



## **LOPHOS PHARMACEUTICALS CORP. ENTERS INTO LETTER OF INTENT TO ACQUIRE THE ASSETS OF MAGICACTUS.COM**

**NAPANEE, ONTARIO - May 6, 2024** - Lophos Holdings Inc. ("Lophos", or the "Company") (CSE:MESC) is pleased to announce that its wholly-owned subsidiary, Lophos Pharmaceuticals Corp. ("Lophos Pharma") - a biosciences company specializing in the cultivation, research, and sale of *Lophophora williamsii* (peyote), announced today that it has entered into a letter of intent to acquire the cactus cultivation business of Magicactus.com.

Under the terms of the letter of intent, Lophos Pharma intends to acquire all assets of the cactus cultivation business, including:

1. All Live *Lophophora Williamsii* (peyote) plants (QTY: 592) (AGE: 3 – 23 YEARS)
2. *Lophophora Williamsii* (peyote) seeds (QTY: 51,073)
3. Cultivation Racks
4. Fluorescent Grow Lights
5. Outdoor Greenhouse
6. Web Domain: MAGICACTUS.COM
7. All customer information and data related to the business, including over 1,000 active customers.
8. All intellectual property rights related to the business, including but not limited to patents, trademarks, copyrights, trade secrets, and any other proprietary rights owned or used by the Seller in connection with the operation of the business.

As consideration for the acquisition of the assets, Lophos intends to pay to the vendor \$150,000 in cash and issue 1,000,000 common shares, at a price \$0.10 per share, subject to adjustment in certain circumstances. In addition, Lophos intends to enter into a 12-month consulting agreement with Mr. Jose Frank Valente, the founder of Magicactus.com, for \$100,000. The acquisition is subject to the negotiation and signature of a definitive asset purchase agreement and the receipt of applicable corporate and regulatory approvals, including that of the CSE.

## **Comments From Leadership**

"This letter of intent marks a significant milestone in our journey toward acquiring the assets of Magicactus.com," stated Claire Stawnyczy, President & CEO of Lophos Pharma "We are thrilled at the opportunity to integrate the exceptional Lophophora williamsii specimens into our operations, and to leverage Mr. Valente's expertise to advance our commitment to psychedelic research and sustainable indoor cultivation practices for peyote."

Expanding on the significance of the acquisition, Ms. Stawnyczy emphasized, "The addition of Magicactus.com will bring a substantial asset: a customer base of over 1,000 active customers. This infusion of customers not only strengthens our revenue stream but also extends the market reach for our products. With an expanded customer base, we have the opportunity to introduce our existing products to a wider audience while also developing new offerings to cater to the diverse needs of our expanded clientele. I believe this heightened market presence will position us for substantial growth and lay a robust foundation for continued innovation and expansion in the natural psychedelic product sector."

Mr. Jose Frank Valente, Founder and CEO of Magicactus.com, expressed optimism about the potential acquisition, stating, "We look forward to joining forces with Lophos Pharma to expand our reach and accelerate our efforts in the cultivation and research of Lophophora williamsii."

## **About Magicactus.com**

In 2007, Mr. Valente founded Magicactus.com, born from his passion for cacti cultivation, which evolved into a thriving online business specializing in Lophophora williamsii and ornamental cactus cultivation in Canada. With unique Lophophora williamsii dating back to 2007, Magicactus.com offers a wealth of unique and rare specimens, including specialized knowledge and experience in the cultivation and care of these unique traditional plants.

## **For further inquiries, please contact:**

Claire Stawnyczy – CEO, Lophos Holdings Inc.  
Email: [invest@lophos.com](mailto:invest@lophos.com)  
Website: [www.lophos.com](http://www.lophos.com)  
Phone: 1-833-450-7407

## **Cautionary Statement:**

Neither the Canadian Securities Exchange nor its Regulation Services Provider have reviewed or accept responsibility for the adequacy or accuracy of this release.

The execution of a definitive purchase agreement and the closing of the acquisition are subject to customary conditions, including regulatory approvals and the completion of due diligence. There can be no assurance that the transaction will be completed as proposed or at all.

The Agreement remains subject to the approval of the Canadian Securities Exchange. All securities issued pursuant to the Agreement will be subject to a four month and one day hold period upon issuance.

This press release contains 'forward-looking information' within the meaning of applicable Canadian securities legislation. These statements relate to future events or future performance. The use of any of the words "could", "intend", "expect", "believe", "will", "projected", "estimated" and similar expressions and statements relating to matters that are not historical facts are intended to identify forward-looking information and are based on Lophos' current belief or assumptions as to the outcome and timing of such future events. Forward-looking information in this press release includes information with respect to the Company's peyote cactus product development. Forward-looking information is based on reasonable assumptions that have been made by Lophos at the date of the information and is subject to known and unknown risks, uncertainties, and other factors that may cause actual results or events to differ materially from those anticipated in the forward-looking information. Given these risks, uncertainties and assumptions, you should not unduly rely on these forward-looking statements. The forward-looking information contained in this press release is made as of the date hereof, and Lophos is not obligated to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities laws. The foregoing statements expressly qualify any forward-looking information contained herein. Factors that could cause actual results to differ materially from those anticipated in these forward-looking statements are described under the caption "Risk Factors" in Lophos' final long form prospectus dated August 11, 2023, which is available on Lophos's profile at [www.sedarplus.ca](http://www.sedarplus.ca).

This news release does not constitute an offer to sell or the solicitation of an offer to buy, and shall not constitute an offer, solicitation or sale in any state, province, territory or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state, province, territory or jurisdiction.

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