

Mydecine Reports Third Quarter 2021 Financial Results and Provides Business Update

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To Launch Phase 2/3 Smoking Cessation Clinical Trial with Johns Hopkins University (JHU)

Signed 5-Year Research Agreement with JHU to Further Mydecine's Research of Multiple Molecules for a Variety of Indications

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DENVER – November 16, 2021 — Mydecine Innovations Group (NEO: MYCO) (OTC: MYCOF) (FSE: ONFA) (“Mydecine” or the “Company”), a biotechnology and digital technology company aiming to transform the treatment of mental health and addiction disorders, today reported its financial results for the third quarter ended September 30, 2021 and provided a business update.

“During the third quarter of 2021, we entered into a 5-year research agreement with Johns Hopkins University School of Medicine, one of the most experienced university departments in conducting clinical research related to the therapeutic use of psychedelics. In collaboration with JHU, we are rapidly progressing one of our lead candidates, MYCO-001, through clinical trials with the upcoming seamless Phase 2/3 smoking cessation clinical trial, and their NIDA grant-funded smoking cessation study which will use MYCO-001. This marks the first time in over 50 years that the U.S government has funded a study of a psychedelic compound for therapeutics,” stated Joshua Bartch, CEO of Mydecine. “As we prepare for the launch of these trials, we expect to meet with the FDA for Pre-Investigational New Drug Application (Pre-IND) meetings in early 2022, another step closer to bringing to market more effective treatments for today’s unmet needs in mental health and addiction.”

Business Highlights During and Subsequent to the Third Quarter 2021

Clinical Trials

- Prepared to supply its lead drug candidate, MYCO-001, for a JHU multi-site NIDA grant-funded smoking cessation study led by Dr. Matthew Johnson.
- Announced upcoming launch of seamless Phase 2/3 smoking cessation clinical trial studying the science and efficacy of MYCO-001.
- Signed a five-year research agreement with JHU School of Medicine to advance clinical trials and explore multiple molecules and medicines for a variety of indications.

IP Portfolio

- Filed final patent application for MYCO-003 with the United States Patent and Trademark Office and the World Intellectual Property Organization, which is being developed to offer enhanced treatment of anxiety and PTSD.
- Filed new patent for MDMA-like compounds further expanding its robust portfolio of novel compounds after MDMA-assisted psychotherapy received Breakthrough Therapy Designation from the Food and Drug Administration (FDA).

- Filed a technology patent that allows for the creation of formulations that utilize nanoemulsion technology to enhance, stabilize and make repeatable properties of ingredients from traditional medicine. The patent will cover formulations that are generally recognized as safe by FDA (GRAS-certified).
- Successfully synthesized a novel psilocin analogue with improved pharmaceutical properties to further expand its library of patent-pending tryptamines.

Technology

- Launched Mindleap 2.0, an updated version of its virtual health platform, providing improved infrastructure, better user experience, and expanded content. The 2.0 version also adds focus on the conscious and trustworthy adoption of psychedelics into the broader categories of mental health.
- Continued development of AI-driven drug discovery program, screening billions of new drug candidates and filtering them for their ability to modulate the activity of the psychedelic-related targets.

Corporate

- Completed its spin-out transaction of ALT House Cannabis Inc., which now holds the Company's U.S. cannabis assets in order for the Mydecine Innovations Group's team to focus on the company's core drug development business.

Financial Results for the Third Quarter 2021

Net Loss: Net loss attributable to common stockholders was \$4.5 million for the third quarter 2021, or a basic and diluted loss per share attributable to common stockholders of \$0.02, as compared to a net loss attributable to common stockholders of \$17.4 million for the third quarter 2020, or a basic and diluted loss per share attributable to common stockholders of \$0.11.

Cash Position: As of September 30, 2021, the Company had cash and cash equivalents of \$1.6 million.

About Mydecine Innovations Group

Mydecine Innovations Group™ (NEO:MYCO) (OTC:MYCOF) (FSE:ONFA) is a biotechnology and digital technology company developing innovative first-and-second-generation novel therapeutics for the treatment of mental health and addiction through world-class technology and drug development infrastructure. Mydecine Innovations Group was founded in 2020 on the guiding principle that there is a significant unmet need and lack of Innovations in the mental health and therapeutic treatment environments. Mydecine Innovations Group is dedicated to efficiently developing innovative therapeutics to treat PTSD, depression, anxiety, addiction, and other mental health disorders. Mydecine Innovations Group's business model combines clinical trials and data outcome, technology, scientific and regulatory expertise with a focus on psychedelic therapy underpinned by other novel molecules with differentiated therapeutic potential. By collaborating with some of the world's foremost authorities connected by best practices, Mydecine Innovations Group aims to responsibly fast-track the development of new medicines across its platforms, seeking to effectively treat and ultimately change the way we view mental health disorders. Mydecine Innovations Group's vision is to bridge the current

gap between what the mental healthcare system currently provides with the needs of the patients. Mydecine Innovations Group is headquartered in Denver, Colorado, USA with international offices in Leiden, Netherlands.

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

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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.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
UNAUDITED
(EXPRESSED IN CANADIAN DOLLARS)

As at,	September 30, 2021 \$	December 31, 2020 (audited) \$
Current assets		
Cash	1,593,516	2,190,702
Rent and other receivable	135,674	27,746
Inventory	41,268	47,262
Sales tax receivable	73,632	13,734
Prepays and deposits	3,782,180	216,003
Total current assets	5,626,270	2,495,447
Non-current assets		
Prepays and deposits	1,922,559	-
Investment in joint venture	158,432	303,982
Note receivable	327,536	316,110
Investment in associate	233,579	4,481,988
Right-of-use asset	154,347	223,645
Investment properties	1,419,347	1,418,345
Property and equipment	521,867	291,614
Total assets	10,363,937	9,531,131

Current liabilities

Accounts payable and accrued liabilities	1,315,927	1,187,486
Convertible debentures	272,740	2,959,755
Derivative liabilities	837,207	1,586,744
Lease liability – current portion	76,969	69,329
Total current liabilities	2,502,843	5,803,314

Non-current liabilities

Long-term portion of lease liability	94,515	167,118
Total liabilities	2,597,358	5,970,432
Shareholders' equity		
Share capital	105,648,795	85,298,435
Contributed surplus	14,848,383	12,734,636
Equity portion of convertible debentures	17,190	254,690
Accumulated other comprehensive loss	(449,317)	(444,803)
Deficit	(112,298,472)	(94,282,259)
Total shareholders' equity	7,766,579	3,560,699
Total liabilities and shareholders' equity	10,363,937	9,531,131

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

	For the three-month period ended,		For the nine-month period ended,	
	September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020
Sales	73	17,158	21,278	43,391
Cost of goods sold	(35)	(21,153)	(10,032)	(31,829)
Gross margin	38	(3,995)	11,246	11,562
Expenses				
Finance cost	22,995	19,151	146,692	19,151
Corporate development	410,424	325,038	2,838,317	1,099,728

Amortization	47,572	61,886	126,767	128,926
Consulting fees	1,617,184	461,623	3,835,207	1,744,009
Director and management fees	454,215	186,520	1,286,723	367,622
Foreign exchange loss (gain)	(65,862)	(21,233)	249,746	(158,014)
Insurance	171,704	-	324,927	-
Office and miscellaneous	427,486	113,441	648,961	170,235
Share of losses (income) from investment in Joint Venture	28,503	-	136,604	-
Share of (income) from investment in Associate	45,056	(7,470)	86,808	(15,411)
Professional fees	179,130	43,255	1,529,599	143,088
Regulatory and filing fees	7,879	12,644	185,791	27,091
Research and development	1,265,610	433,408	2,587,740	434,791
Salaries	311,355	-	545,686	-
Share-based payments	-	3,715,421	-	4,725,174
Total expenses	(4,923,251)	(5,343,684)	(14,529,568)	(8,686,360)
Other income (expenses)				
Change in fair value of derivative liabilities	353,612	(740,434)	575,505	(740,434)
Impairment of investment in associate	-	-	(4,169,616)	-
Consideration paid in excess of net assets acquired from acquisition	-	(10,645,239)	-	(10,645,239)
Write-off of inventory	-	(458,921)	-	(458,921)
Other income	-	35	-	35
Rental income	33,073	45,293	98,539	141,715
Gain (loss) on settlement of debt	-	21,879	(2,319)	33,304
Total other income (expenses)	386,685	(11,777,387)	(3,497,891)	(11,669,540)
Net loss for the period	(4,536,528)	(17,125,066)	(18,016,213)	(20,344,338)
Foreign currency translation adjustment	44,114	(279,811)	(4,514)	(152,659)
Net loss and comprehensive loss for the period	(4,492,414)	(17,404,877)	(18,020,727)	(20,496,997)
Net loss per share – Basic and diluted	(0.02)	(0.11)	(0.08)	(0.22)
Weighted average number of shares outstanding – Basic and diluted	240,222,065	152,596,239	228,662,632	95,039,381