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CORRIGENDUM

This page replaces page 12 in the enclosed management information circular of Psyence Group Inc. (the “**Company**”) dated November 9, 2021:

Highlands Ventures (Pty) Ltd

On May 25, 2020, Psyence Biomed entered into a management service agreement (“**MSA**”) with Highlands Ventures (Pty) Ltd, a South African-based company (“**Highlands Ventures**”). Jody Aufrichtig, a director and Executive Chairman of the Company, is also a director of Highlands Ventures. Highlands Ventures manages the design, construction, erection, commissioning, operation and maintenance of the Company’s psilocybin mushroom cultivation facility as well as the sale of psilocybin mushrooms for a period of 3 years. Such services include post-harvest services including, but not limited to, monitoring packaging and storage of product, advising on the distribution and sales of product, advising on sales and offtake agreements, logistics and supply chain management and customs and import/export facilitation. Highlands Ventures further provides administrative services such as staff management, financial administration and control, compliance management, business development and strategy, and project execution and management.

In consideration for the services delivered under the MSA, Highlands Ventures received a fee of ZAR500,000 (South Africa rands) per month, payable monthly in arrears for the financial period ended March 31, 2021. This fee was based on a maximum of 400 combined hours of services per month delivered by the MSA team, determined in accordance with the complexities and demands of the business. Any fundamental change in the business during the course of the MSA would result in such adjustments to the hours of services required and a corresponding adjustment to the MSA team and fees as agreed between the parties in good faith. The fees were subject to an annual increase based on the average annual rate of change (expressed as a percentage) in the Consumer Price Index for all metropolitan areas as published in the Government Gazette by Statistics South Africa, or such other index reflecting the official rate of inflation in the Republic of South Africa as may replace it from time to time.

The Company shall be entitled to terminate this MSA upon 3 months’ written notice and Highlands Ventures shall be entitled to terminate this MSA upon 6 months’ written notice. Furthermore, either party may terminate the MSA in the event of a breach on the part of the other party which remains unremedied for 10 (ten) days or in the event that the other party experiences an act or event of insolvency.

For the financial period May 21, 2020 to March 31, 2021, Highlands Ventures earned a total management service fee of \$405,573. Such fee included access to no less than eight (8) professionals including a general manager, facilities manager, business developer, strategy director, project engineer, responsible pharmacist, agronomist, financial manager, and general legal counsel.

Oversight and Description of Director and Named Executive Officer Compensation

The primary goal of the Company’s executive compensation program is to attract and retain the key executives necessary for the Company’s long-term success, to encourage executives to further the development of the Company and its operations, and to motivate top quality and experienced executives. The key elements of the executive compensation program are: (i) base salary; (ii) potential annual incentive awards; and (iii) incentive securities-based awards. The directors are of the view that all elements of the total program should be considered, rather than any single element.

The Board of Directors is responsible for determining all forms of compensation, including long-term incentive in the form of stock options and restricted share units, to be granted to the CEO, or such person acting in capacity of CEO of the Company, the directors and management, and for reviewing the recommendations with respect to compensation of the other officers of the Company, to ensure such arrangements reflect the responsibilities and risks associated with each position.

The Board of Directors tasks the Compensation Committee (as hereinafter defined) to periodically review the compensation paid to directors, officers, and management based on such factors as: i) recruiting and retaining executives critical to the success of the Company and the enhancement of shareholder value; ii) providing fair and competitive compensation; iii) balancing the interests of management and the Company's shareholders; iv) rewarding performance, both on an individual [...]