

Form 51-102F3
MATERIAL CHANGE REPORT

Item 1. Name and Address of Reporting Issuer

Mydecine Innovations Group Inc. (the “**Company**”)
Suite 810 - 789 West Pender Street
Vancouver, BC V6C 1H2

Item 2. Date of Material Change

August 28, 2020

Item 3. News Release

A news release was disseminated through Stockwatch and subsequently filed on SEDAR.

Item 4. Summary of Material Changes

The Company completes the acquisition of NeuroPharm Inc.

Item 5. Full Description of Material Change

See attached news release for full description of Material Change.

Item 6. Reliance on subsection 7.1(2) of National Instrument 51-102

Not applicable.

Item 7. Omitted Information

Not applicable.

Item 8. Executive Officer

For further information, please contact:

Joshua Bartch
Chief Executive Officer
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Item 9. Date of Report

September 8, 2020.



Mydecine Innovations Group Completes Acquisition of NeuroPharm Inc.

DENVER, Colorado, USA, September 3, 2020 -- Mydecine Innovations Group Inc. ([CSE:MYCO](#)) ([OTC:MYCOF](#)) ([FSE:ONFA](#)) ("Mydecine" or the "Company"), is pleased to announce that it has closed its previously announced acquisition of NeuroPharm Inc. ("NeuroPharm"), a developer of natural health, psychedelic based treatments for PTSD and other serious mental health disorders in veterans and frontline workers.

Pursuant to the terms of a definitive share exchange agreement, as amended, (the "Agreement") among the Company, NeuroPharm, and NeuroPharm's shareholders, the Company acquired all of the issued and outstanding shares of NeuroPharm in exchange for the issuance of 9,000,000 common shares of the Company (the "Payment Shares") at a deemed price of \$0.70 per Payment Share. 4,244,120 of the Payment Shares, which were issued for seed shares of NeuroPharm, are subject to a staged 24-month lock-up, whereby one-quarter of such Payment Shares will become free trading on January 14, 2021, one-quarter will become free trading on July 14, 2021, one-quarter will become free trading on January 14, 2022, and the final one-quarter will become free trading on July 14, 2022. The balance of the Payment Shares issuable to NeuroPharm shareholders shall be subject to lock-up until September 14, 2020.

Joshua Barch, Chief Executive Officer of Mydecine commented: "I am extremely excited to welcome NeuroPharm and its distinguished team to the Mydecine family. This acquisition will greatly expand the Company's research capacity and help advance both scientific understanding and the availability of naturally-sourced psilocybin to research institutions around the globe."

NeuroPharm shareholders are entitled additional common shares of the Company ("Additional Shares") in the event the volume-weighted average closing price (the "Market Price") of the Common Shares on the Canadian Stock Exchange in the twenty (20) trading days prior to a date on which Payment Shares are released from lock-up is less than \$0.70. In such a case, on each such release date, NeuroPharm shareholders shall be entitled to such number of Additional Shares as is determined by multiplying the difference between \$0.70 and the Market Price by the number of Payment Shares to be released on such release date, and dividing the product by such Market Price, subject to a maximum cumulative issuance of 30% of the Payment Shares issuable to each NeuroPharm Shareholder. Moreover, Mydecine has agreed to advance certain working capital to NeuroPharm within 30 days following closing. In the event that Mydecine does not provide said working capital it shall issue an additional 2,700,000 common shares to the NeuroPharm shareholders.

Pursuant to the Agreement, the Company issued to NeuroPharm representatives 10,000,000 performance warrants (each a “Performance Warrant”) which shall vest in tranches upon the achievement of certain clinical trial and patent application milestones. Each Performance Warrant upon vesting will be exercisable into common shares at a price per share equal to a 20% discount to the market price of the Common Shares on the trading date immediately preceding receipt of notice of exercise from the Performance Warrant holder. The Performance Warrants will expire five years following the closing date.

In addition, Mydecine has engaged Native Ads Inc. to execute a comprehensive digital media marketing campaign for the Company. This programmatic digital advertising campaign will run for a 3-month period at a cost of approx. \$135,000, and is to include content creation, web development, media buying and distribution, advertising creative development, campaign reporting and optimization.

About NeuroPharm Inc.

NeuroPharm Inc. is a Canadian-based healthcare company developing a unique set of pharmaceutical and natural health products addressing mental wellness in vulnerable populations. It is committed to bringing to market adaptive plant-based therapies for use as an adjunct to clinical therapy to treat traumatic disorders specifically observed in veterans and first responders. NeuroPharm was founded by a dedicated group of former military personnel motivated to seek alternative treatments addressing these traumatic disorders experienced by many veterans following active service. The management team is proud to include contributions and advisory from esteemed scientific, academic, clinical and product development specialists.

About Mydecine Innovations Group Inc.

[Mydecine Innovations Group™](#) is a publicly traded life sciences parent company dedicated to the development and production of adaptive pathway medicine, natural health products and digital health solutions stemming from fungi. Mydecine’s experienced cross functional teams have the dynamic capabilities to oversee all areas of medicine development including synthesis, genetic research, import/export, delivery system development, clinical trial execution, through to product commercialization and distribution. By leveraging strategic partnerships with scientific, medical, military, and clinical organizations, Mydecine is positioned at the forefront of psychedelic medicine naturally derived from fungi, therapeutic solutions, and functional™ mushroom vitality products. Our portfolio of unified companies, including Mydecine Health Sciences™, MindLeap Health™, and NeuroPharm™ focus on providing innovative and effective options that can provide millions of people with a healthier quality of life.

For further information about Mydecine Innovations Group Inc., please visit the Company’s profile on SEDAR at www.sedar.com or visit the Company’s website at www.mydecine.com.

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The Canadian Securities Exchange has neither approved nor disapproved the contents of this news release and accepts no responsibility for the adequacy or accuracy hereof. This news release contains forward-looking statements, which relate to future events or future performance and reflect management's current expectations and assumptions. Such forward-looking statements reflect management's current beliefs and are based on assumptions made by and information currently available to the Company. Readers are cautioned that these forward-looking statements are neither promises nor guarantees, and are subject to risks and uncertainties that may cause future results to differ materially from those expected including, without limitation, the availability and continuity of financing, the ability of the Company to adequately protect and enforce its intellectual property, the Company's ability to bring its products to commercial production, continued growth of the global adaptive pathway medicine, natural health products and digital health industries, and the risks presented by the highly regulated and competitive market concerning the development, production, sale and use of the Company's products. 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. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. These forward-looking statements are made as of the date hereof and the Company does not assume any obligation to update or revise them to reflect new events or circumstances save as required under applicable securities legislation. This news release does not constitute an offer to sell securities and the Company is not soliciting an offer to buy securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction. This news release does not constitute an offer of securities for sale in the United States. These securities have not and will not be registered under United States Securities Act of 1933, as amended, or any state securities laws and may not be offered or sold in the United States or to a U.S. Person unless so registered, or an exemption from registration is relied upon.