

December 8, 2023

Skye Bioscience Responds to OTC Markets Promotional Policy

San Diego, California--(Newsfile Corp. - December 8, 2023) - Skye Bioscience, Inc. (OTCQB: SKYE) ("Skye" or the "Company"), a pharmaceutical company developing drugs targeting the endocannabinoid system, focusing on metabolic conditions and glaucoma, has received a request by OTC Markets Group Inc. ("OTC Markets") to issue this statement about promotional activity concerning its common shares traded on the OTCQB market (operated by OTC Markets).

On Monday, December 4, 2023, OTC Markets informed the Company that it became aware of certain promotional activities concerning the Company and its common shares traded on the OTCQB Marketplace, including the distribution of a newsletter email published by Traders News Source and Broad Street Alerts, discussing the Company, its business and the pharmaceutical market generally.

On November 17, 2023, the Company entered into an advertising agreement with TraDigital Marketing Group, Inc. ("TraDigital"), whereby TraDigital was engaged on a project basis to organize a digital awareness campaign ("Campaign") to expand investor awareness of the Company and its pharmaceutical drug development activities. TraDigital also has engaged third parties, including Interactive Offers LLC, owned by Amplifyr, Inc., that was compensated and approved by the Company to guide content development and online advertising.

The Company provided TraDigital with publicly available sources of information for its marketing materials and reviewed the factual accuracy of the source materials used in the Campaign. The Company does not believe the statements in the marketing materials and newsletter emails were materially false or misleading. However, the Company did not have the opportunity to review and comment on the copy material which formed the e-mail material published by Traders News Source and Broad Street Alerts prior to publication. As a result, upon becoming aware of the content included in the Campaign, the Company is evaluating the content to ensure compliance with the OTC Policy on Stock Promotion.

The Company only supports content related to Skye's core business of drug development. Third-party service providers that have been directly involved with the creation and distribution of unauthorized promotional materials related to the Company and any content, opinions, or claims made by the content creators they utilize are neither endorsed nor supported by the Company.

The Company understands this Campaign coincided with a recently increased trading activity in the common shares of the Company. The Company has no opinion as to whether or not and/or the extent to which the Campaign affected trading activity because of the many factors that affect trading activity generally, which may include general investor relations activities as well as the volatile nature of the industry in which the Company is involved, the concurrent development milestones achieved, the issuance of a news release regarding a

Company license agreement, the concurrent issuance of relevant industry news, and the effects of a PIPE financing and merger completed in August 2023 and reverse split executed in September which resulted in a very low outstanding common share count, common share float, and trading liquidity.

After inquiry of management, directors, control persons, and third-party service providers, it has been determined that the Company, its officers, directors, controlling shareholders, or any third-party service providers have not sold or purchased the Company's securities within the past 90 days with the exception of a third party service provider, Bear Creek Capital LLC, whom also received share based compensation under its contract with the Company.

Over the preceding 12 months, in addition to the above disclosed engagement with TraDigital, the Company has also worked with third party contractual service providers including The Money Channel NYC Inc., Bear Creek Capital LLC, LifeSci Advisors, LLC, all designated Service Providers listed on OTC Markets, to provide investor relations consulting and/or media outreach services, and Bernie Hertel, Consultant to the Company. The Company has not issued shares, or convertible instruments allowing conversion to equity securities, at prices constituting, at the time of issuance of such shares or convertible instruments, a discount to the then current market price.

For more complete and specific information regarding the Company, its activities, and a summary of issuance of shares or convertible securities, readers should consult the Company's filings with the Securities and Exchange Commission, which are available on the SEC's EDGAR system and the Company's website.

About Skye Bioscience

Skye is focused on unlocking the pharmaceutical potential of the endocannabinoid system to treat diseases with inflammatory, fibrotic, and metabolic processes. Backed by leading life science venture investors, Skye's strategy leverages biologic targets with substantial human proof of mechanism for the development of first-in-class therapeutics with significant clinical and commercial differentiation. Nimacimab, a negative allosteric modulating antibody, inhibited peripheral CB1 with a favorable safety and tolerability profile in a Phase 1 study. Skye plans to start a Phase 2 cardiometabolic-focused study encompassing obesity for nimacimab in H1 2024. SBI-100 Ophthalmic Emulsion, a CB1 agonist, is currently being studied in a Phase 2 study with patients with glaucoma and ocular hypertension. For more information, please visit: <https://www.skyebioscience.com>.

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FORWARD-LOOKING STATEMENTS

This press release contains forward-looking statements, including statements regarding our

product development, business strategy, timing of clinical trials and commercialization of cannabinoid-derived therapeutics. Such statements and other statements in this press release that are not descriptions of historical facts are forward-looking statements that are based on management's current expectations and assumptions and are subject to risks and uncertainties. If such risks or uncertainties materialize or such assumptions prove incorrect, our business, operating results, financial condition, and stock price could be materially negatively affected. In some cases, forward-looking statements can be identified by terminology including "anticipated," "plans," "goal," "focus," "aims," "intends," "believes," "can," "could," "challenge," "predictable," "will," "would," "may" or the negative of these terms or other comparable terminology. We operate in a rapidly changing environment and new risks emerge from time to time. As a result, it is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements the Company may make. Risks and uncertainties that may cause actual results to differ materially include, among others, our capital resources, uncertainty regarding the results of future testing and development efforts and other risks that are described in the Risk Factors section of Skye's most recent annual or quarterly report filed with the Securities and Exchange Commission. Except as expressly required by law, Skye disclaims any intent or obligation to update these forward-looking statements.

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