

BRIGHT MINDS BIOSCIENCES INC.

Marketed Offering of Units

Final Term Sheet

FEBRUARY 23, 2021

An amended and restated preliminary short form prospectus containing important information relating to the securities described in this document has been filed with the securities regulatory authorities in each of the provinces of Canada, other than Quebec.

Copies of the amended and restated preliminary prospectus may be obtained from Eight Capital at ecm@viiicapital.com. There will not be any sale or any acceptance of an offer to buy the securities until a receipt for the final prospectus has been issued.

This document does not provide full disclosure of all material facts relating to the securities offered. Investors should read the amended and restated preliminary prospectus, final prospectus and any amendment, for disclosure of those facts, especially risk factors relating to the securities offered, before making an investment decision.

The offered securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or the securities laws of any state of the United States (as such term is defined in Regulation S under the U.S. Securities Act) (the "United States"), and may not be offered or sold within the United States, except in transactions exempt from registration under the U.S. Securities Act and applicable U.S. state securities laws. This term sheet shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the offered securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

Issuer:	Bright Minds Biosciences Inc. (the " Company ").
Issue:	Treasury offering of 3,303,000 units (" Units ") of the Company (3,798,450 Units assuming the Over-Allotment Option is exercised in full) (the " Offering "). Each Unit will be comprised of one common share of the Company (a " Share ") and one-half of one common share purchase warrant (each whole common share purchase warrant, a " Warrant "). Each Warrant shall entitle the holder thereof to purchase one Share at an exercise price of \$9.46 for a period of 36 months, subject to adjustment and acceleration in certain events.
Issue Price:	\$7.57 per Unit (" Issue Price ").
Issue Size:	Approximately \$25,003,710 (or \$28,754,266.50 if the Over-Allotment Option (as defined below) is exercised in full.
Accelerated Expiry of Warrants:	If the daily volume weighted average trading price of the Shares on the Canadian Securities Exchange (the " Exchange ") for any 10 consecutive days equals or exceeds \$13.25, the Company may, accelerate the expiry date of the Warrants to the date that is 30 trading days following the date of the Company issuing a press release disclosing such acceleration.
Underwriters' Option:	The Company has granted Eight Capital an option (the " Over-Allotment Option ") to purchase up to an additional 15% of the Units, at the Issue Price, exercisable in whole or in part at any time and from time to time for a period of 30 days after and including the Closing Date (as defined below).
Use of Proceeds:	The net proceeds from the Offering are expected to be used for its research and development activities, and for working capital and general corporate purposes.
Form of Underwriting:	Marketed underwritten public offering, subject to termination clauses including "material adverse change" out, "disaster" out, "breach" out and "market" out.
Form of Offering:	Public offering in each of the Provinces of Canada, other than Quebec, by way of a short form prospectus.

Private placement in the United States pursuant Rule 144A under the U.S. Securities Act to “qualified institutional buyers” (as defined in Rule 144A) and/or on a substituted purchaser basis, pursuant to Rule 506(b) of Regulation D (“**Regulation D**”) under the U.S. Securities Act to “accredited investors” within the meaning of Rule 501(a) of Regulation D.

The Offering will also be made available outside Canada and the United States to non-U.S. persons (as defined in Regulation S under the U.S. Securities Act) on a basis which does not require the qualification or registration of any of the Company’s securities under domestic or foreign securities laws or the filing of a prospectus or similar document in such jurisdictions.

- Listing:** The issued and outstanding common shares of the Company trade on the Exchange under the symbol “DRUG”. The Company will arrange for the listing of the Shares on the Exchange, which listing shall be a condition of Closing.
- Eligibility:** The Units will be qualified investments under the *Income Tax Act* (Canada) for registered accounts.
- Underwriters:** Eight Capital on behalf of a syndicate of underwriters.
- Commission:** 6% cash commission and that number of compensation warrants equal to 6% of the number of Units sold pursuant to the Offering (such cash commissions to be reduced to 2.5% and such compensation warrants to be reduced to 3% of the number of Units sold in respect of sales of Units to purchasers on the “President’s List”). Each compensation warrant will be exercisable into one Share at the Issue Price for a period of 24 months following the Closing Date, subject to adjustment in certain events.
- Closing Date:** On or about March 9, 2021 (the “**Closing Date**”).