Awakn Life Sciences Announces Closing of Acquisition of Leading Ketamine-Assisted Psychotherapy Clinic in Norway

written by Raj Shah | October 5, 2021

October 5, 2021 (Source) – **Transaction concludes with the launch of "Awakn Clinics Oslo AS" as part of Awakn Life Sciences Nordic Expansion**

Awakn Life Sciences Corp. (NEO: AWKN) (OTCQB: AWKNF) (FSE: 954) ("Awakn" or the "Company"), a biotechnology company developing and delivering psychedelic therapeutics (medicines and therapies) to treat addiction, is pleased to announce the closing of its acquisition of Axonklinikken AS ("Axon"), a leading ketamine-assisted psychotherapy clinic in Norway, as previously announced on September 16, 2021. Upon the completion of the transaction, Axon will be renamed 'Awakn Clinics Oslo AS,' and Dr. Lowan Stewart will be appointed as Regional Director for the Nordics and Managing Director Awakn Clinics Oslo AS.

Awakn Clinics Oslo AS Clinic will serve as the Nordic hub from which Awakn plans to expand its clinical network across the region. The acquisition is part of Awakn's larger strategy to open several addiction and mental health clinics across Europe, including two clinics in the U.K., Bristol and London, that Awakn anticipates being operational this year. Awakn Clinics Oslo AS, led by Dr. Stewart, will be focused on delivering ketamine-assisted psychotherapy for patients and eventually will incorporate ketamine in the Reduction of Alcoholic Relapse' (KARE) psychotherapy intervention, validated in a phase II ab

clinical trial led by the University of Exeter and licensed by Awakn on March 2, 2021.

“The close of our acquisition in Norway is a key strategic milestone in making psychedelic therapeutics to treat addiction a mainstream treatment – helping individuals and their families to move past their addictions and live a fuller life,” said Anthony Tennyson, Awakn’s CEO. “This acquisition will enable Awakn to demonstrate the depth of our three-pronged revenue generation strategy: clinics in the U.K. and Europe, licensing partnership beyond the U.K. and Europe, and therapeutics commercialization. We look forward to opening more clinics across the Nordic region and globally as we aim to become the leading authority in the development and delivery of psychedelic therapeutics.”

Pursuant to the terms of the transaction, Awakn has issued to the shareholders of Axon an aggregate of 200,000 common shares of Awakn at a deemed price of CAD$2.50. The initial 200,000 common shares issued are subject to a lock-up resulting in 10% having been released immediately on closing of the acquisition and 15% to be released every three months thereafter. Awakn has also agreed to pay to the shareholders of Axon the following additional consideration (the “Additional Consideration”) of up CAD$1.35m based on Axon meeting certain milestones:

- Opening a second clinic in Norway.
- Opening a first clinic in a second Nordic country.
- Opening a first clinic in a third Nordic country.
- Achieving agreed revenue and EBIDTA targets.

Awakn shall have the option to pay any amount of the Additional Consideration in cash or common shares at its option. The value to calculate the number of the common shares to be issued shall be the greater of (i) a 10-day volume weighted average price, (ii) the minimum price allowable by the NEO Exchange, and (iii)

CAD$2.50.

About Awakn Life Sciences Corp.

Awakn Life Sciences is a biotechnology company with clinical operations, developing and delivering psychedelic therapeutics (medicines and therapies) to better treat addiction. Awakn's team consists of world leading chemists, scientists, psychiatrists, and psychologists who are developing and advancing the next generation of psychedelic drugs, therapies, and enabling technologies to treat addiction. Awakn will deliver this evidence backed psychedelic therapies in clinics in the U.K. and Europe and through licensing partnerships globally.

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Notice Regarding Forward-Looking Information

This news release contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). Forward-looking statements reflect current expectations or beliefs regarding future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates", "targets" or "believes", or variations of, or the negatives of, such words and phrases or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved, including statements relating to , the intended business of the Company, the expansion of the Company's business, and generation of revenue. All forward-looking statements, including those herein are qualified by this cautionary statement.

Although the Company believes that the expectations expressed in such statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the statements. There are certain factors that could cause actual results to differ materially from those in the forward-looking information. These include: the business plans and strategies of the Company, the ability of the Company to comply with all applicable governmental regulations in a highly regulated business; the inherent risks in investing in target companies or projects which have limited or no operating history and are engaged in activities currently considered illegal in some jurisdictions; changes in laws; limited operating history; reliance on management; requirements for additional financing; competition; inconsistent public opinion and perception regarding the medical-use of psychedelic drugs; and regulatory or political change. Readers are cautioned that the foregoing list of factors is not exhaustive of the factors that may affect forward-looking statements. Accordingly, readers should not place undue reliance on forward-looking statements. The forward-looking statements in this news release speak only as of the date of this news release or as of the date or dates specified in such statements.

Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking information. For more information on the Company, investors are encouraged to review the Company's public filings on SEDAR at www.sedar.com. The Company disclaims any intention or obligation to update or revise any forward- looking information, whether as a result of new information, future events or otherwise, other than as required by law.

This news release does not constitute an offer to sell, or a

solicitation of an offer to buy, any securities in the United States. The Company's and Awakn's securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

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