



Tryp Therapeutics Announces Private Placement of Secured Convertible Debentures for Gross Proceeds of a minimum of AUD\$2,000,000

Kelowna, Canada – April 12 2023 – Tryp Therapeutics Inc. (“**Tryp**” or the “**Company**”) (CSE: **TRYP**), a clinical-stage biotechnology company focused on developing intravenous-infused psilocin (the active metabolite of psilocybin) for diseases with high unmet medical needs, is pleased to announce a private placement (the “**Private Placement**”) for a minimum aggregate principal amount of AUD\$2.0 million, with the ability to accept oversubscriptions of AUD\$1.0m, of secured convertible debentures (the “**Debentures**”).

In connection with the Private Placement, the Company has entered into an engagement agreement (the “**Engagement Agreement**”) with Westar Capital Limited (“**Westar**”), to act as lead manager for the placement and to provide ongoing services related to capital markets activities.

The proceeds of the Private Placement will be used to advance Tryp’s research and development programs and for general working capital purposes. Closing of the Private Placement is anticipated to occur on or about April 19, 2023 and is subject to receipt of all necessary corporate and regulatory approvals, including the approval of the Canadian Securities Exchange (the “**CSE**”).

The Debentures will be denominated in Australian Dollars, will have a term of 18 months (the “**Maturity Date**”), and will be interest free during the initial 8 months following the date of issuance. During the period between the date that is 8 months from the date of issuance and 18 months from the date of issuance, the Debentures shall pay interest of 20% per annum. The Debentures shall automatically convert, as to principal and accrued interest, into common shares in the capital of the Company (the “**Common Shares**”) on the earlier of: (i) the Maturity Date, or (ii) the time the Company is completing a liquidity event. The price at which the Debentures (including any accrued but unpaid interest thereon) shall be converted into Common Shares (the “**Conversion Price**”) will vary depending on various scenarios as set out in the debenture and at a conversion price fixed in accordance with CSE policies. The Debentures are secured by a general security interest over substantially all of the present and after-acquired personal property of the Company. The Debentures and the underlying Common Shares will be subject to a statutory hold period of four months plus a day from the date of issuance in accordance with applicable securities legislation. In accordance with the terms of the Engagement Agreement, Westar is entitled to a cash fee of up to 6% of proceeds raised under the Private Placement and will be issued warrants (the “**Broker Warrants**”) equal to 10.05% of the Company’s total undiluted issued and outstanding shares on closing of the Private Placement. Each Warrant shall entitle the holder to acquire one Common Share at an exercise price equal to the greater of: (i) the closing market price of the Common Shares on the date of issuance and (ii) the price implied by an AUD\$15 million equity valuation on an undiluted basis, for a period of three years from the date of issuance. The Company shall retain the ability to cancel up to 60% of the Broker Warrants in certain circumstances.

It is currently expected that a director of the Company will participate in the Private Placement, acquiring Debentures on the same basis as other subscribers. In addition, this same director is entitled to receive

certain fees from Westar in connection with the Private Placement and the transactions contemplated in the Engagement Agreement. Consequently, the Private Placement constitutes a “related party transaction” as such term is defined under Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* (“MI 61-101”). The Company is relying on exemptions in MI 61-101 from the formal valuation and minority shareholder approval requirements. The Company relied on Section 5.5(b) of MI 61-101 for an exemption from the formal valuation requirement and Section 5.7(1)(a) of MI 61-101 for an exemption from the minority shareholder approval requirement.

This press release is not an offer to sell or the solicitation of an offer to buy the securities in the United States or in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to qualification or registration under the securities laws of such jurisdiction. The securities being offered have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and such securities may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons absent registration or an applicable exemption from U.S. registration requirements and applicable U.S. state securities laws.

About Tryp Therapeutics:

Tryp Therapeutics is a clinical-stage biotechnology company focused on developing proprietary, novel formulations for the administration of psilocin in combination with psychotherapy to treat diseases with unmet medical needs. Tryp’s lead program, TRP-8803, is a proprietary formulation of IV-infused psilocin (the active metabolite of psilocybin) that alleviates numerous shortcomings of oral psilocybin including: significantly reducing the time to onset of the psychedelic state, controlling the depth and duration of the psychedelic experience, and reducing the overall duration of the intervention to a commercially feasible timeframe. The Company has initiated a Phase 2a clinical trial for the treatment of Binge Eating Disorder at the University of Florida, where an interim analysis showed an average reduction in binge eating episodes of greater than 80%. The Company is also planning for Phase 2a clinical trials with the University of Michigan for the treatment of fibromyalgia and with Mass General Hospital for the treatment of abdominal pain related to irritable bowel syndrome. Each of the studies are utilizing TRP-8802 (synthetic, oral psilocybin) to demonstrate efficacy in these indications. Where a preliminary clinical benefit is demonstrated, subsequent studies are expected to utilize TRP-8803 (IV-infused psilocin), which has the potential to further improve efficacy, safety and patient experience. For more information, please visit www.trypterapeutics.com.

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Forward-Looking Information

Certain information in this news release, including statements relating to the anticipated closing date of the Private Placement, constitutes forward-looking information. In some cases, but not necessarily in all cases, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "targets", "expects" or "does not expect", "is expected", "an opportunity exists", "is positioned", "estimates", "intends", "assumes", "anticipates" or "does not anticipate" or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might", "will" or "will be taken", "occur" or "be achieved". In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances contain forward-looking

information. Statements containing forward-looking information are not historical facts but instead represent management's expectations, estimates and projections regarding future events.

Forward-looking information is necessarily based on a number of opinions, assumptions and estimates that, while considered reasonable by Tryp as of the date of this news release, are subject to known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information, including but not limited to the factors described in greater detail in the "Risk Factors" section of Tryp's final prospectus available at www.sedar.com. These factors are not intended to represent a complete list of the factors that could affect Tryp; however, these factors should be considered carefully. There can be no assurance that such estimates and assumptions will prove to be correct. The forward-looking statements contained in this news release are made as of the date of this news release, and Tryp expressly disclaims any obligation to update or alter statements containing any forward-looking information, or the factors or assumptions underlying them, whether as a result of new information, future events or otherwise, except as required by law.

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