

Numinus to Acquire Novamind, Creating the North American Industry Leader in Psychedelic Therapy and Research

April 12, 2022



- *Complementary businesses combine to create a preeminent North American platform with operations spanning 13 wellness clinics, four research sites and one bioanalytical laboratory*
- *Shared mission of responsibly reintroducing psychedelic therapy to mental healthcare*
- *Hosting clinical trials for MDMA (MAPS Public Benefit Corporation), psilocybin (the Usona Institute), LSD (MindMed) and ketamine (the University of Utah)*
- *Combined C\$10 million in annual pro-forma revenue based on the trailing four quarters*
- *Acquisition is expected to generate C\$3 million in annual cost synergies*
- *Transaction expected to close in June 2022, following anticipated shareholder approval*

VANCOUVER, BC & TORONTO, ON / April 12, 2022 / Numinus Wellness Inc. ("Numinus", the "Company") (TSX: NUMI) (OTCQX: NUMIF) and Novamind Inc. ("Novamind") (CSE: NM) (OTCQB: NV MDF) (FSE: HN2), are pleased to announce that they have entered into a definitive arrangement agreement (the "Agreement") pursuant to which Numinus will acquire all of the issued and outstanding common shares of Novamind (the "Novamind Shares") in an all-share transaction, by way of a court-approved plan of arrangement, for total consideration of approximately C\$26.2 million on a fully diluted in-the-money basis (the "Transaction").

Following the Transaction, the combined company will operate 13 wellness clinics and will be positioned as a leading psychedelic-assisted therapy provider in North America, leading its peer group in revenue with approximately C\$10 million in annual pro-forma revenue based on the trailing four quarters.

"Since Numinus began, we have always strived to be the most trusted, evidence-based leader in psychedelic-assisted therapy and medicine. The Novamind acquisition presents a transformational opportunity for Numinus to launch a strong U.S. platform through eight established, reputable, efficiently operating and revenue-producing clinics," says Payton Nyquest, Founder and CEO, Numinus. "We prioritize working with the best partners in this industry and Novamind's U.S. market presence, complementary client programming and respected clinical research capabilities allow us to accelerate our strategic growth plans and broaden access to healing and wellness."

Mr. Nyquest continued: "We expect this acquisition will significantly bolster our financial performance, growing Numinus' annual revenue to more than five times our current levels, and driving meaningful margin improvement through identified operating efficiencies. Our combined capabilities will deliver exceptional value for our clients, employees, and shareholders. We look forward to welcoming the Novamind team to the Numinus family."

Yaron Conforti, CEO and Co-Founder, Novamind, said, "This transaction offers significant value for Novamind's shareholders and provides compelling new opportunities for our employees, patients and research partners. The combination of Novamind's network

distinct capabilities to serve a growing and diverse group of stakeholders. We are excited to join Numinus, a true leader in mental health innovation.”

Proposed Transaction

Under the terms of the Agreement, shareholders of Novamind (“Novamind Shareholders”) will receive 0.84 of a common share of Numinus (the “Exchange Ratio”) for each Novamind share held, implying an offer price of \$0.44 per Novamind Share. The offer price represents a premium of 51% to Novamind’s 20-day volume-weighted average price (“VWAP”) on the Canadian Securities Exchange (the “CSE”) as of April 8, 2022. After giving effect to the Transaction, Novamind Shareholders will hold ~18% ownership in the pro-forma company (on a fully diluted in-the-money basis).

Key Transaction Highlights

- Creates an industry-leading North American platform for psychedelic clinics and clinical research.
- Increased client programming with complementary service offerings to be shared and expanded across the combined clinic network.
 - Best-in-class service offering with clinics providing a wide range of traditional, innovative and psychedelic mental health treatments that can be appropriately matched to each client’s needs. Services include ketamine-assisted psychotherapy (KAP), Spravato (esketamine), transcranial magnetic stimulation (TMS), talk therapy, group therapy, medication management, psychedelic palliative care and neurological care. Clinics will also offer family and couples counselling, as well as in-person and virtual group therapy for expanded access to innovative treatments.
- Combines Novamind’s distinguished clinical research site management capabilities with Numinus Bioscience’s bioanalytical laboratory expertise, resulting in a comprehensive clinical research offering.
 - Novamind’s U.S. DEA Schedule 1 licenses for psilocybin research complement Numinus Bioscience’s extensive Health Canada Controlled Drugs & Substances License to possess, produce, assemble, sell, export, deliver, research, and test a wide range of psychedelic drugs and botanical materials, including DMT, ketamine, LSD, MDMA, mescaline, psilocin, psilocybin, ayahuasca and San Pedro.
- Accelerates Numinus’ path to profitability:
 - Novamind’s U.S. DEA Schedule 1 licenses for psilocybin research complement Numinus Bioscience’s extensive Health Canada Controlled Drugs & Substances License to possess, produce, assemble, sell, export, deliver, research, and test a wide range of psychedelic drugs and botanical materials, including DMT, ketamine, LSD, MDMA, mescaline, psilocin, psilocybin, ayahuasca and San Pedro.
- Participation by Novamind shareholders in the future of Numinus: Novamind shareholders will receive Numinus common shares, listed on both the Toronto Stock Exchange (TSX) and the OTC Markets Group’s OTCQX, pursuant to the closing of the Transaction.

Clinic Leadership

The combined company will operate 13 wellness clinics in focused geographies across the U.S. and Canada, and will continue developing and scaling innovative psychedelic therapy protocols and procedures for screening, preparation, dosing and integration targeting difficult-to-treat mental health conditions, including post-traumatic stress disorder (PTSD), COVID-19 burnout, depression, addiction and eating disorders. Operationally, the combined company will benefit from a centralized client care center for managing client inquiries, scheduling clients with appropriate providers, coordinating physician referral intakes, fulfilling prescription requests and facilitating insurance authorizations. The company’s Utah clinics have secured approval for direct billing of intravenous (IV) ketamine for treatment-resistant depression from four major health insurance providers.

Research Leadership

The combined company will operate four clinical research sites and a bioanalytical laboratory, all of which are currently supporting leading drug developers in psychedelic medicine with critical infrastructure and services. Select ongoing psychedelic medicine clinical trials include:

- A single-arm, open-label, compassionate access trial for MDMA-assisted therapy that has made significant progress toward treating patients with PTSD hosted in collaboration with MAPS Public Benefit Corporation (MAPS PBC);
- A phase II clinical trial investigating psilocybin for major depressive disorder sponsored by the Usona Institute;

sponsored by MindMed;

- A phase I randomized clinical trial investigating the safety and efficacy of KAP combined with Mindfulness-Oriented Recovery Enhancement therapy for the treatment of adults with opioid use disorder in collaboration with the University of Utah.

The combined company will benefit from drug developers' high R&D spend and offers unprecedented capabilities for psychedelic clinical research from pre-clinical studies through phase IV trials.

Pro-Forma Financial Information:

C\$ from the last four reported quarters	Numinus <i>(Trailing 4 quarters ended Nov. 30, 2021)</i>	Novamind <i>(Trailing 4 quarters ended December 31, 2021)</i>	Combined <i>(Pro-Forma)</i>
Revenue	\$2,074,099	\$7,906,423	\$9,980,522
Gross Profit	\$7,562	\$3,777,296	\$3,784,858
Gross Profit Margin	0.4%	47.8%	37.9%
Cash	\$53.9 million <i>(as at Nov. 30, 2021)</i>	\$2.7 million <i>(as at Dec. 31, 2021)</i>	\$56.6 million

Additional Transaction Information

Key Novamind personnel have entered into employment agreements that will become effective on closing, and/or will enter into non-competition, non-solicitation and standstill agreements on closing.

Numinus' executive team and board will remain in place, with the Company being led by CEO Payton Nyquest.

Completion of the Transaction is subject to a number of conditions including the receipt of regulatory, TSX and CSE approvals. Pursuant to TSX and CSE rules, the Transaction must also be approved by both Numinus' and Novamind's shareholders. Following anticipated shareholder approvals, the Transaction is expected to close in June 2022, at which point all Novamind operations will transition to Numinus branding.

Cozen O'Connor LLP is serving as legal counsel and Eight Capital is acting as financial advisor to Numinus. McMillan LLP is acting as legal counsel to Novamind.

Special Meetings and Information Circulars

Numinus will be convening a special meeting of its shareholders to consider the Transaction. Numinus currently anticipates that the special meeting will be held in early June 2022 and that an information circular containing additional details regarding the business of the special meeting will be mailed to shareholders in mid-May.

Novamind will be convening a special meeting of its shareholders to approve the Transaction. Novamind currently anticipates that the special meeting will be held in early June 2022 and that an information circular containing additional details regarding the business of the special meeting will be mailed to shareholders in mid-May.

Boards of Directors Recommendation and Voting Support

The arrangement has been unanimously approved by the boards of directors of both Numinus and Novamind (with an interested director abstaining). Directors and officers of Novamind holding in aggregate 31% of the outstanding Novamind Shares, have entered into customary voting and support agreements to, amongst other things, vote in favour of the arrangement at the special meeting of Novamind shareholders to be held to consider the transaction.

Eight Capital is acting as financial advisor to Numinus' board of directors. The board of directors, based upon their investigations, concluded that the Transaction is in the best interests of Numinus shareholders, and will be recommending that shareholders vote in

Clarus Securities has provided a fairness opinion to Novamind's board of directors (the "Novamind Board") and a special committee of independent directors of the Novamind Board (the "Novamind Special Committee") formed to, among other things, review and evaluate the terms of the Transaction and has provided its opinion that, as of the date of the opinion and subject to the assumptions and limitations contained in such opinion, Numinus' offered price is fair, from a financial point of view, to Novamind. The Novamind board of directors, based upon, among other things, their investigations and the recommendation of the Novamind Special Committee, including their consideration of that fairness opinion concluded that the Transaction is in the best interests of Novamind shareholders, and will be recommending that shareholders vote in favour of a resolution at its special meeting of shareholders.

Investor Presentation and Conference Call

A presentation for the investment community with highlights of the Transaction will be available on Numinus' investor relations website at: <https://www.investors.numinus.com/events-and-presentations>

Highlights of the Transaction will also be discussed on Numinus' upcoming Q2 2022 results conference call, occurring at 5:30 pm ET / 2:30 pm PT on Thursday, April 14, 2022.

To listen to the live webcast, please register at: <https://event.on24.com/wcc/r/3723657/8A7C51BC48923FC18A54C2754EF10DBA>

The webcast will also be archived on the Events and Presentations page of Numinus' Investor Relations website: <https://www.investors.numinus.com/events-and-presentations>

To participate in the live conference call, please use the following dial-in information: 1 (888) 330-3632 (Toll-free North America) 1 (646) 960-0837 (International)

Please ask to participate in Numinus' Q2 2022 Results Call. To avoid any delays in joining the call, please dial in at least five minutes prior to the call start time. If prompted, please provide conference passcode 3547386.

About Numinus

Numinus Wellness (TSX: NUMI) helps people to heal and be well through the development and delivery of innovative mental health care and access to safe, evidence-based psychedelic-assisted therapies. The Numinus model - including psychedelic production, research and clinic care - is at the forefront of a transformation aimed at healing rather than managing symptoms for depression, anxiety, trauma, pain and substance use. At Numinus, we are leading the integration of psychedelic-assisted therapies into mainstream clinical practice and building the foundation for a healthier society.

Learn more at www.numinus.com and follow us on [LinkedIn](#), [Facebook](#), [Twitter](#), and [Instagram](#).

About Novamind

Novamind is a leading mental health company enabling safe access to psychedelic medicine through a network of clinics and clinical research sites. Novamind provides ketamine-assisted psychotherapy and other novel treatments through its network of integrative mental health clinics and operates a full-service contract research organization specialized in clinical trials and evidence-based research for psychedelic medicine. For more information on how Novamind is enhancing mental wellness and guiding people through their entire healing journey, visit novamind.ca.

Forward-Looking Statements

This news release includes certain "forward-looking information" and "forward-looking statements" (collectively "forward-looking statements") within the meaning of applicable Canadian securities legislation, including statements regarding the plans, intentions, beliefs and current expectations of the Company with respect to future business activities and operating performance. All statements in this news release that address events or developments that the Company expects to occur in the future are forward-looking statements. Forward-looking statements are statements that are not historical facts and are often identified by words such as "expect", "plan", "anticipate", "project", "target", "potential", "schedule", "forecast", "budget", "estimate", "intend" or "believe" and similar expressions or their negative connotations, or that events or conditions "will", "would", "may", "could", "should" or "might" occur, and include information regarding: (i) expectations regarding whether the proposed Transaction will be

securityholder meeting of the Company and the mailing of the information circular in respect of the meeting; (iii) expectations regarding the potential benefits of the Transaction and the ability of the combined company to successfully achieve business objectives; and (iv) expectations for other economic, business, and/or competitive factors.

Forward-looking statements necessarily involve assumptions, risks and uncertainties, certain of which are beyond the Company's control. These forward-looking statements are qualified in their entirety by cautionary statements and risk factor disclosure contained in filings made by the Company with the Canadian securities regulators, including the Company's financial statements and related MD&A for the financial year ended August 31, 2021 and its interim financial statements and related MD&A for the three months ended November 30, 2021, all filed with the securities regulatory authorities in all provinces and territories of Canada, except Québec, and available under the Company's profile at www.sedar.com. The risk factors are not exhaustive of the factors that may affect the Company's forward-looking statements. The Company's forward-looking statements are based on the applicable assumptions and factors management considers reasonable as of the date hereof, based on the information available to management of the Company at such time. The Company does not assume any obligation to update forward-looking statements if circumstances or management's beliefs, expectations or opinions should change other than as required by applicable securities laws. There can be no assurance that forward-looking statements will prove to be accurate, and actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements. Accordingly, undue reliance should not be placed on forward-looking statements.

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