

MYDECINE INNOVATIONS GROUP FILES AMENDED AND RESTATED FINANCIAL STATEMENTS

February 5, 2021 – Vancouver, British Columbia – Mydecine Innovations Group Inc. (the “**Company**”) (CSE:MYCO | OTC:MYCOF) (FSE: 0NFA) announces it has filed amended and restated unaudited condensed interim consolidated financial statements for the nine-month period ended September 30, 2020 (the “**Restated Statements**”) and related amended and restated management discussion and analysis (“**Restated MD&A**” and together with the Restated Statements, the “**Restated Documents**”).

Subsequent to the filing of the Company’s condensed interim consolidated financial statements for the nine months ended September 30, 2020 (the “**Original Statements**”) on November 30, 2020, management of the Company engaged its auditors to review the Original Statements. Based on discussions with its auditors in connection with such review, management determined that certain adjustments are required in the Restated Documents resulting in a decrease in total assets of \$493,214, an increase in total liabilities of \$1,830,594 and a decrease in total shareholders’ equity of \$2,323,808, in each case, as at September 30, 2020 and an increase in total net loss by \$2,282,519 for the nine months ended on September 30, 2020.

The adjustments to the Financial Statements include:

- The Company increased its non-cash contingent consideration and derivative liability as at September 30, 2020 by \$1,857,713. In connection with the acquisition of NeuroPharm Inc. (“**NeuroPharm**”) on August 28, 2020 and Mindleap Health Inc. on August 20, 2020, the Company granted to the vendors certain rights (the “**Rights**”) to receive additional Shares if the trading price of the Shares decreased in certain circumstances. The Restated Financials accounted for the increase in contingent consideration and derivative liability related to the Rights as a result of the decrease in the trading price of the Shares from the applicable date of closing of each such acquisition to September 30, 2020.
- The Company increased the value of the non-cash consideration paid on August 28, 2020 to acquire NeuroPharm by \$616,362. The Restated Statements state that, of the 9,000,000 Shares issued by the Company as consideration, 4,244,121 Shares are subject to a 24-month escrow, whereas the Original Statements state that, of the 9,000,000 Shares issued by the Company as consideration, 6,750,000 Shares are subject to an 18-month escrow. Such change resulted in an increase in the consideration paid to acquire NeuroPharm of \$616,362 and an increase in consideration paid in excess of identifiable assets of \$616,362.
- The Company decreased the aggregate value of the 4,500,000 common shares of the Company (“**Share**”) issued as non-cash consideration on April 27, 2020 to acquire 50% of Alternative Distribution Company LLC (formerly Levee Street Holdings, LLC) by \$270,000. It was determined that such Shares should be valued at \$0.05 per Share, being the issue price under the Company’s private placement dated May 7, 2020, whereas they were valued at \$0.11 per Share in the Original Statements. The resulting adjustment resulted in a decrease in distribution expense of \$270,000.
- The Company decreased the value of the non-cash share-based compensation for the nine months ended September 30, 2020 by \$370,063 and increased the aggregate fair value of finder warrants and agent’s compensation options by \$701,113 for the nine

months ended September 30, 2020, in both cases, due to input differences and recalculations using the Black-Scholes Option Pricing Model.

- The Company has written off the inventory of two of its subsidiaries, Tealief Brands, LLC and Relyfe Brands, LLC, valued at \$458,921 in the Original Statements, since the Company no longer intends to sell such inventory.

The changes discussed above are described in Note 17 to the Restated Statements, as filed on SEDAR.

The Original Statements and the original management's discussion and analysis for the financial periods were originally filed by the Company on SEDAR on November 30, 2020. The Restated Documents replaces and supersedes the Original Statements and related management's discussion and analysis.

There have been no other changes. All amounts are expressed in Canadian dollars unless otherwise noted.

On behalf of the Board of Directors

MYDECINE INNOVATIONS GROUP INC.

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About Mydecine Innovations Group

Mydecine Innovations Group™ is a life sciences company dedicated to developing and commercializing innovative solutions for treating mental health problems and enhancing wellbeing. The company's world renowned medical and scientific advisory board is progressing a robust R&D pipeline of psychedelic derived therapeutics, novel compounds, therapies, and controlled drug delivery systems. Mydecine has exclusive access to a full cGMP certified pharmaceutical manufacturing facility with the ability to import/export, extract, and analyze natural and synthetic psychedelic compounds with full government approval through Health Canada. Mydecine's portfolio companies Mydecine Health Sciences™, Mindleap Health™, and NeuroPharm™ position the company at the forefront of disruptive modern medicine.

Learn more at: <https://www.mydecine.com/> and follow us on Facebook, Twitter, and Instagram.

The Canadian Securities Exchange has neither approved nor disapproved the contents of this news release.

Forward-looking Information Statement

This news release may contain certain “forward-looking statements” and “forward-looking information” within the meaning of applicable Canadian and United States securities laws. When used in this news release, the words “anticipate”, “believe”, “estimate”, “expect”, “target”, “plan”, “forecast”, “may”, “schedule” and other similar words or expressions identify forward-looking statements or information. These forward-looking statements or information may relate to the anticipated timing for the filing of the Restated Documents, and other factors or information. Such statements represent the Company’s current views with respect to future events and are necessarily based upon a number of assumptions and estimates that, while considered reasonable by the Company, are inherently subject to significant business, economic, competitive, political and social risks, contingencies and uncertainties. Many factors, both known and unknown, could cause results, performance or achievements to be materially different from the results, performance or achievements that are or may be expressed or implied by such forward-looking statements. The Company does not intend, and does not assume any obligation, to update these forward-looking statements or information to reflect changes in assumptions or changes in circumstances or any other events affecting such statements and information other than as required by applicable laws, rules and regulations.