



Braxia Scientific Announces Offering up to \$1.5 Million, Braxia Management to Participate in Concurrent Private Placement

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TORONTO, ONTARIO February 7, 2023 – Braxia Scientific Corp. (“Braxia”, or the “Company”), (CSE: BRAX) (OTC: BRAXF) (FWB: 4960), a medical research company providing psychiatric, innovative ketamine and psilocybin treatments for mental health disorders, is pleased to announce an offering of up to 27,272,727 units of the Company (the “Units”) at a price of \$0.055 per Unit for aggregate gross proceeds of up to \$1,500,000.00 pursuant to the listed issuer financing exemption (the “LIFE Offering”) and a concurrent private placement of up to 7,272,727 Units (the “Placement Units”) for aggregate gross proceeds of up to \$400,000 (the “Concurrent Placement”).

Each Unit will be comprised of one common share in the capital of the Company (a “Common Share”) and one Common Share purchase warrant (a “Warrant”). Each Warrant entitles the holder thereof to purchase one additional Common Share at a price of \$0.07 per Common Share for a period of three years following the issuance of each Warrant.

The Units in the LIFE Offering will be offered for sale to purchasers resident in each of the Provinces of Canada, except Quebec. The Placement Units will be offered for sale on a private placement to purchasers resident in each of the Provinces of Canada, except Quebec, and may also be offered by way of private placement in the United States and such other jurisdictions as may be determined by the Company.

There is an offering document related to the LIFE Offering that can be accessed under the Company’s profile at www.sedar.com and at www.braxiascientific.com in the Investor Relations tab. Prospective investors should read this offering document before making an investment decision.

The securities issued in the LIFE Offering will not be subject to a hold period pursuant to applicable Canadian securities laws. The Placement Units sold in Canada will be subject to a four-month hold period.

The Company is pleased to announce Dr. Roger McIntyre, Chairman and CEO of Braxia participation in the Concurrent Placement and has subscribed, for 3,181,818 Placement Units for aggregate gross proceeds of \$175,000.00. Dr. McIntyre is an “insider” of the Company and his participation in the Concurrent Placement constitutes a “related party transaction” within the meaning of Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* (“MI 61-101”). The Company is relying on an exemption from the formal valuation and minority shareholder approval requirements of MI 61-101 available on the basis that the fair market value of the insider participation in the Concurrent Placement, as determined in accordance with MI 61-101, does not exceed 25% of the Company’s market capitalization. The Company did not file a material change report at least 21 days before the expected closing of the Concurrent Placement as the details of the insider participation in the Concurrent Placement had not been settled.

The Company intends to use the net proceeds of the LIFE Offering to support the rollout of its telemedicine platform in the United States, for clinic expansion in Canada, and to continue intellectual property development and the Company expects to use the net proceeds of the Concurrent Placement for working capital and general corporate purposes.

The closing dates of the LIFE Offering and the Concurrent Placement are expected to occur on or about February 20, 2023, or such later date or dates as the Company may determine, and are subject to certain conditions including, but not limited to, the receipt of a minimum gross proceeds of \$750,000



and of all necessary approvals. The LIFE Offering and the Concurrent Placement may each be closed in one or more tranches and completion of the LIFE Offering is not conditional upon the completion of the Concurrent Placement or vice versa.

The securities of the Company have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the “**U.S. Securities Act**”) or any U.S. state securities laws and may not be offered or sold in the United States absent registration or an available exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the securities referenced in this press release, in any jurisdiction in which such offer, solicitation or sale would be unlawful.

The Company also announced changes to its senior leadership to focus on expanding its telemedicine platform, KetaMD, a wholly owned subsidiary of Braxia. Daniel Herrera, Vice President of Growth and R&D of Braxia will take on responsibilities and replace Leann Taylor who has left her role as President and COO of KetaMD, Inc., and as a member of Braxia’s Board of Directors. Warren Gumpel, Founder and CEO of KetaMD, remains with the Company. The Board thanks Ms. Taylor for her contributions.

Additionally, the Company and certain insiders and consultants (the “Optionees”) have voluntarily agreed to cancel an aggregate of 6,500,000 stock options (the “Options”) held by the Optionees pursuant to the Company’s stock option plan. The cancelled Options, issued May 28, 2021, had an exercise price of \$0.395 and expired on May 28, 2026.

About Braxia Scientific Corp.

Braxia Scientific is a medical research and telemedicine company with clinics that provide innovative ketamine treatments for persons with depression and related disorders. Braxia also launched its U.S. based end-to-end telemedicine platform KetaMD, that utilizes leading technology to provide access to safe, affordable, and potentially life-changing at-home ketamine treatments for people living with depression and related mental health conditions. Through its medical solutions, Braxia aims to reduce the illness burden of brain-based disorders, such as major depressive disorder among others. Braxia is primarily focused on (i) owning and operating multidisciplinary clinics, providing treatments in-person and virtually for mental health disorders, and (ii) research activities related to discovering and commercializing novel drugs and delivery methods. Braxia seeks to develop ketamine and derivatives and other psychedelic products from its IP development platform. Through its wholly owned subsidiary, Braxia Health (formerly the Canadian Rapid Treatment Center of Excellence Inc.), operates multidisciplinary community-based clinics offering rapid-acting treatments for depression located in Mississauga, Toronto, Kitchener-Waterloo, Ottawa, and Montreal.

ON BEHALF OF THE BOARD

“Dr. Roger S. McIntyre”
Dr. Roger S. McIntyre

Chairman & CEO

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The CSE has not reviewed and does not accept responsibility for the accuracy or adequacy of this release.

Forward-looking Information Cautionary Statement

This news release contains forward-looking statements within the meaning of applicable securities laws. All statements that are not historical facts, future estimates, plans, programs, forecasts, projections, objectives, assumptions, expectations, or beliefs of future performance are “forward-looking statements.”

Forward-looking statements include statements about the intended promise of ketamine-based treatments for depression, the potential for ketamine or other psychedelics to treat other mental health conditions, the proposed use of proceeds and expected closing date of the LIFE Offering and the Concurrent Placement, the timing and ability of the Company to obtain approvals for the LIFE Offering and the Concurrent Placement, and the completion of the LIFE Offering and the Concurrent Placement, including the subscription of Dr. McIntyre. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, events, or developments to be materially different from any future results, events or developments expressed or implied by such forward-looking statements. Such risks, uncertainties and other factors include, among others, the failure of ketamine, psilocybin and other psychedelics to provide the expected health benefits and unanticipated side effects, dependence on obtaining and maintaining regulatory approvals, including acquiring and renewing federal, provincial, municipal, local or other licenses engaging in activities that could be later determined to be illegal under domestic or international laws and the final terms and outcome of the transaction described in the Company’s press release dated January 27, 2023. Ketamine and psilocybin are currently Schedule I and Schedule III controlled substances, respectively, under the Controlled Drugs and Substances Act, S.C. 1996, c. 19 (the “CDSA”) and it is a criminal offence to possess such substances under the CDSA without a prescription or a legal exemption. Health Canada has not approved psilocybin as a drug for any indication, however ketamine is a legally permissible medication for the treatment of certain psychological conditions. It is illegal to possess such substances in Canada without a prescription.

These factors should be considered carefully, and readers are cautioned not to place undue reliance on such forward-looking statements.

Although the Company has attempted to identify important risk factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other risk factors that cause actions, events or results to differ from those anticipated, estimated or intended. Additional information identifying risks and uncertainties that could affect financial results is contained in the Company’s filings with Canadian securities regulators, including the Amended and Restated Listing Statement dated April 15, 2021 and its most recent MD&A, which are available at www.sedar.com. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in forward-looking statements.