

PSYENCE GROUP COMPLETES EXPORT OF PHARMA GRADE PSILOCYBIN EXTRACT TO UK

TORONTO, ON/ 20 January 2023 / Psyence Group Inc. (CSE: PSYG | OTCQB: PSYGF) (“Psyence” or the “Company”) is pleased to announce that it has exported purified pharmaceutical grade psilocybin mushroom extract to its Contract Development & Manufacturing Organisation (“CDMO”) partner in the United Kingdom. The product was exported from Psyence’s federally licensed ISO22000 certified production facility in Southern Africa.

Psyence has partnered with a highly experienced Current Good Manufacturing Practice (CGMP) compliant full-lifecycle pharmaceutical services company, which is a trusted partner to the world’s most innovative biotech companies and leading pharmaceutical companies. The CDMO partnership is in line with Psyence Group’s pharmaceutical product development and intellectual property strategy.

Psyence’s pharmaceutical psilocybin extract will be used by the CDMO to develop standardised pharmaceutical grade psilocybin and psilocin extracts, which will be formulated into a final product for regulatory approval internationally. Psyence is developing global partnerships for the supply of its pharmaceutical grade psilocybin products for research, clinical trials, and drug development.

*“We are incredibly proud to be one of the first companies to successfully export our pharmaceutical grade psilocybin into the UK having recently concluding exports to Portugal and Canada,” says **Dr. Neil Maresky, Psyence Chief Executive Officer**. “The UK has the potential to be a leader in psychedelics research and ensuring a supply of pharmaceutical grade psilocybin for future research and clinical trials in this market will be critical to achieving this.”*

Psyence operates one of the first federally licensed commercial psilocybin production facilities in the world. Its production facility, located in Southern Africa, is ISO22000 certified and is licensed to cultivate, extract and export psilocybin mushrooms for the legal, global medical market and commercial medical research market. Psyence’s production system is designed for continuous harvesting and an on-site laboratory was recently added to provide in-process analysis and extraction.

*“Our on-site laboratory provides us with the ability to produce pharma grade psilocybin mushroom and extract for the legal psilocybin research markets globally,” says **Tony Budden, Psyence Chief Strategy Officer**. “The systems and processes we have fine-tuned ensure that we were able to meet the UK’s stringent import requirements for this product. By concluding another successful export, we believe we are on track to become a preferred global supply partner for research markets worldwide.”*

ABOUT PSYENCE GROUP: www.psyence.com

Psyence is a life science biotechnology company listed on the Canadian Securities Exchange (CSE: PSYG) and quoted on the OTCQB (OTCQB: PSYGF), with a focus on natural

psychedelics. Psyence works with natural psilocybin products for the healing of psychological trauma and its mental health consequences in the context of palliative care. Our name “Psyence” combines the words *psychedelic* and *science* to affirm our commitment to producing psychedelic medicines developed through evidence-based research.

Informed by nature and guided by science, we built and operate one of the world’s first federally licensed commercial psilocybin mushroom cultivation and production facilities in Southern Africa. Our team brings international experience in both business and science and includes experts in mycology, neurology, palliative care, and drug development. We work to develop advanced natural psilocybin products for clinical research and development.

Our key divisions, Psyence Production, Psyence Therapeutics and Psyence Function, anchor an international collaboration, with operations in Canada, the United Kingdom, Southern Africa, and a presence in the United States and Australia.

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FORWARD LOOKING STATEMENTS:

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 manner in which Psyence’s raw mushroom materials are received and viewed internationally and the receipt of further regulatory approvals for the Company’s import and export activities. These forward-looking statements are based on a number of assumptions, including the assumptions that the Company’s applications for further exports of its raw materials will be successful, and that its raw materials will continue to meet international requirements. 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. These risks and uncertainties include demand for the Company’s securities being less than anticipated, fluctuations in the price the Company’s common shares, and the Company not raising the amount expected, or any funds at all. 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 efficacy of psilocybin, psilocybin analogues, or other psychedelic compounds or nutraceutical products remains the subject of ongoing 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.