NEWS RELEASE

SATELLOS Provides Update on Joint Development Initiative with NW PharmaTech Limited

3/11/2022

Toronto, March 11, 2022 – Satellos Bioscience Inc. (TSXV: MSCL) (“Satellos” or the “Company”), a biotechnology company developing therapeutics that have the potential to transform the way degenerative muscle diseases are treated, today announced progress towards monetizing its novel and proprietary oral pharmaceutical transport technology (“OralTransTM”).

Satellos and NW PharmaTech Limited (“NW PharmaTech”) are pleased to announce further developments in their joint development initiative, which was previously announced on August 18, 2021 and aims to develop products for the over-the-counter market for sleep disorders (the “Initiative”).

In furtherance of the Initiative, the parties intend to create a joint venture corporation (the “Joint Venture”) that will focus on the invention, development and scientific validation of oral formulations of cannabidiol-based (“CBD”) sleep aids targeted at the over-the-counter market for sleep disorders. Subject to the completion of negotiations, Satellos, through its wholly-owned subsidiary, Amphotericin B Technologies Inc. (“Amp B”), will license OralTransTM to the Joint Venture and NW PharamTech shall provide all funding. The parties hope to finalize the terms of the Joint Venture in the coming weeks.

William Jarosz, Executive Director of Satellos and proposed CEO of the Joint Venture noted “We believe the sleep aid market is demanding more scientific rigor and represents a good opportunity for Satellos to create value from the OralTransTM technology. NW PharmaTech’s commitment to applying cutting edge science to the sleep field and agreement to fund development efforts resonated well with us. We are delighted to be collaborating on this exciting project.”

Also as part of the Initiative, Satellos entered into a Sponsored Research Agreement with Professor Christine Allen's Research Group in the Leslie Dan Faculty of Pharmacy, University of Toronto, effective as of February 4, 2022 (the "SRA"), to apply and extend its formulation technology for sleep aid products. Pursuant to the SRA, Dr. Allen's Research Group will develop and test CBD-based sleep formulations based on OralTransTM for a period of one year. Dr. Allen is a renowned expert in drug delivery technologies with over 150 publications in this area and has been a pioneer and leader in applying evidence-based science to the formulation and delivery of pharmaceuticals. Dr. Allen stated that "her research group is delighted to contribute their expertise in cannabinoid research and drug formulation to this exciting, new collaboration with Satellos. This partnership will yield oral formulations of cannabinoids that address their high degree of hydrophobicity and susceptibility to degradation." NW PharamTech has funded the SRA through the Initiative to date. The parties expect all subsequent funding to flow through the Joint Venture.

"Collaborating with NW PharmaTech is the first of what we hope will be a number of relationships relating to OralTransTM and other assets we acquired through our amalgamation with iCo Therapeutics Inc. on August 13, 2021; relationships which have the potential to create value and monetization opportunities for Satellos, while still maintaining our core focus on treating degenerative muscle diseases" commented Frank Gleeson, Co-Founder and Chief Executive Officer of Satellos.

Fillip Korentsvit, the Co-Chief Executive Officer and Founding Partner of NW PharmaTech added "We have found the right partner in Satellos, with whom we share a common vision for research-based, naturally derived, orally administered products that address the demands in the marketplace. We are fully mobilizing to bring our joint efforts to this growing market and are excited to start work on our first formulation and indication: CBD for sleep".

Concurrently with the development of the Joint Venture, NW PharmaTech has announced they are seeking the advisory input of renowned sleep researcher Dr. Matthew Walker, Professor of Neuroscience and Psychology at the University of California, Berkeley. Dr Walker, who has published over 100 scientific research studies, is the founder and director of the Center for Human Sleep Science. He is also the author of the international bestseller, Why We Sleep.

About Satellos Bioscience Inc.

Satellos is a biotechnology company dedicated to developing lifechanging 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, PhD, Director – Business Development at rmitchell@satellos.com or visit Satellos.com.

About NW PharmaTech

NW PharmaTech is a pharmaceutical company with a ‘Nature to Medicine’ strategy, active within the international cannabinoid and natural derived medicine industry.

We believe that nature holds the key to healthier living and improved wellbeing and our mission is to develop a new generation of medicines based on known natural compounds with promising therapeutic properties (beginning with the CBD molecule), to target indications around the sleep and anxiety cluster.

We aim to achieve this with scientific rigour and an evidence-based approach, utilising the latest technologies that are emerging in the pharmaceutical sector in pre-clinical development, clinical validation, drug delivery mechanisms and Medical Artificial Intelligence.

Recent scientific progress and increased analytical and computational power allows for cost effective and detailed study of natural compounds and their interactions with the human body.

We are working to establish a secure supply chain for the activate ingredient of our formulations and developing a proprietary micellized CBD formulation that will offer superior bioavailability compared to what is currently available on the market.

Our company is built on the principles of ethics and sustainability, we are powered by a passionate team and partners, all dedicated to unlocking the potential therapeutic benefits of nature, for a longer and healthier life.

CONTACTS:

Satellos:

Christina Cameron

Investor Relations

Satellos Bioscience Inc.

ccameron@satellos.com

647.660.1780

NW PharmaTech:

Max Moldaschl

Director

NW Pharmatech Limited

Team@nwpharmatech.com

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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 the Initiative and the Joint Venture, their respective terms and anticipated completion; the invention, development and scientific validation of oral formulations of CBD-based sleep aids; market demands for such aids; the development and usefulness of OralTransTM; the anticipated benefits of the Sponsored Research Agreement; the anticipated funding structure for the Joint Venture and the Sponsored Research Agreement; Satellos' technologies and drug development plans; the timeline to commence clinical trial testing in humans; the planned advancement of Satellos research and development; and the Company's priorities and 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 "progress", "aimed", "plan", "hope", "expect", "intend", "anticipate", "estimate", "believe", "objective", "potentially", "ongoing efforts", "develop", "seeking", "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", "shall" 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. 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 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.

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