NEWS RELEASE

SATELLOS Announces Advancement of Compounds to Next Stage of Development

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-Proof of concept studies to be completed by YE-

TORONTO, November 03, 2022 – Satellos Bioscience Inc. (TSXV: MSCL) ("Satellos" or the "Company"), a drug discovery company developing therapeutics to regenerate muscle as a new approach to treating disease conditions from muscular dystrophy to aging, is pleased to announce that it has created, prioritized and advanced novel small molecule drug candidates into further preclinical studies.

The Company's compounds have been designed to bze potent and selective inhibitors of a particular kinase protein in the Notch pathway which the company is calling K9 for reasons of confidentiality. The Company's scientists have discovered that inhibiting this target enables the modulation of the muscle stem cell division and regeneration process in its lead disease indication, Duchenne muscular dystrophy ("Duchenne"). The Company's plan is to evaluate and prioritize these compounds for absorption, distribution, metabolism and excretion (ADME), pharmacokinetics (PK) and in vivo efficacy. The Company's goal is to finalize these studies and analysis by the end of 2022 in order to choose prospective lead and back-up drug candidates for IND-enabling drug development studies.

"The K9 drug target is quite well understood pharmaceutically, in a completely unrelated therapeutic area to Duchenne where it has been independently studied in both phase 1 and phase 2 clinical studies. That this target has been assessed in another setting without apparent signs of obvious safety concerns is encouraging to us as this may help de-risk our program", said Frank Gleeson, President and CEO of Satellos. "Our scientific team has moved quickly and inventively to generate these potent and selective inhibitors of K9, consistent with our timelines. I am

proud of their progress in advancing small molecule drug candidates which can regenerate muscle as a treatment for people living with Duchenne."

"This is an important step as we move towards the clinic with small molecule therapeutics to regenerate muscle in patients with muscle loss," said Phil Lambert PhD, Chief Technology Officer at Satellos. "We have compounds from multiple scaffolds which are drug-like and interact with the K9 target. Now, we are undertaking studies to prioritize and advance one or more molecules with the appropriate PK in muscle to mimic the effect on the muscle regeneration process that we have already seen with tool compounds. I am so excited by these steps as the prospect of initiating pre-IND development activities for a proprietary Satellos drug candidate gets closer and closer."

About Satellos Bioscience Inc.

Satellos is a biotechnology company dedicated to developing life-changing medicines to treat degenerative muscle conditions. Our scientists discovered what we believe to be a previously unrecognized root cause of skeletal muscle degeneration. One which has the potential to transform how muscle disorders are treated. Our scientific founder, Dr. Michael Rudnicki, is a thought leader who discovered and has shown how muscle stem cells regulate muscle repair and growth throughout life. He has shown how defects in a process known as stem cell "polarity", which controls how muscle stem cells divide to create muscle progenitor cells, lead to a failure of muscle regeneration in Duchenne and potentially other muscle disorders. As a result of this ongoing inability to produce sufficient numbers of new muscle cells, the muscles of people living with Duchenne are unable to keep up with and repair the continuous and accumulating damage their muscles experience. Satellos' lead program is focused on developing an oral therapeutic drug (i.e., a pill) intended to correct muscle stem cell polarity and restore the body's innate muscle repair and regeneration process. We believe our unique therapeutic approach represents a potential disease modifying treatment for Duchenne and other dystrophies, offering new hope to patients. To expand our programs to other degenerative muscle conditions or disorders, Satellos has created a proprietary discovery platform, MyoReGenX™, which we utilize to identify disease situations where deficits in muscle stem cell polarity and regeneration occur and are amenable to therapeutic treatment. For more information about or to discuss potential collaborations with Satellos concerning our discovery platform and therapeutic candidates or our subsidiary Amphotericin B Technologies Inc., please contact Ryan Mitchell, Ph.D., Director – Business Development at rmitchell@satellos.com or visit Satellos.com.

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