

# High Fusion's Psychedelics Subsidiary Neural Therapeutics Announces Significant Business and Corporate Milestones

Toronto, Ontario--(Newsfile Corp. - September 12, 2022) - High Fusion Inc. (CSE: FUZN) ("**High Fusion**" or the "**Company**") is pleased to announce a corporate strategy update of its partially-owned subsidiary, Neural Therapeutics Inc. ("**Neural**").

## ***Intellectual Property Achievements***

In partnership and collaboration with its extraction partners based in Nevada, Neural has developed a new and novel extraction methodology for full spectrum Mescaline and Mescaline isolate from the San Pedro plant. Neural has submitted a provisional patent application on August 26, 2022 to the United States Patent and Trademark Office.

"A novel extraction methodology is a critical first step in laying down the intellectual property foundation for successful drug development from cacti. Securing a patent around the extraction process allows us to focus on employing the best-in-class technologies in both small scale and industrial scale extraction processes," commented Neural's CEO, Ian Campbell.

## ***Supply Chain Agreement***

On August 1, 2022 Neural entered into a service agreement with a Peruvian cultivator, Cactus Knize, who have agreed to grow, harvest and supply Neural with the plant materials to support studies and product development. Cactus Knize has been a cultivator and wholesaler of cacti for over 30 years and has shipped products for ornamental use worldwide. Cactus Knize holds a permit with Peruvian National Forest and Wildlife Service, National Forestry and Wildlife Authority ("**SERFOR**"), which is a Peruvian government agency that regulates harvesting and shipment of wild plant material originating within Peru. As part of this partnership Cactus Knize will apply their expertise to accelerating the growth of a chosen cultivar plant(s) and Neural will purchase the cactus product at an agreed upon price.

"We are excited to work with Neural Therapeutics in the research and development of cactus-derived products. Traditional healing practices using cacti have been a part of our society for thousands of years, and we are excited to showcase our expertise to the world," commented Zuzana Knize, the President of Cactus Knize.

## ***Laboratory Service Agreement with Cayetano University***

On August 4, 2022 Neural entered into a services agreement with UNIVERSIDAD PERUANA CAYETANO HEREDIA, a private non-profit university located in Lima, Peru ("**Cayetano University**"). Cayetano University is recognized as a tier one university in Peru and is highly regarded for their medical school and science programs. Pursuant to this agreement, the Neural and Cayetano University will work on developing validated methods of identifying cacti by DNA sequencing, quantifying mescaline and profiling other alkaloids. These steps are imperative for the groundwork of DNA identification in botanical materials for the purposes of future applications with the United States Food and Drug Administration ("**FDA**").

Under this agreement, Cayetano University has agreed to act as the designated National Support Institution as mandated by SERFOR for foreign entities who wish to conduct biological research of native flora and fauna. Cayetano University has agreed to assist the Neural in identifying particular cactus species obtained from Cactus Knize in order to determine and compare the quality of materials harvested from wild cultivars of cacti. Neural has agreed to an initial payment of US\$8,250.07 with a balance due upon completion of US\$7,615.45

"We are very pleased to announce this important partnership with Cayetano University, which allows us to jumpstart our research and development process in Peru. We have a unique opportunity to explore and appreciate the benefits of plants which are regarded as sacred by many communities in Peru and have been used for millennia. Cayetano University is an established institution with decades of experience in subject matters that are critical to Neural's research and development and we are privileged to work with the best-in-class," commented Ian Campbell, CEO of Neural.

### ***SERFOR Application Submission***

Neural is pleased to announce that on September 8, 2022, in conjunction with Cayetano University, it has submitted an application to SERFOR ("**SERFOR Application**"), which will allow the representatives of Neural and Cayetano University to access and handle San Pedro cacti for research purposes. The SERFOR Application is a critical regulatory milestone that will, upon approval, allow Neural to access wild plant matter and conduct DNA sequencing analysis and conduct chemical profiling that Neural expects will lead towards suitable potential cultivars. Plants that contain the ideal chemical profile and demonstrate a high degree of health will be chosen for future research. The SERFOR Application is subject to regulatory review and approval. Pursuant to the agreement with Cayetano University, the university has agreed to provide ongoing support during the review and approval of the SERFOR Application.

"Submission of the SERFOR Application is a key regulatory milestone and we are pleased to report on the culmination of the submission process which we worked on for several months. Special thanks to the staff at Cayetano University for their ongoing support and we look forward to taking another step towards approval," commented Ian Campbell, CEO of Neural.

### **Next Steps**

With the successful completion of the above milestones, Neural is in a position to accelerate its research program over the coming months. The Neural will seek research partners and suppliers who are experienced in the FDA framework for pre-clinical and clinical studies.

In addition, Neural is investigating partnerships in both the dietary-supplement/nutraceutical and psychedelic markets where complimentary products and technologies are in development or being offered.

### ***Corporate Spin-off Plan***

Given that Neural's 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 as a stand-alone business ("**Spin-Off**"). Neural has engaged capital markets advisors to secure additional funding and assess the best path forward in terms of a public listing. Neural will announce the additional details of this assessment in the near future.

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 relevant securities commissions and exchange. There is no assurance that the assessment of potential Spin-Off transactions will result in a transaction that Neural and/or High Fusion wishes to pursue at this time and if such a transaction is deemed to be appropriate there can be no assurance that such a transaction will receive the necessary approvals to be completed. Investment in securities of High Fusion and Neural should be considered highly speculative and prospective investors should consult their advisors prior to making any investment decisions.

### **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, pre-rolls, vapes, edibles and oil extracts for medical and adult recreational use. The Company operates and controls licenses 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. The Company's brand portfolio includes its award winning FLI™ edibles and vape production 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](http://www.high-fusion.com).

### **About Neural Therapeutics Inc.**

Neural Therapeutics Inc. (formerly Psychedelic Science Corp.) is a partially-owned subsidiary of High Fusion and is an 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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*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; 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's business strategy (including its business model and mission); the use and benefits of Neural's products and services; demographic and market size/trends; anticipated capitalization, projected milestones and the go-forward management of Neural; the ability to successfully complete the SERFOR Application and the impact that such an application will have on Neural; the potential impact of the COVID-19 pandemic on Neural 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's 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 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.*

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*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](http://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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