

Britannia Life Sciences Q&A

What's the general update on the business?

Britannia Life Sciences has been a public company for a little over a year.

Our plan is to build out a global network of laboratory and regulatory compliance businesses. Most of this expansion is anticipated to take place through acquisitions as we operate in a target-rich industry. Currently we serve consumer goods companies with a focus on cosmetics, food, nutraceuticals as well as household goods.

Our laboratories are ISO17025 accredited and we have recently increased the scope of that accreditation to add testing on heavy metals. We have also been expanding our capabilities into areas such as medical devices.

Our platform is robust and can assist companies on their entire product development journey, these services include formulation development, analytical testing, safety assessment, global compliance – including responsible person and labelling compliance - as well as our consumer evaluation and clinical trialing platform (First Beauty.)

Can you discuss growth initiatives and revenue outlook?

Cosmetic and foods are known as resilient businesses even in the face of economic turmoil. We are seeing consistent business from our customers, however the potential for continued organic growth in this environment is something that we are actively working on.

While we have added some impressive logos/customers, including one of the largest new beauty care lines from a massive UK company, we are aware that some companies will be deferring new product launches in the face of economic headwinds.

In the face of this, we have made a priority of digital customer acquisition with a launch of a new website for our labs and working with an agency to optimize our online ad spend.

We are also investing in our First Beauty platform. Our consumer evaluation platform has over 30,000 users and while it is an important part of our business, we feel that there is tremendous opportunity to grow this as a stand-alone business and brand with the potential to grow it exponentially.

We continue to invest in technology to streamline our report generation and build on our safety assessment platform.

Last year saw us make some big revenue wins on the impending UK FSA Novel Foods regulation and our management in partnership with the Association for the Cannabinoid institute of their Novel Foods consortia.

While the first stage of the consortia was completed as expected, it created a significant bump in revenue at the beginning of last year. The second phase – which we believe will be another significant life in revenue – has taken longer to develop as companies are only now starting to develop their bioequivalence to our OEC 408 study.

We are working hard to be the service provider of choice in the UK CBD industry and believe that we will start to see more revenue wins in the coming weeks and months.

Can you discuss the outlook for M&A?

Acquisitions are a key part of our strategy, and while we have yet to announce any acquisitions, we continue to work through a robust pipeline of opportunities.

With ADSL being our platform acquisition, there are several key tuck-in acquisitions that we believe we can execute in the year ahead to deepen our expertise in various technical areas, expand our geographic footprint, while offering existing and new customers a broader range of services.

Do you have any comments on the UK cannabis industry and Britannia's involvement in that?

As we mentioned above, CBD companies continue to be an important focus for us as we offer services to the 20+ companies who were involved in the ACI consortium.

We also believe we are uniquely positioned to counsel companies who are looking to access the UK CBD market by providing a clear pathway and access to the data necessary to make an application to the FSA that has the potential for success.

We have also been closely monitoring the status of the medical cannabis market in the UK and believe that three years on from our original thesis, things could start to develop – largely from a private clinic perspective.

We continue to monitor the opportunities and are working with various partners to evaluate the commercial opportunities of involving ourselves in the medical cannabis market in the UK. Our regulatory pedigree seems to position well as a trusted partner/advisor in the space.

Can you provide an update on BMS?

To recap, Britannia Mining Solutions is a subsidiary to Britannia Life Sciences that we formed to address what we see as a meaningful opportunity to provide testing to mining companies, who are facing bottlenecks on turnaround time and challenges for certain mines with accuracy.

We chose to fund the growth capital of the BMS business separately from BLAB, however the parent company will own approximately 40% of the private company after giving effect to the financing currently underway.

The current BMS raise is well over 50% subscribed with some key mining investors and executives participating including lead orders from Eric Sprott and Crescat Capital.

BMS has contracted with Chrysos Corporation, an Australian company that is the owner of Photon Assay technology, a faster, more accurate, non-destructive and ESG friendly alternative to the legacy fire assay process. For those unfamiliar with the technology, a recent press release from New Found Gold described their experience with this [new technology](#).

Our first technology-enabled mining assay lab will be operational in Q3 2023 in Montreal, Quebec offering assay services with regional prep labs in prolific mining areas in Atlantic Canada, Ontario and Quebec.