Psyence Group's NASDAQ-Listed Associate, Psyence Biomedical, Announces Export of Nature-Derived Psilocybin to Australia and Provides Update on Upcoming Phase IIb Trial

NEW YORK, July 26, 2024 – Psyence Group Inc ("**Psyence Group**") (CSE: PSYG), a life science biotechnology company pioneering the use of nature-derived psilocybin in mental health and wellbeing, is pleased to announce that its NASDAQ-listed associate, Psyence Biomedical Ltd (NASDAQ: PBM) ("**PBM**" or "**Psyence Biomed**"), has announced the export of nature-derived psilocybin to Australia and provided an update on its upcoming Phase IIb clinical trial.

According to a news release issued by Psyence Biomed on Wednesday, July 24, 2024, it has made substantial progress in preparing for its Phase IIb study, and reported that all parties responsible for the carrying out of the study are poised to initiate the study imminently. The successful export of Psyence Biomed's drug candidate, PEX010, is expected to activate the enrollment of patients for the study.

"*We are very pleased with the progress being made by Psyence Biomed, and look forward to further updates on patient enrollment and trial initiation,*" said Jody Aufrichtig, Executive Chairman of the board of Psyence Group.

The randomized, double-blind, placebo-controlled Phase IIb study will evaluate two therapeutic doses of nature-derived psilocybin (10mg, 25mg) against an active low-dose comparator (1mg) in 84 patients in conjunction with psychotherapy. Psyence Biomed states in this news release that it "*aims to execute an efficient yet rigorously designed study that, if successful, would best support advancement into future late-stage studies.*"

Psyence Group currently holds 5,000,000 common shares in Psyence Biomed, equal to an approximate interest of 30.25%.

Filament Health Commercial Licensing Agreement Update

As previously disclosed, Psyence Group and Filament Health Corp. ("**Filament**") concluded an IP licensing agreement ("**R&D Licensing Agreement**"), relating to the supply and licensing of PEX010 by Filament in connection with phase II clinical trials evaluating nature derived psilocybin as a potential treatment for Adjustment Disorder within the context of palliative care. All right, title and interest in and to the R&D Licensing Agreement and the license contemplated therein has been assigned from Psyence Group to Psyence Biomed so that Psyence Biomed may pursue the execution of its upcoming Phase IIb clinical trial.

As further previously disclosed, Psyence Group and Filament Health Corp. ("**Filament**") also concluded a binding term sheet (the "**Commercial Term Sheet**"), relating to the commercial licensing of PEX010, which remained subject to the terms of a definitive agreement. Following further discussions, the parties have mutually agreed to terminate the Commercial Term Sheet. Filament will continue to support the supply of PEX010 for Psyence Biomed's upcoming Phase IIb trial while Psyence Biomed is evaluating two exclusive supply and license agreements with duly licensed suppliers operating in the United Kingdom and North America. Psyence Biomed states in its news release that it "*intends to provide further updates on such agreements as they are executed"* but notes that *"there can be no guarantees that such agreements will be finalized.*"

According to Dr. Neil Maresky, CEO of Psyence Biomed, the company has made "*significant progress identifying alternative suppliers of nature-derived, non-synthetic psilocybin for use in subsequent clinical studies*", and that the above change "*should have minimal impact on [Psyence Biomed's] internal development timelines for [its] Phase IIb program*".

More information on Psyence Biomed's upcoming Phase IIb clinical trial can be found at: 12624000449538p.

About Psyence Group and Psyence Biomed:

Psyence Group is a life science biotechnology company listed on the Canadian Securities Exchange (CSE: PSYG), with a focus on natural psychedelics. Psyence Biomed is the world's first life science biotechnology company traded on the Nasdaq (NASDAQ: PBM) that is focused on the development of botanical (nature derived, or non-synthetic) psilocybin-based psychedelic medicines, and 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, Psyence Group has built and operates 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.

Learn more at www.psyence.com and on Twitter, Instagram and LinkedIn.

Learn more at www.psyencebiomed.com and on LinkedIn.

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Forward Looking Statements

This communication contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements include, but are not limited to, statements about future financial and operating results, our plans, objectives, expectations and intentions with respect to future operations, products and services; and other statements identified by words such as "will likely result," "are expected to," "will continue," "is anticipated," "estimated," "believe," "intend," "plan," "projection," "outlook" or words of similar meaning.

*Forward-looking statements in this communication include statements regarding the commencement of the clinical trial referred to in this news release, the anticipated delivery of the drug candidate, PEX010, in Australia, and the safety and effectiveness of psilocybin as a treatment option for adjustment disorder within the context of Palliative Care. These forward-looking statements are based on a number of assumptions, including the assumption that the anticipated shipment of the drug candidate, PEX010, will be successfully delivered to Australia, Psyence Australia Pty Ltd. ("**Psyence Australia**"), PBM's Australian subsidiary, will receive all such regulatory and other approvals as may be required to implement the clinical trial, that patient recruitment will be successful in accordance with the expected timelines, and that contract negotiations with alternative suppliers of drug product will be successful.*

There are numerous risks and uncertainties that may cause actual results or performance to be materially different from those expressed or implied by these forward-looking statements. These risks and uncertainties include, among others: (i) the ability of Psyence Biomed's contract research partner, iNGENū, to execute its obligations in respect of the clinical trial; (ii) changes in applicable laws which may impact the clinical trial and/or the conducting thereof; (iii)

Psyence Australia's ability to achieve successful clinical results; (iv) Psyence Biomed's ability to obtain regulatory approval for its product candidates, and any related restrictions or limitations of any approved products; (v) Psyence Biomed's ability to obtain licensing of third-party intellectual property rights and supply of raw materials for future discovery and development of its product candidates; (vi) the ability of Psyence Biomed to maintain the listing of its common shares and warrants on Nasdaq; and (vii) volatility in the price of the securities of Psyence Biomed due to a variety of factors, including changes in the competitive and highly regulated industries in which Psyence Biomed operates, variations in performance across competitors, changes in laws and regulations affecting Psyence Biomed's business and changes in Psyence Biomed's capital structure. The foregoing list of factors is not exhaustive. You should carefully consider the foregoing factors and the other risks and uncertainties described in the "Risk Factors" section of the Registration Statement on Form F-1, initially filed by Psyence Biomed with the SEC on February 9, 2024 and other documents filed by Psyence Biomed from time to time with the SEC. These filings identify and address other important risks and uncertainties that could cause actual events and results to differ materially from those contained in the forward-looking statements. Actual results and future events could differ materially from those anticipated in such information. Nothing in this communication should be regarded as a representation by any person that the forward-looking statements set forth herein will be achieved or that any of the contemplated results of such forward-looking statements will be achieved. You should not place undue reliance on forward-looking statements, which speak only as of the date they are made. Except as required by law, neither Psyence Group, nor Psyence Biomed intends to update these forward-looking statements.

Neither Psyence Group, nor Psyence Biomed, makes no medical, treatment or health benefit claims about Psyence Biomed'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 has 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. Psyence Biomed 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 Psyence Biomed verified such in clinical trials or that Psyence Biomed will complete such trials. If Psyence Biomed cannot obtain the approvals or research necessary to commercialize its business, it may have a material adverse effect on Psyence Biomed's performance and operations.