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CLUNY CAPITAL ANNOUNCES ADDITIONAL DETAILS OF ITS QUALIFYING TRANSACTION WITH TEONAN BIOMEDICAL INC.

Toronto (Ontario), November 30, 2020 – Cluny Capital Corp. (the “**Company**” or “**Cluny**”) (TSXV:CLN.H), a capital pool company pursuant to Policy 2.4 of the TSX Venture Exchange (the “**Exchange**”), is pleased to provide further details on its previously announced definitive agreement entered into on November 3, 2020 (the “**Agreement**”) with Teonan Biomedical Inc. (“**Teonan**”) for the proposed combination of the two companies (the “**Proposed Transaction**”). The Proposed Transaction is intended to constitute the Company’s Qualifying Transaction (as defined by Policy 2.4 of the Exchange) and would result in a reverse takeover of the Company by Teonan. As the Proposed Transaction is not a “Non-Arm’s Length Qualifying Transaction” (as such term is defined by the Exchange) the approval of the shareholders of the Company is not required for the Proposed Transaction; however, certain ancillary matters described below will require the approval of shareholders of the Company. Subject to certain conditions set out in the Agreement, Teonan will amalgamate with a wholly-owned subsidiary of the Company in order to facilitate the completion of the Proposed Transaction. The full details of the Proposed Transaction will be included in the filing statement to be submitted in connection with the Proposed Transaction. Upon completion of the Proposed Transaction, it is the intention of the parties that the Company (the Company after the Proposed Transaction being referred to herein as the “**Resulting Issuer**”) will continue to carry on the business of Teonan and will be listed as a Tier 2 life sciences issuer on the Exchange.

About Teonan

Teonan is a privately held arm’s length company incorporated under the *Canada Business Corporations Act* (the “**CBCA**”) on October 30, 2014 with its headquarters in the Province of Quebec. Teonan produces instant wellness beverages under its two brands, Teonan and Velada. Inspired by the relationships ancient cultures held with functional mushrooms and in line with growing consumer trends towards functional foods, with the functional mushroom market poised to grow annually by 9% for the next three years, and expected to reach US\$34B by 2024¹, Teonan created two lines of instant beverages that offer both delicious flavours and immune support through a custom blend of organic functional mushroom extracts. Offered in a variety of flavours, the instant beverage mixes are all probiotic, certified organic (Ecocert - USDA), vegan, dairy free, GMO free and gluten free. In December of 2019, Teonan began direct to consumers sales in North America via its online stores and sales to July 2020 reached \$196,918 with a limited marketing budget. Teonan’s short term marketing goals include the launch of a retail initiative to diversify its sales channels and market exposure, brand reinforcement, the revamping and optimization of its website to increase e-commerce flow-through, return on ad spend rates and increase organic traffic. In addition, Teonan anticipates adding two new non-caffeinated beverages flavours to its product line, following client demand.

Under its Velada brand, Teonan has begun production of cannabidiol (CBD) infused beverages having the same high-quality ingredients and attributes of the Teonan beverages. The Velada beverages are produced at its facility in Quebec, in accordance with its micro-processing license (the “**License**”) granted in November of 2019 by Health Canada. Pursuant to recent amendments to the Cannabis Regulations that

¹ Mondor Intelligence: FUNCTIONAL MUSHROOM MARKET - GROWTH, TRENDS, AND FORECAST (2020 - 2025) (<https://www.mondorintelligence.com/industry-reports/functional-mushroom-market>)

came into force on October 17, 2019, Teonan has filed for an amendment to its License with Health Canada that would enable to it to sell its edible products to provincial and territorial authorized resellers. Teonan anticipates receiving the amendment to its License in Spring 2021. The cannabis beverage market in Canada alone is estimated to be worth \$529M² and with relatively few established suppliers and a high barrier to entry, Teonan expects its offering within the beverage category at a competitive price point will allow it to capture a share of the market.

Selected Financial Information

The following table sets out selected financial information of Teonan for the periods, and as of the dates, indicated. The selected financial information has been derived from the unaudited financial statements for the year-ended July 31, 2019 and the audited financial statements for the year ended July 31, 2020:

Financial Position	As at July 31, 2020 (CA\$)	As at July 31, 2019 (CA\$)	As at July 31, 2018 (CA\$)
Current Assets	699,901	177,752	92,274
Total Assets	728,543	207,943	92,274
Current Liabilities	152,063	453,645	155,713
Total Liabilities	826,063 ⁽¹⁾	453,645	155,713
Total Shareholder's Equity	(97,520)	(245,702)	(63,439)
Income Statement			
Total Revenues	196,918	-	-
Gross Margin	147,770	-	-
Net Loss	(419,589)	(182,263)	(63,539)

Notes: (1) Includes the Teonan Convertible Debentures (as defined below) outstanding, in the principal amount of \$690,000, at such date.

The Proposed Transaction

On or immediately prior to the completion of the Proposed Transaction, and subject to the approval of Cluny's shareholders; (i) Cluny will change its name to "The Good Shroom Co Inc." (*Les bons Champignons inc*) or such other name as Teonan may decide (the "**Name Change**"); (ii) Cluny will be continued from an Ontario corporation to a corporation under the CBCA (the "**Continuation**"); and (iii) Cluny will consolidate its common shares on the basis of one (1) post consolidation common share of Cluny for each three (3) pre-consolidation common shares of Cluny (the "**Consolidation**"). There are 14,692,235 common shares of Cluny outstanding as of the date hereof.

Pursuant to the amalgamation and in exchange for their Teonan shares, the existing shareholders of Teonan will receive 25,000,000 post-Consolidation common shares of Cluny (each a "**Resulting Issuer Share**") at a deemed post-Consolidation price of \$0.25 per Resulting Issuer Share, pro rata to their holdings. In addition to the foregoing: (i) up to 3,000,000 Resulting Issuer Shares shall be issuable to Mr. Scott Jardin, the Chief Financial Officer of Teonan, in connection with the Proposed Transaction provided certain performance milestones are met, pursuant to an agreement entered into between Teonan and Mr. Scott Jardin on September 1, 2020 (the "**Performance Shares Agreement**"); and, (ii) up to a maximum of 5,439,562

²Press release (June 3, 2019) *Deloitte estimates next round of cannabis legalization will create a new \$2.7-billion market in Canada* (<https://www2.deloitte.com/ca/en/pages/press-releases/articles/cannabis-legalization.html>)

Resulting Issuer Shares will be issued pursuant to the conversion of certain outstanding convertible debentures of Teonan (the “**Teonan Convertible Debentures**”) having an aggregate principal value of \$975,000 along with the unpaid accrued interest up to the closing date of the Proposed Transaction (such maximum assumes the closing date of the Proposed Transaction is on or before February 28, 2021). The Resulting Issuer Shares to be issued in connection with the Proposed Transaction shall be issued pursuant to the provisions of section 2.11(b) of National Instrument 45-106 - *Prospectus Exemptions*.

Pursuant to the Performance Shares Agreement and the Agreement: (i) 1,000,000 Resulting Issuer Shares shall be issued upon the receipt of all applicable authorizations, licenses and other legal requirements, including the License amendment discussed above, for the commercialization of cannabis related products; (ii) 1,000,000 Resulting Issuer Shares shall be issued upon Teonan reaching gross sales of \$750,000, for its cannabis related products within a 12-month period following receipt of the amended License; and (iii) 1,000,000 Resulting Issuer Shares shall be issued if gross sales reach \$2,500,000 in cannabis related products in the 12 months that follow receipt of the amended License. In the event one or more of the foregoing milestones are met prior to the closing date of the Proposed Transaction, the relevant number of Resulting Issuer Shares shall be issued on closing.

The Proposed Transaction is subject to a number of conditions precedent, including, without limitation: (i) receipt of all applicable regulatory, shareholder and third party approvals, including approval of the Exchange for the Proposed Transaction; (ii) completion of the Continuation, Consolidation and Name Change; (iii) the listing of the Resulting Issuer Shares on the Exchange; and (iv) completion of the Offering (as defined below).

A Finder’s Fee of 1,400,000 Resulting Issuer Shares is payable to an arm’s length party in connection with the closing of the Proposed Transaction.

Cluny and Teonan will be requesting a waiver from the Sponsorship requirement as per the Exchange policies; however, there can be no assurances at this time that such waiver will be granted.

The Concurrent Offering

Concurrent with the closing of the Proposed Transaction, the Company intends to conduct a brokered offering (the “**Offering**”) of subscription receipts (the “**Subscription Receipts**”) at a price of \$0.25 per Subscription Receipt for minimum gross proceeds of \$1,500,000 and maximum gross proceeds of \$2,875,000. For such purpose, a letter of intent has been entered into with Leede Jones Gable Inc. (the “**Agent**”) who will be the lead agent and book-runner for the Offering.

The gross proceeds of the Offering, less certain expenses of the Agent (such proceeds, the “**Escrowed Funds**”), will be deposited in escrow at closing of the Offering with an escrow agent mutually acceptable to the Company and the Agent (the “**Escrow Agent**”). The Escrowed Funds (less amounts payable by the Company to the Agent, including the Cash Commission (as defined below)) will be released from escrow by the Escrow Agent to the Company upon the completion or irrevocable waiver or satisfaction of certain conditions, including the condition that all conditions precedent to the Proposed Transaction provided for in the Agreement and as may be required by the Exchange have been satisfied (together, the “**Escrow Release Conditions**”).

In the event that the Escrow Release Conditions are not satisfied or are incapable of being satisfied on or before April 15, 2021, the Escrowed Funds, as well as any accrued interest earned thereon (less any applicable withholding taxes), will be returned to purchasers of the Subscription Receipts, which will then be cancelled.

Upon the satisfaction of the Escrow Release Conditions, each Subscription Receipt shall be automatically exchanged, without any further act or formality or payment of any additional consideration and subject to adjustment, for one common share in the capital of the Resulting Issuer and one common share purchase

warrant of the Resulting Issuer (each, a “**Resulting Issuer Warrant**”). Each Resulting Issuer Warrant shall be exercisable to acquire one Resulting Issuer Share at an exercise price of \$0.50 for a period of 24 months from the closing of the Offering. The Resulting Issuer Warrants may be subject to an accelerated expiry at the discretion of the Resulting Issuer if the volume weighted average closing price of the Resulting Issuer Shares is greater than \$0.60 for a period of 10 consecutive trading days on the Exchange. Upon completion of the Offering, a minimum of 6,000,000 and a maximum of 11,500,000 Subscription Receipts will be issued.

The Agent will receive a cash commission equal to 8% of the gross proceeds of the Offering (the “**Cash Commission**”), provided that the Cash Commission payable on the gross proceeds raised in respect of investors introduced to the Offering directly by the Corporation shall be equal to 3.0% of such gross proceeds (subject to a maximum of \$750,000 in such gross proceeds). The Cash Commission shall be deposited into escrow on the closing date of the Offering and shall be released (together with interest earned thereon) upon satisfaction of the Escrow Release Conditions and the release of the Escrowed Funds. In addition, the Resulting Issuer shall issue the Agent upon completion of the Proposed Transaction such number of non-transferable compensation options (each a “**Compensation Option**”) as is equal to 8% of the number of Subscription Receipts purchased under the Offering. Each Compensation Option is exercisable for one Resulting Issuer Share at a price of \$0.25 per Resulting Issuer Share for a period of 24 months from the closing date of the Offering.

The proceeds of the Offering will be used for general working capital. All securities issued pursuant to the Offering will be subject to a four-month resale restriction from the date of issuance of the Subscription Receipts.

The Resulting Issuer

Proposed Management and Board of Directors of the Resulting Issuer

Upon completion of the Proposed Transaction, it is anticipated that the persons identified below will serve as directors and officers of the Resulting Issuer, subject to acceptance by the Exchange.

Mr. Eric Ronsse, the founder of Teonan who will serve as CEO and a director of the Resulting Issuer, is an accomplished entrepreneur with particular expertise in CPGs (consumer packaged goods), namely in the functional food space, who strives to build brand affinity through honest and sustainable corporate practices. He has over a decade of executive leadership and management experience in food distribution, third party logistics and the functional beverage space, during which time he grew Cargologan Inc., a private logistics company, from a operational footprint of 28,000 square feet to 255,000 square feet. Eric also co-founded Hasaji, a food snack CPG company with products distributed in over 400 outlets in Asia, primarily in Mongolia.

Mr. Scott Jardin, who will serve as Chief Financial Officer of the Resulting Issuer, is an accounting professional providing consulting services to companies with a focus on operations setup and efficiency. Mr. Jardin has over 10 years of experience as a CPA, CGA and is the former CEO of AAA Montreal, a cannabis company with an Industrial Hemp License. He was an Associate Director of Cancer & Genetics Research Centres at McGill University and was also an Associate Director, Internal Audit at McGill University

Mr. Stephanus Rossouw, who is currently the Chief Marketing officer of Teonan and its co-founder, will serve in the same role with the Resulting Issuer and join the board of directors. Mr. Rossouw holds a MSc in Plant Science from McGill University and has over ten years of practical and theoretical experience in nutraceutical product development and phytochemistry and practical expertise in branding, digital marketing and establishing e-commerce strategies.

Mr. Frank Aton is expected to join the board of directors of the Resulting Issuer as an independent director. Formerly Vice President, Human Resources at Merck and Co., Mr. Aton has over 25 years experience in

executive leadership and operations. His vast experience acquired in large global organizations such as General Electric, Merck & Co, in various geographical areas, namely the United States, Europe, Middle East, Africa and Canada has allowed him to build a worldwide network of pharma and other industry executives.

Mr. Claude Dufresne is also expected to join the board of directors of the Resulting Issuer as an independent director. He is a professional engineer, member of l'Ordre des Ingénieurs du Québec and, is currently President and CEO of NioBay Metals, an Exchange listed company, and serves on its board. As a 30-year veteran of the mining industry, he has held various marketing positions with both Iamgold and Cambior in the past and started his own firm, Camet Metallurgy Inc., which trades various metals commodities. He is an active investor and is experienced in environmental, social & governance (ESG) issues.

Mr. Steve Saviuk, who will also join the board of directors of the Resulting Issuer as an independent director, is a CPA, CA who started his career in accounting at KPMG, and moved to venture capital investing through Manitex Capital Inc., a company he co-founded over 30 years ago, and that actively invests in emerging companies with a focus on the life science, renewable energy and sustainable resource sectors. He also co-founded Valeo Pharma in 2003 and has since served as its president and CEO. Mr. Saviuk transformed Valeo Pharma, from its early years as an in-licensor of established brands to a fast-growing full service Canadian pharmaceutical company and instrumented the recent sale of certain assets to Valeant Canada. Mr. Saviuk also has extensive experience with executive management and corporate governance, which he acquired while serving on various board of both public and private companies.

Vendors

The controlling shareholders of Teonan are Mr. Eric Ronsse, who resides in the municipality of Kirkland (Quebec) and holds a 71.4% equity interest in Teonan and Mr. Stephanus Rossouw who resides in the municipality of Ile Perrot (Quebec) and holds a 23% interest.

Structure

Upon completion of the Proposed Transaction, assuming completion of the minimum Offering, it is anticipated that, on an undiluted basis, the current shareholders of Cluny will hold 11.46% of the Resulting Issuer Shares, the current shareholders of Teonan will hold 58.50% of the Resulting Issuer Shares, the holders of the Teonan Convertible Debentures will hold 12.73% of the Resulting Issuer Shares and the subscribers in the Offering will hold 14.04% of the Resulting Issuer Shares. Assuming completion of the maximum Offering, it is anticipated that, on an undiluted basis, the current shareholders of Cluny will hold 10.15% of the Resulting Issuer Shares, the current shareholders of Teonan will hold 51.83% of the Resulting Issuer Shares, the holders of the Teonan Convertible Debentures will hold 11.28% of the Resulting Issuer Shares and the subscribers in the Offering will hold 23.84% of the Resulting Issuer Shares.

For further information:

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The information provided in this news release regarding Teonan and the Resulting Issuer has been provided by Teonan and has not been independently verified by the Company.

Completion of the Proposed Transaction is subject to a number of conditions, including but not limited to, Exchange acceptance and if applicable pursuant to Exchange Requirements, majority of the minority shareholder approval. Where applicable, the Proposed Transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the Proposed Transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the Proposed Transaction, any information released or received with respect to the Proposed Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative.

The TSX Venture Exchange Inc. has in no way passed upon the merits of the Proposed Transaction and has neither approved nor disapproved the contents of this news release.

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

This news release does not constitute an offer to sell or the solicitation of an offer to buy any securities in any jurisdiction.

Cautionary Statement Regarding Forward Looking Information

This news release contains “forward-looking information” within the meaning of Canadian securities legislation. Forward-looking information generally refers to information about an issuer’s business, capital, or operations that is prospective in nature, and includes future-oriented financial information about the issuer’s prospective financial performance or financial position. The forward-looking information in this news release includes disclosure about the terms of the Proposed Transaction and Teonan’s business operations and prospects.

Cluny and Teonan made certain material assumptions, including but not limited to: prevailing market conditions; general business, economic, competitive, political and social uncertainties; delay or failure to receive board, shareholder or regulatory approvals; and the ability of the Teonan to execute and achieve its business objectives, to develop the forward-looking information in this news release. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Actual results may vary from the forward-looking information in this news release due to certain material risk factors. These risk factors include, but are not limited to: adverse market conditions; the inability of Cluny or Teonan to complete the Proposed Transaction on the terms disclosed in this news release, or at all; the inability of Cluny to complete the Offering; reliance on key and qualified personnel; regulatory and other risks associated with the cannabis industry in general, including changes to the Cannabis Act and related legislation, the reinstatement or continuance of government confinement measures and other measures related to the COVID-19 pandemic, as well as those risk factors discussed or referred to in disclosure documents filed by Cluny with the securities regulatory authorities in certain provinces of Canada and available at www.sedar.com. The foregoing list of material risk factors and assumptions is not exhaustive. Should any factor affect Cluny in an unexpected manner, or should assumptions underlying the forward looking information prove incorrect, the actual results or events may differ materially from the results or events predicted. Any such forward-looking information is expressly qualified in its entirety by this cautionary statement. Moreover, Cluny does not assume responsibility for the accuracy or completeness of such forward-looking information. The forward-looking information included in this news release is made as of the date of this news release and Cluny undertakes no obligation to publicly update or revise any forward-looking information, other than as required by applicable law.

The securities referred to in this news release have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons absent U.S. registration or an applicable exemption from the

U.S. registration requirements. This news release does not constitute an offer for sale of securities, nor a solicitation for offers to buy any securities. Any public offering of securities in the United States must be made by means of a prospectus containing detailed information about the company and management, as well as financial statements.