

High Fusion Announces Psychedelic Business Strategy and Corporate Update; Private Placement up to \$750,000

Toronto, Ontario--(Newsfile Corp. - November 19, 2021) - High Fusion Inc. (CSE: FUZN) ("**High Fusion**" or the "**Company**") is pleased to announce a corporate strategy update in regards to its wholly-owned subsidiary, Neural Therapeutics Inc. ("**Neural Therapeutics**"), which carries on the Company's business in the psychedelic space.

Ian Campbell, CEO of Neural Therapeutics commented: "*We are very pleased to unveil the details of our corporate strategy. Given the legal status of mescaline and the availability of psychedelic cacti in different countries, this proposed path-to-market is a product of many months of hard work and planning. We've considered several different plants and various countries to conduct our R&D efforts. I am pleased to report that we've selected San Pedro cactus as our flagship plant. San Pedro has been used by indigenous peoples (mainly in South America) for over 5,000 years and we believe that the modern science has not even scratched the surface of discovering the benefits of San Pedro and other cacti of the same genus. We also believe that the ultimate therapeutic benefit lies in the whole plant extract, not just an isolated substance derived from the plant. The 'Entourage effect' has been proven by use in ancient medicine and the mission of our ethnobotanical business plan is to bring those discoveries to light with modern science. Our focus is to honor and respect the traditional use of this plant and that's why we have plans to utilize the entire plant and unlock its medicinal potential.*"

John Durfy, CEO of High Fusion added: "*We are very excited with the progress that Mr. Campbell and his team have made in advancing the business of Neural Therapeutics. High Fusion has achieved several important milestones this year, notably the acquisitions of OutCo and Palo Verde and we are pleased that we've also advanced our psychedelics business unit. We intend to take steps to spin-off Neural Therapeutics as a stand-alone company, as we believe that will provide our shareholders with the best value. We will announce the additional details with respect to the timing and structure of the spin-off in future press releases.*"

Corporate Strategy

Further to the Company's press release dated November 10, 2021, Neural Therapeutics wishes to unveil the details of its corporate strategy and its planned business focus. Since inception, Neural Therapeutics has been focused on discovering the benefits of various cacti plants and laying the foundation for a path-to-market that is compliant with global regulatory frameworks as well as the laws of the countries where it chooses to operate.

Neural Therapeutics is an ethnobotanical drug-discovery and development company focused on developing products and conducting research on the psychoactive cacti plants, the first being the San Pedro cactus (*Echinopsis pachanoi* or *Trichocereus pachanoi*) containing *mescaline*.

Neural Therapeutics' objective is to find where the historical use in traditional medicine has proven to be effective and capitalize on the opportunities that can be applied in today's nutraceutical and pharmaceutical markets. Neural Therapeutics plans to focus on the San Pedro Cactus over the Peyote cactus for the following reasons:

- The larger size of the plant provides more mescaline;
- Unlike the Peyote cactus, San Pedro is not a plant that has been protected for the exclusive use of First-Nations/Indigenous religious practices;
- The plant fully matures 3-5 times faster when compared to Peyote which is considered an

endangered species.

Given that mescaline is considered a controlled substance in most jurisdictions around the world, Neural Therapeutics intends to focus on a path-to-market that is compliant with all regulations today and pursue the business strategies that are not dependent upon regulatory change.

Both nutraceutical and pharmaceutical pathways are directed towards satisfying US-FDA requirements (or equivalent requirements in other jurisdictions) for development of drugs or new dietary supplement products. Further details will be unveiled as Neural Therapeutics achieves the relevant business objectives.

Corporate Spin-off Plan

Given that Neural Therapeutics' business plan will be focusing its efforts on ethnobotanical drug discovery and dietary supplement development, High Fusion believes that it will be in the best interest of its shareholders to spin-off Neural Therapeutics as a stand-alone business ("**Spin-Off**"). High Fusion and Neural Therapeutics are currently seeking advice of its advisors to determine the best path forward and will announce the additional details in a future press release.

It is anticipated that the potential Spin-Off will be subject to a number of approvals, including and not limited to approval by High Fusion shareholders, court approval and approvals of securities regulators and the Canadian Securities Exchange. There is no assurance that either High Fusion or Neural Therapeutics will be able to secure the approvals necessary to complete the Spin-Off. Investment in securities of High Fusion and Neural Therapeutics should be considered highly speculative and prospective investors should consult their advisors prior to making any investment decisions.

Financing up to \$750,000

The Company also wishes to convey that Neural Therapeutics has announced its intention to complete a financing of up to \$750,000 by way of a non-brokered private placement (the "**Offering**") of units ("**Units**"). Each Unit will be comprised of one common share (a "**Neural Share**") of Neural Therapeutics and one-half of one common share purchase warrant (each whole warrant, a "**Warrant**"). Each whole Warrant will be exercisable into one Neural Share at an exercise price of \$0.10 for a period ending on the earlier of: (i) 36 months from the issuance of the Warrants; and (ii) 24 months from the time Neural Therapeutics completes a going public transaction. The net proceeds from the Offering will be used for research and development efforts and general working capital. Interested parties who qualify may request more information by emailing info@neuraltherapeutics.ca.

About High Fusion Inc.

High Fusion Inc., (formerly Nutritional High International Inc.), is focused on developing and manufacturing branded products in the cannabis industry with a specific focus on flower, pro-rolls, vapes, edibles and oil extracts for medical and adult recreational use. The Company operates and controls license in California, Colorado and Oregon.

High Fusion has manufacturing, retail and grow operations in California through its acquisition of the business of OutCo and owns and operates oil extraction and edible manufacturing facilities in Colorado and Oregon. The Company's brand portfolio includes its award winning FLI™ edibles and vape product, along with a number of new brands including Red Octopus and Dubbi Brothers in addition to the OutCo and Thrive brands recently acquired.

For updates on the Company's activities and highlights of the Company's press releases and other media coverage, please visit www.high-fusion.com.

About Neural Therapeutics Inc.

Neural Therapeutics Inc. (formerly Psychedelic Science Corp.) is a wholly-owned subsidiary of High Fusion focused on ethnobotanical drug-discovery and development company. Neural Therapeutics is focused on developing products and conducting research on the psychoactive cacti plants with the primary objective to find where the historical use in traditional medicine has proven to be effective and capitalize on the opportunities that can be applied in modern medical and natural health product markets.

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Caution Regarding Forward-Looking Information:

NEITHER THE CANADIAN SECURITIES EXCHANGE NOR OTC MARKETS GROUP INC., NOR THEIR REGULATIONS SERVICES PROVIDERS HAVE REVIEWED OR ACCEPT RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.

This news release may contain forward-looking statements and information based on current expectations. These statements include statements regarding: the development of products by Neural Therapeutics; availability of capital to continue research and development; the outlook for the psychedelic products and related industries; the achievement, and the timing of, certain development milestones and the successful execution of Neural Therapeutics' business strategy (including its business model and mission); the use and benefits of Neural Therapeutics' products and services; demographic and market size/trends; anticipated capitalization, projected milestones and the go-forward management of Neural Therapeutics; timing and ability to complete the Offering and the Spin-Off; the potential impact of the COVID-19 pandemic on Neural Therapeutics business or operations; and other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance, expected regulatory filings, review and approval dates, and start-up timelines and schedules, and statements related to the continued overall advancement of Neural Therapeutics' business. These statements should not be read as guarantees of future performance or results. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by such statements. This forward-looking information reflects the Company's current beliefs and is based on information currently available to the Company and on assumptions the Company believes are reasonable. These assumptions include, but are not limited to: the ability of the Company and Neural Therapeutics to successfully execute their business plans; legal changes relating to the cannabis and psychedelic industries proceeding as anticipated; and the Company's continued response and ability to navigate the COVID-19 pandemic being consistent with, or better than, its ability and response to date.

The Company's securities have not been registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or applicable state securities laws, and may not be offered or sold to, or for the account or benefit of, persons in the United States or "U.S. Persons", as such term is defined in Regulation S under the U.S. Securities Act, absent registration or an applicable exemption from such registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in the United States or any jurisdiction in which such offer, solicitation or sale would be unlawful.

Additionally, there are known and unknown risk factors which could cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information contained herein. Such risks and other factors may include, but are not limited to: general business, economic, competitive, political and social uncertainties; general capital market conditions and market prices for securities; the actual results of the Company's future operations; competition; changes in legislation affecting the Company; obtaining and maintaining regulatory approvals including acquiring and renewing U.S. state, local or other licenses, the uncertainty of existing protection from U.S. federal or other prosecution, regulatory or political change such as changes in applicable laws and regulations, including U.S. state-law legalization, market and general economic conditions of the cannabis sector or otherwise; the timing and availability of external financing on acceptable terms; lack of qualified, skilled labour or loss of key individuals; risks related to the COVID-19 pandemic including various recommendations, orders and measures of governmental authorities to try to limit the pandemic, including travel restrictions, border closures, non-essential business closures, service disruptions, quarantines, self-isolations, shelters-in-place and social distancing, disruptions to markets, economic activity, financing, supply chains and sales channels, and a deterioration of general economic conditions including a possible national or global recession; and a deterioration of financial markets that could limit the Company's ability to obtain external financing.

A description of additional risk factors that may cause actual results to differ materially from forward-looking information can be found in the Company's disclosure documents on the SEDAR website at www.sedar.com. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. Accordingly, readers should not place undue reliance on forward-looking information. Readers are cautioned that the foregoing list of factors is not exhaustive. Readers are further cautioned not to place undue reliance on forward-looking information as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated.

Forward-looking information contained in this press release is expressly qualified by this cautionary statement. The forward-looking information contained in this press release represents the expectations of the Company as of the date of this press release and, accordingly, are subject to change after such date. However, the Company expressly disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as expressly required by applicable securities law.

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To view the source version of this press release, please visit <https://www.newsfilecorp.com/release/104212>