



NEWS RELEASE

SATELLOS Enters into an Agreement with ICP Securities Inc. to Provide Market Marking Services

9/7/2023

TORONTO, September 7, 2023 – **Satellos Bioscience Inc.** (“Satellos” or the “Company”) (TSXV: MSCL) (OTCQB: MSCLF), a public biotech company developing new small molecule therapeutic approaches to improve the treatment of muscle diseases and disorders, announced today that it has entered into an agreement with ICP Securities Inc. (“ICP”), a dealer member in good standing with the Canadian Investment Regulatory Organization, to provide market making services for the securities of Satellos Bioscience Inc. in accordance with TSX Venture Exchange (“TSXV”) policies, subject to the receipt of approval by the TSXV. The services agreement aims to assist in maintaining a reasonable market and improving the liquidity of Satellos securities. The Company has agreed to pay a service fee of \$7,500 per month for an initial term of four months. There are no performance factors contained in the agreement and ICP will not receive shares or options as compensation.

ICP, established in 2023, is based in Toronto and specializes in market making and liquidity provision, leveraging its own proprietary technology to deliver liquidity provision and execution services to a broad array of public issuer and institutional investors.

Satellos and ICP are unrelated and unaffiliated entities. ICP has informed Satellos that, except as set out below, it does not currently own any securities of Satellos; however, ICP and its clients may acquire a direct interest in the securities of the Company.

Satellos is also announcing that it has engaged Insight Capital Partners Inc. (“Insight”), an affiliate and owner of ICP, to provide capital markets advisory services to the Company. The Company has granted Insight stock options to purchase up to 150,000 common shares of Satellos. Such stock options are exercisable at a price of \$0.41 per share for a period of 2 years from the date of grant. The options vest monthly at the rate of 8,333 options per month for a period of seventeen consecutive months and at the rate of 8,339 options for the eighteenth and final month from the grant date. Insight also holds vested options to purchase 126,000 common shares of Satellos pursuant to previous engagements between Insight and the Company.

Satellos has also granted a Director of Satellos, stock options to purchase up to 56,238 common shares of Satellos and has granted an Officer, stock options to purchase up to 72,000 common shares of Satellos. Also in connection with Elizabeth Williams appointment as Chief Financial Officer, Satellos has granted Ms. Williams stock options to purchase up to 1,100,000 common shares of Satellos. Such stock options are exercisable at a price of \$0.41 per share for a period of 10 years from the date of grant and vest over four years, with 25% vesting on the anniversary of the date of grant and the remainder vesting in 36 equal monthly installments.

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 drug candidate, SAT-3153, is an oral, small molecule drug candidate in development as a potential disease-modifying treatment for Duchenne muscular dystrophy. Satellos is headquartered in Toronto, Ontario. For more information, visit www.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, statements regarding the anticipated benefits to patients from a small molecule treatment for Duchenne; the general benefits of modulating stem cell polarity by administering small molecule drugs; its/their prospective impact on Duchenne patients and muscle regeneration generally; the utility of regenerating muscle by modulating polarity; adoption of Satellos' approach by the medical community; 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, occurrences or developments, 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", "potential", "prospective", "assert" or any variations (including negative or plural 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, 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, and those risks listed in the "Risk Factors" section of Satellos' prospectus dated May 9, 2023 and Satellos' Annual Information Form dated April 27, 2023 (both of which are on Satellos' profile at www.sedarplus.ca). 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 resulting from 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.