
**SHINY BUD INC. FILES NOTICE OF INTENTION TO MAKE A PROPOSAL UNDER THE
BANKRUPTCY AND INSOLVENCY ACT**

TORONTO: May 28, 2024 – Shiny Health & Wellness Corp. (“**ShinyHealth**”) (TSXV: SNYB) today reports that its wholly-owned subsidiary, Shiny Bud Inc. (the “**Company**”), with the authorization and approval of its board of directors (the “**Board**”), has filed a Notice of Intention to Make a Proposal (“**NOI**”) pursuant to the provisions of the *Bankruptcy and Insolvency Act* (Canada) (“**BIA**”). The principal purpose of the NOI filing is to create a stabilized environment for the Company and its financial advisors to run an orderly and flexible sale, investment and solicitation process (“**SISP**”) with the goal of identifying one or more interested parties that wish to acquire or make an investment in the Company’s business or all or some of its assets. B Riley Farber Inc. has been appointed as the trustee under the NOI (the “**Proposal Trustee**”). The Company is working closely with the Proposal Trustee and its legal advisors on the SISP to best protect the Shiny Bud brand and its 20 licensee stores whose ability to continue to use the Shiny Bud brand in accordance with the license agreements is not impacted by the NOI.

In connection with the filing of the NOI, the Company has entered into an agreement with its existing senior creditor, Evergreen Gap Debt GP Inc, as Agent for and on behalf of Evergreen Gap Debt LP and Gap Debt III LP (the “**DIP Lender**”), pursuant to which the DIP lender will advance a debtor-in-possession (“**DIP**”) loan to the Company in the amount of up to \$580,000 to generally fund working capital needs and expenses related to the NOI proceedings. The DIP Loan is conditional on, among other things, approval from the Ontario Superior Court of Justice (the “**Court**”).

The Company intends to seek an order from the Court approving the terms of the SISP and DIP loan. The Company’s objective is to complete the SISP by the end of July 2024. It is important to note that the Company is not bankrupt. If the DIP agreement is approved, the Company believes it has sufficient resources to fund its operations during the SISP and its stores will remain open for business during that time, subject to any restructuring steps that the Company may take during the process. Pursuant to the BIA, upon filing the NOI, there is an automatic stay of proceedings in respect of all creditor claims and actions against the Company that will protect the Company and its assets from the claims of creditors and others during the pendency of the proposal proceedings.

Anyone interested in obtaining more information about the SISP should contact the Proposal Trustee at: Nerina Jahja – njahja@brileyfin.com.

ShinyHealth also announces that its wholly-owned subsidiary, mihi Health and Wellness Inc. (“**mihi**”), has received, in connection with a guarantee provided by mihi in favour of its wholly-owned subsidiary that owns the Cotton Mill Pharmacy, a demand from the lender to such subsidiary for immediate payment of unpaid loan amounts. The Cotton Mill Pharmacy is currently temporarily closed. ShinyHealth is reviewing the merits of this demand and financial circumstances of mihi.



As a result of the NOI and financial resource constraints, ShinyHealth also announces that it is expecting not to file its annual financial statements and accompanying management’s discussion and analysis for the fiscal year ended January 31, 2024 by the prescribed deadline of May 30, 2024. ShinyHealth’s ability to complete the audit and filing of its annual financial statements and related management’s discussion and analysis will be dependent upon the results of the NOI process.

As a result of the prior resignations of Meris Kott and Jonathan Hemi, the remaining directors of ShinyHealth are Brad Kipp (non-independent) and Lyn Christensen (independent), and the remaining officers are Brad Kipp (Interim CEO) and Dominic Lavallée (Interim CFO). As a result of ShinyHealth currently having only two directors, it does not currently meet the minimum number of directors required under applicable law as a reporting issuer or pursuant to the policies of the TSX Venture Exchange (“TSXV”). In light of this, ShinyHealth has been advised by the TSXV that trading of its shares will remain halted and failure to remedy the deficiency within 10 business days will result in a suspension in trading of the ShinyHealth shares. ShinyHealth confirms that its transfer agent, Computershare, continues to act as its transfer agent.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

CONTACT INFORMATION

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This press release contains “forward-looking information” within the meaning of applicable Canadian securities legislation. Generally, forward-looking information can be identified by the use of forward-looking terminology such as “plans”, “expects” or “does not expect”, “is expected”, “intends”, or “believes”, or variations (including negative and grammatical variations) of such words and phrases or state that certain acts, events or results “may”, “could”, “would”, “might” or “will be taken”, “occur” or “be achieved”.

These statements are based upon assumptions that are subject to significant risks and uncertainties, including risks regarding the Company’s financial situation, liquidity and its need for additional financing, Court approval of the SISP and DIP loan, the sufficiency of resources to fund the Company’s operations during the SISP, the ability to design the SISP to protect the Shiny Bud brand and the Company’s 20 licensees, the cannabis industry, market conditions, general economic factors, management’s ability to manage and to operate the business generally and during the process being undertaken by the Proposal Trustee, and the equity markets generally. Because of these risks and uncertainties and as a result of a variety of factors, the actual results, expectations, achievements or performance may differ materially from those anticipated and indicated by these forward-looking statements. Any number of factors could cause actual results to differ materially from these forward-looking statements as well as future results. Although the Company believes that the expectations reflected in forward looking statements are reasonable, they can give no assurances that the expectations of any forward-looking statements will prove to be correct. Except as required by law, the Company disclaims any intention and assume no obligation to update or revise any forward-looking statements to reflect actual results, whether as a result of new information, future events, changes in assumptions, changes in factors affecting such forward-looking statements or otherwise.