

Novamind Reports FY2021 Financial Results and Operating Highlights

- *Industry-leading revenue, \$6,069,247 in FY2021*
- *Total working capital of \$9,680,431 to fund operations*
- *Expanded network to six clinics and three clinical research sites*
- *Contracted for eight clinical trials*
- *Granted DEA Schedule 1 licenses for psilocybin research*

TORONTO, ON / ACCESSWIRE / November 5, 2021 / [Novamind Inc.](#) (CSE: NM | OTCQB: NV MDF | FSE: HN2) (“Novamind” or the “Company”), a leading mental health company specialized in psychedelic medicine, reported its audited financial results for the twelve months ended June 30, 2021 (“FY2021”). All results are reported under International Financial Reporting Standards (“IFRS”) and in Canadian dollars, unless otherwise specified.

Yaron Conforti, CEO and Director, commented: “Novamind had strong financial and operating performance in its first year as a public company. Our unique business model serving both patients and drug developers is growing significantly, reflected by an expanded clinic network, new clinical programs and research partnerships, and strong additions to our staff and leadership. I want to thank our patients, employees, partners and investors, and look forward to rapidly expanding our model to meet demand for psychedelic medicine and other innovative mental health treatments.”

Today the Company filed its financial statements later than anticipated due to unforeseen delays with its audit. The Company has since resolved the situation, and going forward, will take the required corrective measures.

FY2021 Operating Results and Subsequent Events

Clinic Division

- Strengthened Novamind’s clinic network with the addition of two clinics; all six locations offer a variety of innovative mental health services, individualized treatment plans and speciality programming for treatment-resistant illnesses
- Updated guidance for opening new clinics, adjusting for construction and supply chain disruptions caused by the COVID-19 pandemic:
 - Clinic #7, Salt Lake City, Utah, to open in December 2021
 - Clinic #8, Park City, Utah, to open in early 2022
- Opened a dedicated client call center to centralize clinic administration services and maintain excellent client services while rapidly growing the Company’s network of clinics

Clinical Research Division

- Expanded clinical research network to three total sites featuring specialized staff and infrastructure to support the unique needs of psychedelic clinical trials
- Granted DEA Schedule 1 licenses for psilocybin research, a key prerequisite for hosting clinical trials studying psilocybin-assisted psychotherapy
- Contracted for eight clinical trials including:

- Merck’s phase II clinical trial of MK-1942 for treatment-resistant depression
- Karuna’s phase III clinical trial of KarXT for schizophrenia
- Bionomics’ phase II clinical trial of BNC210 for post-traumatic stress disorder

Psychedelic Therapy and Programs

- Launched Frontline Ketamine-Assisted Psychotherapy (Frontline KAP) pilot program to address the widespread COVID-19-related stress and trauma faced by healthcare workers
- Launched Psychedelic Palliative Care by Novamind, a specialty program to research and scale access to mental healthcare for patients with chronic and serious illness

Strategic Investments

- Invested US\$1,000,000 in Alto Neuroscience, which is developing a pipeline of precision psychiatry medicines using its proprietary AI-based brain biomarker platform
- Invested AU\$965,400 in Bionomics, a biopharmaceutical company focused on central nervous system disorders, alongside investors including Apeiron Investments, Biotech Value Fund, Merck, Mike Novogratz, and Peter Thiel
- Realized +60% return divesting holdings in the Synthesis Institute, a psychedelic retreat company based in the Netherlands, to focus on Novamind’s U.S. network of clinics and clinical research sites

Capital Markets Activities

- Listed for trading on the Canadian Securities Exchange (CSE) on January 5, 2021
- Uplisted to the OTCQB Venture Market, a U.S. trading platform and received Depository Trust Company (DTC) eligibility
- Closed an oversubscribed private placement, raising gross proceeds of \$10,000,000
- Included in the AdvisorShares Psychedelics ETF trading on the NYSE

FY2021 Financial Highlights

- Total revenue of \$6,069,247, including revenue from four clinics
 - Clinic #5, Draper, Utah, opened on July 29, 2021
 - Clinic #6, Murray, Utah, opened on September 30, 2021
- Debt-free balance sheet with \$5,426,286 in cash and \$2,975,329 in marketable securities
 - On August 11, 2021, the Company completed the sale of its investment in the Synthesis Institute realizing gross proceeds of approximately \$1,760,000
- Total working capital of \$9,680,431 to fund operations

The following table presents selected financial information from Novamind’s audited financial statements for the twelve months ended June 30, 2021. The following information should be read in conjunction with the financial statements and management’s discussion and analysis, which are available under Novamind’s SEDAR profile at www.sedar.com.

	Year ended June 30, 2021 (\$)	Period from May 22, 2019 (Date of incorporation) to June 30, 2020 (\$)
Revenue	6,069,247	-
Cost of services	2,343,293	-
Gross margin	3,725,954	-
Operating expenses	12,086,846	1,400,475
Other income (Expense)		
RTO transaction cost	(1,379,144)	-
Foreign exchange	97,178	31,629
Unrealized (gain) loss of marketable securities and convertible debentures	1,482,088	(8,285)
Loss on conversion of convertible debenture	(24,569)	-
Gain on disposition of marketable securities	739,758	-
Interest income	124,826	47,637
Loss before income taxes	(7,320,755)	(1,329,494)
Deferred income tax recovery	(67,000)	-
Foreign currency translation differences	(193,971)	-
Net loss and comprehensive loss for the period	(7,447,726)	(1,329,494)
Basic and diluted net loss per share	(0.20)	(0.12)

	As at June 30, 2021	As at June 30, 2020
Cash	5,426,286	2,845,018
Total current assets	11,002,449	3,063,646
Total non-current assets	6,148,819	1,236,913
Total assets	17,151,268	4,300,559
Total current liabilities	1,322,018	444,447
Total non-current liabilities	3,568,668	-
Total liabilities	4,890,686	444,447

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 Cedar Psychiatry clinics and operates Cedar Clinical Research, a contract research organization specialized in clinical trials and evidence-based research for psychedelic medicine. Both Cedar Psychiatry and Cedar Clinical Research are wholly owned subsidiaries of Novamind. For more information on how Novamind is enhancing mental wellness and guiding people through their entire healing journey, visit novamind.ca.

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Forward-Looking Statements

This news release contains forward-looking statements. All statements other than statements of historical fact included in this release are forward-looking statements that involve risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Company's expectations including the risks detailed from time to time in the Company's public disclosure. The reader is cautioned not to place undue reliance on any forward-looking information. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement. The forward-looking statements contained in this news release are made as of the date of this news release and the Company will update or revise publicly any of the included forward-looking statements as expressly required by applicable laws.