FSD Pharma provides update on proposed dividend distribution for shareholders of FSD Pharma to receive shares of Celly Nutrition on a one for one basis

Toronto, November 7, 2023 -- FSD Pharma Inc. (NASDAQ: HUGE) (CSE: HUGE) (FRA: 0K9A) ("**FSD Pharma**" or the "**Company**"), a biopharmaceutical company dedicated to building a portfolio of innovative assets and biotech solutions, is pleased to announce that the company, in the upcoming weeks will be announcing the record date for the Company's special dividend of shares of Celly Nutrition Corp. ("Celly Nu"), the holder of exclusive rights to FSD Pharma's revolutionary recreational alcohol misuse technology. Led by beverage and marketing icons, Celly Nu is actively developing a first-in-class product that has been shown to effectively expedite alcohol metabolism. In the coming weeks shareholders of FSD Pharma will become shareholders in Celly Nu, assuming all customary conditions and approvals are achieved.

The Company believes this will be an optimal way to return value to its shareholders considering the structure of the licensing agreement between Celly Nu and FSD Pharma. Going forward, FSD Pharma shareholders, Celly Nu shareholders – which include Kevin Harrington and Gerry David – and both companies will be aligned to potentially capitalize on successes of Celly Nu. FSD Pharma shareholders will not only benefit from the growth of Celly Nu with the development and sales of products to organically build value, they will concurrently participate in the growth of FSD Pharma, which is entitled to a 7% royalty on all future gross revenue Celly derives from sales of products using the Company's technology.

The Details:

Further to its press releases of October 5, 2023 and October 24, 2023, the Company plans, subject to the satisfaction of all applicable closing conditions, to implement the plan of arrangement (the "Arrangement") by distributing common shares in the capital of Celly Nutrition Corp. ("Celly Nu Shares") to FSD Pharma securityholders (as defined below) on the proposed distribution date of which will be announced in the upcoming weeks, (the "Proposed Distribution Date"). **Only if you are a shareholder or warrant holder of record of a FSD Pharma as of 5 PM ET on the record date (which will be announced as well along with the distribution date), will you receive a Celly Nutrition Share**. The dividend ratio is 1:1, meaning that for every FSD Pharma share or warrant held by an investor, one Celly Nu Share will be delivered to that investor.

Holders of class A multiple voting shares ("**Class A Shares**"), class B subordinate voting shares ("**Class B Shares**") and warrants exercisable for the purchase of Class B Shares, provided the applicable warrant certificate entitles the holder thereof to receive distributions substantially similar to those received by holders of Class B Shares ("**FSD Pharma Distribution Warrants**"; together with the holders of Class A Shares and Class B Shares, the "**FSD Pharma Securityholders**") of record date will be eligible to receive Celly Nu Shares on the Proposed Distribution Date pursuant to the Plan of Arrangement.

As a result of the Arrangement, FSD Pharma Securityholders are expected to receive one Celly Nu Share in respect of each Class A Share, Class B Share, or FSD Pharma Distribution Warrant that is held by such FSD Pharma Securityholder. The Company expects that this will result in an aggregate of approximately 45,694,621 Celly Nu Shares being distributed to the FSD Pharma Securityholders and an aggregate of approximately 154,305,379 Celly Nu Shares retained by the Company, in each case assuming that the number of all classes of shares, and FSD Pharma Distribution Warrants remains unchanged between today and the Proposed Distribution Date. It is expected that DRS statements representing the Celly Nu Shares to which the registered FSD Pharma Securityholders are entitled to under the Arrangement will be sent out on or about the Proposed Distribution Date.

The special meeting of the FSD Pharma Securityholders to vote on the Arrangement is scheduled to be held on November 20, 2023 (the "**Meeting**"). Additionally, the final hearing at the Ontario Superior Court of Justice (Commercial List) to approve the Arrangement is scheduled for November 24, 2023. FSD encourages shareholders to vote.

Complete details of the terms of the Arrangement are set out in the Arrangement Agreement, as particularized in the Management Information Circular of the Company dated October 20, 2023, which is available for viewing under the Company's SEDAR+ profile at www.sedarplus.ca.

About FSD Pharma

FSD is a biopharmaceutical company dedicated to building a portfolio of innovative assets and biotech solutions for the treatment of challenging neurodegenerative, inflammatory and metabolic disorders and alcohol misuse disorders with drug candidates in different stages of development. Through its wholly-owned subsidiary, Lucid Psycheceuticals Inc. ("**Lucid**"), FSD is focused on the research and development of its lead compound, Lucid-MS (formerly Lucid-21-302) ("**Lucid-MS**"). Lucid-MS is a patented new chemical entity shown to prevent and reverse myelin degradation, the underlying mechanism of multiple sclerosis, in preclinical models. FSD is also focused on the research and development of UNBUZZD™, a proprietary formulation of natural ingredients, vitamins, and minerals to help with liver and brain function for the purposes of quickly relieving individuals from the effects of alcohol consumption. FSD maintains a portfolio of strategic investments through its wholly-owned subsidiary, FSD Strategic Investments Inc., which represent loans secured by residential or commercial property.

Cautionary Note Regarding Forward-Looking Information

This press release contains forward-looking statements and forward-looking information (collectively, "forward-looking statements") within the meaning of applicable securities laws. Any statements that are contained in this press release that are not statements of historical fact may be deemed to be forward-looking statements. Forward-looking statements are often identified by terms 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. More particularly, and without limitation, this press release contains forward-looking statements contained in this press release include statements concerning the future of FSD Pharma and are based on certain assumptions that FSD Pharma

has made in respect thereof as of the date of this press release. FSD Pharma cannot give any assurance that such forward-looking statements will prove to have been correct.

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 believes the expectations and material factors and assumptions reflected in these forward-looking statements are reasonable as of the date hereof, there can be no assurance that these expectations, factors and assumptions will prove to be correct and 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. These forward-looking statements are not guarantees of future performance and are subject to a number of known and unknown risks and uncertainties including, but not limited to: the fact that the drug development efforts of the Company and Lucid are at a very early stage; the fact that preclinical drug development is uncertain, and the drug product candidates of the Company and Lucid 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 the Company and Lucid; 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 the Company and Lucid; the introduction of competing drugs that are safer, more effective or less expensive than, or otherwise superior to, the drug product candidates of the Company and Lucid; 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 the Company and Lucid; and other risks. Accordingly, readers should not place undue reliance on the forward-looking statements contained in this press release, which speak only as of the date of this press release.

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.sedarplus.ca) and with the U.S. Securities and Exchange Commission on EDGAR (www.sec.gov), including the Company's Annual Report on Form 20-F for the fiscal year ended December 31, 2022, under the heading "Risk Factors." This list of risk factors should not be construed as exhaustive. Readers are cautioned that events or circumstances could cause results to differ materially from those predicted, forecasted or projected. The forward-looking statements contained in this document speak only as of the date of this document. FSD Pharma does not undertake any obligation to publicly update or revise any forward-looking statements or information contained herein, except as required by applicable laws.

The forward-looking statements contained in this document are expressly qualified by this cautionary statement.

Neither the CSE nor its regulation services provider accept responsibility for the adequacy or accuracy of this release.

Contacts:

FSD Pharma Inc.
Zeeshan Saeed, Founder, CEO 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

ClearThink
Email: nyc@clearthink.capital
Telephone: (917) 658-7878