NEWS RELEASE

SATELLOS Announces Research Agreement with Université De Sherbrooke to Study Rare Muscular Dystrophies

12/16/2021

SATELLOS BIOSCIENCE INC. ANNOUNCES SCIENTIFIC RESEARCH AGREEMENT WITH UNIVERSITÉ DE SHERBROOKE TO STUDY RARE MUSCULAR DYSTROPHIES

- Collaborative research program will assess potential for Satellos drug candidates to treat rare dystrophic disease indications

Press Release

NOT FOR DISSEMINATION IN THE UNITED STATES OR FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES

TORONTO, December 16, 2021 – Satellos Bioscience Inc. (TSXV: MSCL) ("Satellos" or the "Corporation") is pleased to announce that it has entered into a scientific research agreement (the "Agreement") with Université de Sherbrooke. ("UdeS"). Under the Agreement, Satellos and UdeS will collaborate on research activities to identify additional disease indications for Satellos' novel muscle regeneration technology in selected preclinical models of rare muscular dystrophies.

"We are proud to be initiating this collaboration with UdeS through which we will partner with the laboratory of Dr. Florian Bentzinger, a muscle stem cell expert whose research interests and specialized capabilities align with Satellos' goal to rebuild muscle from within," said Satellos Co-Founder and CEO, Frank Gleeson. "The main goal of the relationship is to further our plan to identify additional dystrophic conditions beyond Duchenne muscular

dystrophy where our drug candidates may help patients."

Dr. Bentzinger is a past Muscle Stem Cell Specialist from the Nestle Institute of Health Sciences, as well as a former trainee of Satellos Co-Founder and CSO, Dr. Michael Rudnicki. "I am thrilled to be able to work closely with Dr. Bentzinger who has established a strong research capability to study rare and ultra-rare muscular dystrophies, a keen area of interest for Satellos," commented Dr. Rudnicki.

"We are excited to work closely with a company as innovative as Satellos in our joint mission to help those suffering from muscular dystrophy live longer and healthier lives," says Dr. Florian Bentzinger, Associate Professor in the Department of Pharmacology-Physiology of the UdeS and a member of the Institut de pharmacologie de Sherbrooke. "The potential for new muscle regeneration technologies to change the way that Duchenne and other muscular dystrophies are treated is significant."

The workplan is set to commence January 3, 2022, for an initial period of 12 months. Together, the parties will assess Satellos' candidate drug molecules in disease models of rare or ultra-rare dystrophies which are believed to display signs of muscle regeneration failure, including: Lama-2 Related Muscular Dystrophy (prevalence estimates between 1 in 50,000 and 1 in 400,000 births) and Collagen-VI Related Muscular Dystrophy (prevalence of severe form of the disease estimated to be 1 in 1,000,000 births). Both disease indications are highly underserved and provide excellent opportunities for early clinical trial readouts, as well as offering potential for non-dilutive funding avenues.

For further information regarding Satellos Bioscience Inc., visit www.satellos.com.

About Université de Sherbrooke

The Université de Sherbrooke is in the heart of one of Quebec's three major research hubs. Known for its sense of innovation, the Université de Sherbrooke is a key partner of senior and regional governments in the promotion of economic, cultural, and social development. It has garnered a reputation due to, among other things, the strong growth in its research activities in recent years, its successes in technology transfers, as well as its initiatives in entrepreneurship and open innovation in collaboration with industry and social milieus.

About Satellos Bioscience Inc.

Satellos is a biotechnology company dedicated to developing lifechanging medicines that have the potential to correct a previously unrecognized root cause of degenerative muscle disorders which our scientists have identified. Satellos was established in 2018 to translate the ground-breaking discoveries of its scientific founder, Dr. Michael Rudnicki, a thought leader who discovered and has shown how muscle stem cells regulate muscle repair and

growth throughout life. Satellos' lead program is focused on developing an oral therapeutic drug (i.e., a pill) to treat Duchenne muscular dystrophy where we have shown that the body's muscle stem cells don't produce enough muscle cell progenitors to keep up with the continuous damage caused by the disorder. Our drug development work offers hope for people living with Duchenne that a drug may have the potential to reset the body's innate ability to repair and grow muscle. To expand our programs, Satellos has created a proprietary discovery platform, MyoReGenX™, to identify other muscle disorders where deficits in muscle stem cell regeneration can be addressed with drug treatment. For more information about Satellos' regenerative therapeutic discovery platform, development collaborations and licensing, or collaborations with Amp B Tech, please contact Ryan Mitchell, PhD, Director – Business Development at rmitchell@satellos.com or visit Satellos.com.

For more information about Satellos please contact:

Frank Gleeson

President and Chief Executive Officer

info@satellos.com

647.660.1780

Notice on forward-looking statements:

This press release includes forward-looking information or forward-looking statements within the meaning of Canadian and U.S. securities laws regarding Satellos and its business, which may include, but are not limited to, statements with respect to Satellos' technologies and drug development plans, the timeline to commence clinical trial testing in humans, the advancement of R&D, the anticipated achievement of milestones and evaluation plans for drug molecules. 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 "positioned", "aimed", "plan", "expect", "intend", "anticipate", "estimate", "believe", "objective", "potential", "develop", "pioneering", "milestone", "further", "prospect" or any variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "might", "could", "would" or "will" be taken, occur or be achieved. Such statements are based on the current expectations and views of future events of the management of the Company, and 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 risks relating to the pharmaceutical and bioscience industry, general market conditions and equity markets, economic factors and management's ability to manage and to operate the business of the Company generally. 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.