Psyence Group's NASDAQ-Listed Associate, Psyence Biomed Issues Shareholder Update Recapping Recent Progress and Previewing Key Upcoming Data Milestones

Initiated Phase IIb study of nature-derived psilocybin as a potential treatment for Adjustment Disorder in Palliative Care

Expanded pipeline into Alcohol Use Disorder (AUD) and Substance Use Disorders (SUDs) through exclusive IP licensing agreement with Psylabs for its botanical psilocybin product

Announced potential acquisition of synthetic psilocybin-based drug developer Clairvoyant Therapeutics, further bolstering AUD development program

Two Phase II data readouts anticipated in 2025

NEW YORK, September 18, 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) ("**Psyence Biomed**" or "**PBM**"), has issued a corporate update to its shareholders on September 16, 2024. According to the news release issued by Psyence Biomed, the company has achieved critical milestones with respect to its Phase IIb clinical trial which seeks to evaluate nature-derived psilocybin in conjunction with psychotherapy as a potential treatment for Adjustment Disorder in Palliative Care (being initiated in Australia), has strengthen and expanded on its clinical trial strategy, and has strengthen its financial position.

According to the news release, following the initiation of patient screening, Psyence Biomed seeks to enroll its Phase IIb study as efficiently as possible, and projects topline data availability towards the end of next year that, if positive, will support the initiation of a pivotal Phase III trial as soon as practicable thereafter. To better support this program, Psyence Biomed has partnered with Optimi Health as an exclusive supplier of GMP nature-derived psilocybin extract for future Phase III trials as well as subsequent commercialization, should negotiations between the parties be successful. The update further announces Psyence Biomed's planned second development indication, which will evaluate GMP nature-derived psilocybin as a potential treatment for Substance Use Disorders (SUDs), including Alcohol Use Disorder (AUD), and states that it has entered into an agreement with a third party, private company, Psylabs, to be the exclusive supplier of highly purified psilocybin extract exclusively for these indications.

The news release goes on to state that Psyence Biomed has signed a conditional, binding term sheet for the proposed acquisition of psilocybin-based drug developer, Clairvoyant Therapeutics, which, if implemented, introduces a synthetic psilocybin-based therapeutic candidate that nicely complements Psyence Biomed's ongoing nature-derived psilocybin development programs, expands the clinical pipeline into AUD, and (if successful) will transition Psyence Biomed to a commercial-stage, revenue-generating company. Finally, Psyence Biomed reports that it has entered into agreements to secure critical funding required to advance these initiates and that it expects to obtain sufficient capital to execute its strategy.

"*Once again, the management team of Psyence Biomed has demonstrated that it is executing on its lead clinical program, advancing its clinical trial endeavors into a second indication and securing the resources required to execute on its overall strategy. We are pleased with the progress being made by Psyence Biomed and look forward to future updates,*" said Jody Aufrichtig, Executive Chairman of the Psyence Group.

For more on the Psyence Biomed corporate and shareholder updates, please refer to the primary news release available at https://psyencebiomed.com/psyence-biomed-issues-shareholder-update-recapping-recent-progress-and-previewing-key-upcoming-data-milestones/.

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 works 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.

Contact Information for Psyence Group
Email: ir@psyence.com
Media Inquiries: media@psyence.com
General Information: info@psyence.com
Phone: +1 416-477-1708

Contact Information for Psyence Biomed
Email: ir@psyencebiomed.com
Media Inquiries: media@psyencebiomed.com
General Information: info@psyencebiomed.com
Phone: +1 416-477-1708

Investor Contact:
Jeremy Feffer
Managing Director
LifeSci Advisors
jfeffer@lifesciadvisors.com

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 success of Psyence Biomed's Phase IIb studies and advancements into Phase III clinical trials, the conclusion of a definitive agreement with Optimi Health, the fulfilment of the conditions to the closing of the proposed acquisition of Clairvoyant Therapeutics and access to the capital and liquidity required for Psyence Biomed to execute on its clinical programs and strategies. These forward-looking statements are based on a number of assumptions, including the assumptions that the parties will obtain all such regulatory, corporate, shareholder and other approvals as may be required to implement the clinical trials and corporate acquisitions referred to in the news release, the continuation of the clinical trial referred to in this news release on schedule, and the safety and effectiveness of psilocybin as a treatment option in Palliative Care and for AUD.

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 inability to complete the proposed acquisition of Clairvoyant Therapeutics; (ii) the inability to recognize the anticipated benefits of the proposed acquisition of Clairvoyant Therapeutics (iii) the ability of Psyence Biomed's CRO to execute its obligations in respect of the clinical trial; (iv) changes in applicable laws which may impact the clinical trial and/or the conducting thereof; (v) Psyence Biomed's ability to achieve successful clinical results; (vi) Psyence Biomed's ability to obtain regulatory approval for the proposed product candidate, and any related restrictions or limitations of any approved products; (vii) the ability of Psyence Biomed to maintain the listing of its common shares and warrants on Nasdaq; and (viii) 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 prospectus filed by Psyence Biomed with the SEC on August 30, 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.