

Mydecine Reports First Quarter 2021 Financial Results and Provides Business Update

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Strategic Partnerships Expand Drug Development Capabilities to More Efficiently and Rapidly Lead the Next Generation of Psychedelic-Assisted Therapeutics

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DENVER – May 18, 2021 — Mydecine Innovations Group (NEO: MYCO) (OTC: MYCOF) (FSE: ONFA) (“Mydecine” or the “Company”), an emerging biopharma and life sciences company committed to the research, development, and acceptance of alternative nature-sourced medicine for mainstream use, today reported its financial results for the first quarter ended March 31, 2021 and provided a business update.

“Mydecine accomplished a number of key milestones in the first quarter of 2021 which collectively advanced our mission to bring one of the most robust portfolios of nature-sourced psychedelic-assisted therapeutics to the forefront of the mental health industry,” stated Joshua Bartch, CEO of Mydecine. “Most notably, we achieved the first-ever international export of psilocybin mushrooms and solidified our clinical and commercial supply chain in order to advance our R&D. This supply advantage, combined with our API and LeadGens Lab partnerships, strategically advances our drug development and clinical trials, further positioning Mydecine to lead the next-generation of synthetic and naturally-derived psilocybin novel compounds. We are extremely pleased to have reached this critical point in our development and look forward to building upon these successes in the months ahead.”

Mr. Bartch added, “In addition to the key operational milestones achieved in the first quarter of 2021, we raised C\$20 million, and I am pleased to report that Mydecine is well-funded to continue to strategically act on our growth strategy, including the advancement of our IP portfolio, build out of our clinical trial calendar, expansion of our European operations and development of our technology division.”

Business Highlights During and Subsequent to the First Quarter 2021

Enhanced Partner Relationships

- Entered into an exclusive partnership with Applied Pharmaceutical Innovation (API) at the University of Alberta, and further expanded capabilities that enable support of multiple drug development and clinical trial programs simultaneously.
- Partnered with LeadGen Labs, a custom synthesis and contract research organization, to support the Company’s novel psychedelic drug development efforts and considerably increase the number of novel molecules it can synthesize concurrently.

Secured Clinical and Commercial Supply of Psilocybin Mushrooms

- Completed the first-ever international export of psilocybin mushrooms from a private mycology-focused research and cultivation facility in Jamaica.

Further Developed International Operational Footprint

- Michel Rudolphie, former Novartis Norway CEO and former CEO and President of Make-A-Wish International, joined the Company as President of European Operations to develop and lead strategy, business development and comprehensive success across Europe.

- Partnered with Principal Investigator Dr. David Erritzoe at Imperial College London (ICL) to conduct leading research in psychedelics, as well as the creation of novel collaborative psychopharmacology/psychedelic research clinic between ICL and a major mental health NHS Trust in London.

Strengthened IP Portfolio

- Filed seven provisional patent applications with the United States Patent and Trademark Office (USPTO) in its efforts to discover valuable novel compounds in fungi for medicinal and pharmaceutical use.
- Filed provisional patent for Mindleap's mental health technology with the USPTO and the Canadian Intellectual Property Office.

Improved Capital Markets Positioning

- Raised C\$20 million through bought deal offerings.
- Migrated to the NEO Exchange and commenced trading on March 23, 2021.
- Submitted formal application to list on the NASDAQ Stock Exchange.

Financial Results for the First Quarter 2021

Net Loss: Net loss attributable to common stockholders was \$5.2 million for the first quarter 2021, or a basic and diluted loss per share attributable to common stockholders of \$0.03, as compared to a net loss attributable to common stockholders of \$0.2 million for the first quarter 2020, or a basic and diluted loss per share attributable to common stockholders of \$0.01.

Cash Position: As of March 31, 2021, the Company had cash and cash equivalents of \$11.3 million.

About Mydecine Innovations Group

Mydecine Innovations Group™ (NEO:MYCO) (OTC:MYCOF) (FSE:ONFA) is an emerging biotech and life sciences company dedicated to developing and commercializing innovative solutions for treating mental health problems and enhancing vitality. The company's world-renowned medical and scientific advisory board is building out a robust R&D pipeline of nature-sourced psychedelic-assisted therapeutics, novel compounds, therapy protocols, and unique delivery systems. Mydecine has exclusive access to a full cGMP certified pharmaceutical manufacturing facility with the ability to import/export, cultivate, extract/isolate, and analyze active mushroom compounds with full government approval through Health Canada. Mydecine also operates out of a state-of-the-art mycology lab in Denver, CO to focus on genetic research for scaling commercial cultivation of rare (non-psychedelic) medicinal mushrooms.

At the heart of Mydecine's core philosophy is that psychedelic-assisted psychotherapy will continue to gain acceptance in the medical community with many of the world's best accredited research organizations demonstrating its remarkable clinical effectiveness. Mydecine recognizes the responsibility associated with psychedelic-assisted therapy and will continue to position itself as a long-term leader across the spectrum of clinical trials, research, technology, and global supply. Mydecine has also successfully completed multiple acquisitions since its inception.

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

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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.

This news release contains forward-looking information within the meaning of Canadian securities laws regarding the Company and its business, which relate to future events or future performance and reflect management's current expectations and assumptions. Often but not always, forward-looking information can be identified by the use of words such as "expect", "intends", "anticipated", "believes" or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would" or "will" be taken, occur or be achieved. 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, risks regarding the COVID-19 pandemic, 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.

MYDECINE INNOVATIONS GROUP INC. (FORMERLY NEWLEAF BRANDS INC.)
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(EXPRESSED IN CANADIAN DOLLARS)

As at,	March 31, 2021 \$	December 31, 2020 (audited) \$
Current assets		
Cash	11,324,999	2,190,702
Rent receivable	45,351	27,746
Accounts receivable	9,593	-
Inventory	36,620	47,262
Sales tax receivable	17,711	13,734
Prepays and deposits	3,982,350	216,003
Total current assets	15,416,624	2,495,447
Non-current assets		
Intangible asset	155,617	-
Investment in joint venture	617,309	620,092
Investment in associate	4,304,874	4,481,988
Right-of-use asset	198,036	223,645
Investment properties	1,400,855	1,418,345
Property and equipment	405,961	291,614
Total assets	22,499,276	9,531,131
Current liabilities		
Accounts payable and accrued liabilities	920,817	1,187,486
Convertible debentures	464,770	2,959,755
Derivative liabilities	1,440,368	1,586,744
Lease liability – current portion	71,760	69,329
Total current liabilities	2,897,715	5,803,314
Non-current liabilities		
Long-term portion of lease liability	141,007	167,118
Total liabilities	3,038,722	5,970,432
Shareholders' equity		
Share capital	105,408,931	85,298,435
Contributed surplus	13,923,899	12,734,636
Equity portion of convertible debentures	35,107	254,690
Accumulated other comprehensive income	(468,601)	(444,803)
Deficit	(99,438,782)	(94,282,259)

Total shareholders' equity	19,460,554	3,560,699
Total liabilities and shareholders' equity	22,499,276	9,531,131

MYDECINE INNOVATIONS GROUP INC. (FORMERLY NEWLEAF BRANDS INC.)
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(EXPRESSED IN CANADIAN DOLLARS)

For the three-month period ended,	March 31, 2021	March 30, 2020
Sales	16,012	4,575
Cost of goods sold	(10,128)	(2,875)
Gross margin	5,884	1,700
Expenses		
Finance cost	95,737	248
Corporate development	1,998,027	4,978
Amortization	41,532	27,428
Consulting fees	1,023,921	4,270
Director and management fees	490,876	117,617
Foreign exchange loss	222,375	(127,964)
Office and miscellaneous	84,220	13,813
Share of losses from investment in Joint Venture	2,783	-
Share of losses from investment in Associate	157,219	-
Professional fees	653,055	25,474
Regulatory and filing fees	165,636	2,057
Research and development	230,210	-
Share-based payments	-	174,028
Total expenses	(5,165,591)	(241,949)
Other income (expense)		
Change in fair value of derivative liabilities	(27,656)	-
Rental income	33,159	47,883
Loss on settlement of debt	(2,319)	-
	3,184	47,883
Net loss for the period	(5,156,523)	(192,366)
Foreign currency translation adjustment	(23,798)	-

Net loss and comprehensive loss for the period	(5,180,321)	(192,366)
Net loss per share – Basic and diluted	(0.03)	(0.01)
Weighted average number of shares outstanding – Basic and diluted	206,368,298	33,438,205
