

PSYENCE GROUP LAUNCHES ITS FUNCTIONAL MUSHROOM BRAND, "GOODMIND"

MAKES BOARD CHANGES

Toronto, Canada/, Cape Town March 4, 2021 – Psyence Group Inc., a leading platform in naturally derived psychedelic therapy and the development and commercialization of related technologies and products ("**Psyence**" or "**the Company**"), is pleased to announce it has launched its functional mushroom brand, "GOODMIND", through a South African-based special purpose vehicle ("**SPV**") called Goodmind (Pty) Ltd ("**Goodmind**").

The SPV will be responsible for the production, commercialization and sale of GOODMIND functional mushroom products, which will in future include additional psilocybin containing products, subject to compliance with all applicable local laws and regulations in the jurisdictions in which the SPV operates. The primary aim of the SPV is to establish a revenue-generating business by executing on opportunities in the functional mushroom space.

The SPV is a 50/50 partnership between Psyence, via its subsidiary Psyence Biomed Corp, and Southern Sun Pharma Inc's wholly owned subsidiary, The Goodleaf Company (Pty) Ltd, a private company incorporated in South Africa ("**Goodleaf**"). Goodleaf is the leading cannabis brand in South Africa with established distribution lines through retail stores, online, wholesale, and deli and coffee shops.

Goodleaf and Psyence have strong and established track records in the cannabis industry in Southern Africa. Goodleaf has demonstrated great competence in launching new consumer goods in a young industry. Psyence is experienced in procurement, manufacturing and logistics. Both companies intend to leverage their knowledge and experience in the functional mushroom space.

Jody Aufrichtig, Co-Founder, President, and CEO, Psyence Group Inc. says: *"We are delighted to partner with the leading Cannabis brand in Africa, Goodleaf, who have a proven track record of successfully launching and distributing high-quality retail and online products. Goodleaf's extensive distribution outlets will ensure that our functional mushroom products can quickly penetrate the growing market."*

Warren Schewits, CEO & Founder of Goodleaf added: *"Our experience in developing and launching new consumer products will be invaluable as we make headway in the functional mushroom space. There is no doubt that there is a growing demand for wellness products and we are extremely excited to collaborate with Psyence as we launch GOODMIND and also bring a range of functional mushroom products to market."*

The Company is also pleased to announce the appointment of Alan Friedman to the Board of Directors. Alan Friedman is principal of Bayline Capital Partners, Psyence's capital market advisor who has recently lead the Company through a successful listing onto the CSE. He has been associated with the North American public markets for two decades and has a depth of experience in representing, advising and assisting Canadian and global companies in acquiring assets, accessing capital, advising on mergers and acquisitions and navigating going public processes onto Canadian, US and UK stock exchanges with

accompanying equity capital raisings. During his Bay Street career, he has been involved with or facilitated financings in excess of hundreds of millions of dollars, creating billions of dollars in shareholder value.

Alan obtained a Bachelor of Commerce and post grad in Law at UNISA and is an admitted attorney of the High Court of South Africa. He also worked for Investec Bank a global banking group and is a board member of the Canada Africa Chamber of Business promoting trade relations between Africa and Canada.

The Company further announces that Ryan Roebuck has resigned from the Board effective immediately. Ryan helped facilitate the successful RTO of Psyence into Cardinal Capital Partners. The Company thanks Ryan for his contribution to Psyence's predecessor Cardinal Capital and Psyence at its initial stages of going public.

About Goodleaf:

A trusted and reliable source for quality CBD products online, Goodleaf is South Africa's leading source for safe and tested cannabis and wellness products.

<https://goodleaf.co.za/>

About Psyence Group:

The Psyence Group sets the global standard for natural psychedelics. The executive team have international experience in the business of science and medicine and include global experts in palliative care, neurology, neuroscience and drug development. Psyence has built and operates one of the first federally licensed commercial psilocybin cultivation and production facilities. Psyence is pioneering the use of natural psilocybin for the long-term treatment of psychological trauma and its mental health consequences. Our global footprint operates across multiple legal jurisdictions, through the advanced provision of psychedelic therapy and experience, as well as market-leading functional mushroom brands and product portfolio.

Contact Information:

Lisa-Marie Iannitelli, Investor Relations

Email: ir@psyence.com

Media Inquiries: media@psyence.com

General Information: info@psyence.com

Certain statements in this news release related to Psyence Group Inc and its subsidiaries (collectively "the Company") are forward-looking statements and are prospective in nature. Forward-looking statements are not based on historical facts, but rather on current expectations and projections about future events and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. These statements generally can be identified by the use of forward-looking words such as "may", "should", "could", "intend", "estimate", "plan", "anticipate", "expect", "believe" or

“continue”, or the negative thereof or similar variations. Forward-looking statements in this news release include statements regarding the size and profitability of the functional mushroom market, the potential to launch psilocybin containing products within current or anticipated legal frameworks, the ability of Psyence to leverage Goodleaf's existing distribution networks and the obtaining of all such licences, registrations and consents as may be required from regulatory and governmental authorities regulating complementary medicines or health supplements. There are numerous risks and uncertainties that could cause actual results and the Company's plans and objectives to differ materially from those expressed in the forward-looking information. Actual results and future events could differ materially from those anticipated in such information. These and all subsequent written and oral forward-looking information are based on estimates and opinions of management on the dates they are made and are expressly qualified in their entirety by this notice. Except as required by law, the Company does not intend to update these forward-looking statements.

The Company makes no medical, treatment or health benefit claims about the Company's proposed products. The U.S. Food and Drug Administration, Health Canada or other similar regulatory authorities have not evaluated claims regarding psilocybin, psilocybin analogues, or other psychedelic compounds or nutraceutical products. The efficacy of such products have not been confirmed by approved research. There is no assurance that the use of psilocybin, psilocybin analogues, or other psychedelic compounds or nutraceuticals can diagnose, treat, cure or prevent any disease or condition. Vigorous scientific research and clinical trials are needed. The Company has not conducted clinical trials for the use of its proposed products. Any references to quality, consistency, efficacy and safety of potential products do not imply that the Company verified such in clinical trials or that the Company will complete such trials. If the Company cannot obtain the approvals or research necessary to commercialize its business, it may have a material adverse effect on the Company's performance and operations.