGHTS

– $55 million equity financing closed

– Resourced to advance lead drug candidate into clinical trials

TORONTO, May 30, 2023 – Satellos Bioscience Inc. (TSXV: MSCL) (“Satellos” or the “Company”), a regenerative medicine company aimed at developing therapeutics that change the way degenerative muscle diseases are treated, announced today its financial results and operational highlights for the three months ending March 31, 2023. All references to currency in this press release are in Canadian dollars unless otherwise noted. Satellos’ interim condensed consolidated financial statements for the three months ended March 31, 2023, and the related management’s discussion and analysis (MD&A) are
available on SEDAR at **www.sedar.com**.
“This was a significant quarter for the Company with the closing of a $55 million equity financing with leading biotech and health sector investors,” said Frank Gleeson, President and CEO of Satellos. “We now have the financial resources to advance our lead drug candidate, SAT-3153, a novel small molecule as a potential disease-modifying treatment for Duchenne muscular dystrophy, into clinical study.”

Business Highlights
Program and operational highlights for the three months ended March 31, 2023, along with recent developments

include:

• The Company reported results of preclinical studies of SAT-3153 as its lead drug candidate which it conducted in the mdx disease model of Duchenne muscular dystrophy (DMD) showing significant increases in muscle strength and size after two weeks of treatment.

• Completion of a non-brokered private placement offering of 10% unsecured non-convertible debenture units during the quarter on March 24, 2023, under which Satellos raised gross proceeds of $2,385,000 to be used for general corporate and working capital purposes.

• Closing of an equity offering (the "Equity Offering") after the end of the quarter on May 17th, 2023, for gross proceeds of $55,000,000, under which subscribers either purchased common shares at $0.50 per common share (the "Common Shares") or pre-funded common share purchase warrants for $0.49999 per pre-funded common share purchase warrant ("Pre-Funded Warrants" and, together with the Common Shares, the "Securities"). Investors purchased a total of 110,000,000 Securities consisting of 70,297,220 Common Shares and 39,702,780 Pre-FundedWarrants. Bloom Burton Securities Inc., a related party of the Company, acted as Agent of the transaction. Frank Gleeson, CEO of the Company, William Jarosz, a director of the Company, William McVicar, a director of the Company, Rob Hall, an officer of the Company, and Bloom Burton & Co. Inc., a related party of the Company, participated in the Equity Offering.

Financial Results

Satellos had cash and cash equivalents of $2,984,400 as of March 31, 2023. Prior to March 31, 2023, as noted above, Satellos closed a non-convertible debenture offering for gross proceeds of $2,385,000 and, after March 31, 2023, an Equity Offering for gross proceeds of $55,000,000. Upon closure of the Equity

Offering the Company's financial strength improved. Net proceeds of the Equity Offering will be used to fund research and development activities, including, but not limited to, advancing its lead program for a small molecule drug for the treatment of Duchenne muscular dystrophy through pre-clinical work, IND submission, and subsequent Phase 1 studies, as well as for general and administrative expenses, working capital purposes and other corporate purposes. The Company will also invest in its platform and pipeline.

The Net Loss was $1,665,656 with the Total Comprehensive Loss being $1,666,713, each for the three months ended March 31, 2023, compared to $2,115,801 and $2,117,487 for the corresponding three months ended March 31, 2022, respectively. This reduction in loss was primarily due to reduced spending on professional fees, G&A and stock-based compensation.

About Muscle Stem Cells and Duchenne Muscular Dystrophy

Satellos scientific founder, Dr. Michael Rudnicki, discovered and has demonstrated how muscle stem cells employ a biological process known as "stem cell polarity" to regulate muscle repair and regeneration throughout life. Dr. Rudnicki has also shown how regulatory defects in stem cell polarity lead to a failure of muscle repair and

regeneration in Duchenne muscular dystrophy (DMD), representing a previously unrecognized root cause of DMD. As a result of this ongoing inability to produce sufficient
numbers of new muscle cells, people with DMD are unable to repair the continuous and accumulating muscle tissue damage. Based on this research, Satellos is advancing a novel small molecule therapeutic designed to rescue the defect in stem cell polarity and provide a disease-modifying treatment for DMD and other muscular dystrophies.

About Satellos Bioscience Inc.
Satellos is a publicly traded biotechnology company dedicated to developing life-improving medicines to treat degenerative muscle diseases. Satellos has incorporated breakthrough research in muscle stem cell polarity into a proprietary discovery platform, called MyoReGenXTM, to identify degenerative muscle diseases where deficits in this process affect muscle regeneration and are amenable to therapeutic intervention. With this platform, Satellos is building a pipeline of novel therapeutics to correct muscle stem cell polarity and promote the body's innate muscle repair and regeneration process. The

Company's lead program is an oral, small molecule drug candidate in development as a disease-modifying treatment for Duchenne muscular dystrophy. Satellos is headquartered in Toronto, Ontario.

For more information, visit Satellos.com

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Notice on forward-looking statements:

This press release includes forward-looking information or forward-looking statements within the meaning of applicable securities laws regarding Satellos and its business, which may include, but are not limited to, use of proceeds from the Offering; general benefits of modulating stem cell polarity; its prospective impact on Duchenne patients and muscle regeneration generally; and Satellos' technologies and drug development plans. All statements that are, or information which is, not historical facts, including without limitation, statements regarding future estimates, plans, programs, forecasts, projections, objectives, assumptions, expectations or beliefs of future performance, are "forward-looking information or statements". Often but not always, forward-looking information or statements can be identified by the use of words such as "shall", "intends", "anticipate", "believe", "plan", "expect", "intend", "estimate" "anticipate" or any variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "might", "can", "could", "would" or "will" be taken, occur, lead to, result in, or, be achieved. Such statements are based on the current expectations and views of future events of the management of the Company. They are based on assumptions and subject to risks and uncertainties. Although management believes that the assumptions underlying these statements are reasonable, they may prove to be incorrect. The forward-looking events and circumstances discussed in this release, may not occur and could differ materially as a result of known and unknown risk factors and uncertainties affecting the Company, including, without limitation, those listed in the "Risk Factors" section of the Prospectus dated May 9, 2023 and the Annual Information Form dated April 27, 2023 (both of which are on the Company's profile at www.sedar.com). Although Satellos has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Accordingly, readers should not place undue reliance on any forward-looking statements or information. No forward-looking statement can be guaranteed. Except as required by applicable securities laws, forward-looking statements speak only as of the date on which they are made and Satellos does not undertake any obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

No regulatory authority has approved or disapproved the content of this press release. Neither the TSX Venture Exchange nor its Regulatory Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this press release.