

PSYENCE GROUP CORPORATE UPDATE

TORONTO, ON/ May 27, 2021 / Psyence Group Inc. (CSE: PSYG) (“Psyence” or the “Company”) is pleased to provide the following corporate update on its three clear paths to revenue and value creation namely: Psyence Production, Psyence Therapeutics and Psyence Function.

Psyence Production

Psyence is federally licensed to cultivate and export psilocybin mushrooms for the legal, global medical market and commercial medical research market. Its state-of-the-art facility based in Lesotho in Southern Africa (built to GMP standards) is operational, with the first successful harvest completed in January 2021. Psyence is in the process of achieving its British Standards Institute (BSI) certification and will export its mushrooms to drug development partners in Canada, United Kingdom and Jamaica by Q4 2021.

Psyence has recently appointed the highly experienced mycologist, Neil van Rij (M.Sc. Agriculture - cum laude). Van Rij was previously mushroom researcher and plant pathologist at the KwaZulu-Natal Department of Agriculture, Environment and Rural Development, South Africa. He will assist Psyence in refining the genetic library and streamlining production at the Lesotho facility.

Before commencing its final validation runs for certification, Psyence upgraded the facility by installing an automated HVAC system. This will improve its production yield and give the facility better climate control parameters.

“With our own production facility, constructed to the highest standards, Psyence is able to ensure supply for our own research and development needs and meet the growing global demand for high quality, natural psilocybin products for the legal medical and research markets,” says **Tony Budden, Psyence Strategic & Government Relations Director**

Psyence Therapeutics

Led by a well-respected, global medical and drug development team, Psyence Therapeutics is developing proprietary nature-derived psilocybin nutraceutical and pharmaceutical products.

Psyence’s current R&D priorities are on developing therapeutic, hallucinogenic and sub-hallucinogenic dosing and treatment protocols to help heal psychological trauma and the ICD-11 and DSM-5 diagnosable disorders that can result, including anxiety, depression, PTSD, grief and bereavement in the context of palliative care.

Psyence is finalising several global partnerships with leading academic and industry organisations including work in Jamaica developing both nutraceuticals and pharmaceuticals.

“Jamaica is the right country and this is the right time for a breakthrough in psilocybin R&D. Our formulations will be used in observational studies that will go on to inform rigorous randomized clinical trials (RCTs),” says **Justin Grant, Psyence Chief Scientific Officer.**

The Company is also working towards securing IP for its active pharmaceutical ingredient (API), in the form of purified, standardised extracts, which it plans to have in market in 2022. This will be followed by pharmaceutical products (API and capsules).

The work of Psyence Therapeutics extends to treatment protocols, education and scientific research. In May, Psyence Therapeutics' peer-reviewed publication on psilocybin was published in the journal "[Molecules](#)".

Psyence Function

Psyence Function is focused on the development of proprietary over-the-counter IP protected nutraceutical products in support of mental well-being.

"With the skills and resources we have at Psyence, we are well positioned to develop a leading nutraceutical product portfolio focused on mental well-being. As psilocybin is legalized in more jurisdictions, we can then easily extend our existing product range, which will already have established routes to market and brand recognition, to include psilocybin-containing products," says **Kevin Coyne, Global Commercial Director**.

Psyence launched its first functional mushroom brand, "**GoodMind**", in March 2021 and this product will be on shelf in pharmacies and in health outlets in South Africa during 2021. It will also be available through a dedicated online platform.

The Company intends to launch its Psyence Function products in Q4 of 2021 focused on the areas of mood, anxiety and sleep. The Company intends to have the products accessible in North America, United Kingdom, Europe, Southern Africa and Australasia within six months of launch.

Psyence is working with leading researchers, developers and producers for each novel product, which will all be nature-based and supported by clinical research.

"In conclusion, Psyence has a clear strategy, based on a diversified revenue pathway and is focused on meeting the milestones we have outlined in line with our commitment to delivering shareholder value. We look forward to making further announcements in this regard in due course," concludes **Psyence Co-Founder and CEO, Jody Aufrichtig**.

About Psyence Group

The Psyence Group intends to set the global standard for natural psychedelics. Science-led by global experts in 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.

Psyence 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 future operations of the Company, the perceived opportunities in the psilocybin-based medical and nutraceutical markets globally, the potential to launch mushroom-based and psilocybin-containing products within enabling current and anticipated legal frameworks globally, the success of the R&D efforts supporting the Company's targeted revenue streams, the approval of clinical trials from the necessary regulatory and governmental authorities and the obtaining of all such licences, registrations and consents as may be required from regulatory and governmental authorities regulating to the products and activities referred to in this news release. 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.*