FSD Pharma Announces Dismissal of Derivative Complaint

TORONTO--(BUSINESS WIRE)--May 6, 2022--FSD Pharma Inc. (NASDAQ: HUGE) (CSE: HUGE) (FRA: 0K9) ("**FSD Pharma**" or the "**Company**"), a life sciences holding company dedicated to building a portfolio of assets and biotech solutions, announced today that the Company was successful in its motion to dismiss the derivative claim that was filed by Mr. Maheep Goyal, a shareholder (the "**Plaintiff**") on July 20, 2021 in Delaware against the Company and its directors and officers (the "**Claim**"). In a decision dated May 5, 2022, the Delaware court dismissed the Claim without prejudice on the grounds that Mr. Maheep Goyal, the Plaintiff, lacked standing to bring his claims.

"We have always believed that the lawsuits against the Company are frivolous in nature. We are pleased to hear that the courts of Delaware have dealt with this particular claim appropriately and are looking forward to the resolution of the Company's remaining litigation," said Anthony Durkacz, Interim CEO and Co-Executive Chairman of the Company.

The dismissal of the Claim marks another claim against the Company that has been successfully dismissed, following the dismissal of the joint claim filed by Mr. Edward Brennan Jr. and Huma Qamar two former FSD BioSciences employees in Pennsylvania on December 13, 2021.

About FSD Pharma

FSD Pharma Inc. is a biotechnology company with three drug candidates in different stages of development. FSD BioSciences, Inc. ("**FSD BioSciences**"), a wholly owned subsidiary, is focused on pharmaceutical research and development of its lead compound, ultra-micronized palmitoyl ethylamine ("**PEA**") or FSD-PEA (formerly called FSD-201). Lucid Psycheceuticals Inc. ("**Lucid**"), a wholly owned subsidiary, is focused on the research and development of its lead compounds, Lucid-PSYCH (formerly Lucid-201) and Lucid-MS (formerly Lucid-21-302). Lucid PSYCH is a molecular compound identified for the potential treatment of mental health disorders. Lucid-MS is a molecular compound identified for the potential treatment of neurodegenerative disorders.

Forward Looking Information

Certain statements contained herein are "forward-looking statements." Often, but not always, forward-looking statement can be identified by the use of words such as "plans," "expects," "expected," "scheduled," "estimates," "intends," "anticipates," "hopes," "planned" or "believes," or variations of such words and phrases, or states that certain actions, events or results "may," "could," "would," "might," "potentially" or "will" be taken, occur or be achieved. Forward-looking statements contained in this press release include the comments made with respect to the resolution of the Company's remaining litigation. FSD cannot give any assurance that such forward-looking statements will prove to have been correct. The reader is cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release.

Since forward-looking statements relate to future events and conditions, by their very nature they require making assumptions and involve inherent risks and uncertainties. The Company cautions that although it is believed that the assumptions are reasonable in the circumstances, these risks and uncertainties give rise to the possibility that actual results may differ materially from the expectations set out in the forward-looking statements. Factors that may cause such material differences include without limitation: the fact that the drug development efforts of both Lucid and FSD BioSciences are at a very early stage; the fact that preclinical drug development is uncertain, and the drug product candidates of Lucid and FSD BioSciences may never advance to clinical trials; the fact that results of preclinical studies and early-stage clinical trials may not be predictive of the results of later stage clinical trials; the uncertain outcome, cost, and timing of product development activities, preclinical studies and clinical trials of Lucid and FSD BioSciences; the uncertain clinical development process, including the risk that clinical trials may not have an effective design or generate positive results; the potential inability to obtain or maintain regulatory approval of the drug product candidates of Lucid and FSD BioSciences; the introduction of competing drugs that are safer, more effective or less expensive than, or otherwise superior to, the drug product candidates of Lucid and FSD BioSciences; the initiation, conduct, and completion of preclinical studies and clinical trials may be delayed, adversely affected, or impacted by COVID-19 related issues; the potential inability to obtain adequate financing; the potential inability to obtain or maintain intellectual property protection for the drug product candidates of Lucid and FSD BioSciences; and other risks. Further information regarding factors that may cause actual results to differ materially are included in the Company's annual and other reports filed from time to time with the Canadian Securities Administrators on SEDAR (www.sedar.com) and with the U.S. Securities and Exchange Commission on EDGAR (www.sec.gov) under the heading "Risk Factors." Any forward-looking statement contained in this release speaks only as of its date. The Company does not undertake to update any forward-looking statements, except to the extent required by applicable securities laws.

Contacts

Zeeshan Saeed, Founder, President and Executive Co-Chairman of the Board, FSD Pharma Inc.
Email: Zsaeed@fsdpharma.com
Telephone: (416) 854-8884

Investor Relations:
Email: ir@fsdpharma.com, info@fsdpharma.com
Website: www.fsdpharma.com