



NUTRITIONAL HIGH ADVANCES PSYCHEDELICS BUSINESS UNIT: CORPORATE UPDATE

Toronto, Ontario –February 10, 2021 – Nutritional High International Inc. ("**Nutritional High**" or the "**Company**") (CSE: **EAT**) is pleased to provide an update on its psychedelics business unit. In August 2020 Nutritional High acquired 100% interest in Kruzo LLC through its wholly owned subsidiary Psychedelic Science Corp. ("**PSC**"). Alongside completing a number of corporate initiatives and pursuing acquisitions of OutCo Labs Inc. and Palo Verde LLC, the Company has also been advancing its strategy to capitalize on the opportunities in the psychedelics market.

The following is an update of current research and development initiatives including the recent engagement of a contract research organization as well as an update of the go-to-market strategy.

Research and Development Update

PSC's research team has been gathering information (including past studies, as well as anecdotal evidence) regarding the use of cacti for treatment of various ailments, the dosage for consumption and various strains that have been used in the past. The team has identified the following *genera* of cacti that are going to be of focus in PSC's ongoing research and development efforts:

- *Lophophora Genus* – includes *Lophophora williamsii* (also known as Peyote – with principal content of mescaline of 7%) and *Lophophora diffusa* (contains zero to trace amounts of mescaline; pellotine, whose psychoactive effects are comparatively minimal, is the principal alkaloid).
- *Echinopsis/Trichocereu pachanol* – (also known as San Pedro cactus) has been used in South American traditional medicine dating over two thousand years. The plant is fast growing and can have mescaline content up to 4.7% of dry cactus weight.
- *Echinopsis/Trichocereus peruvianus* – (also known as Peruvian Torch cactus is also a columnar species cactus that contains lower mescaline concentrations potentially 20 times less than *Echinopsis pachanoi*.
- *Echinopsis/Trichocereus lageniormis* – (also known as the Bolivian torch cactus) is a fast-growing columnar cactus from the high deserts of Bolivia. The plant contains a number of psychoactive alkaloids, in particular the well-studied chemical mescaline typically at levels lower than *Echinopsis pachanoi*.

In furtherance of its research and development initiatives, the Company is pleased to announce that PSC has entered into research services agreement with KGK Science Inc. ("**KGK**"). Pursuant to the agreement, KGK will provide PSC with research and development services in relation to mescaline and various types of cacti that contain psychoactive phenethylamine alkaloids. The services provided under the RSA will focus on three initial stages as follows:

- Stage 1: USA and Canada Path-to-Market – assessment of the permissible regulatory route to market and assessment of the safety requirements for that route;
- Stage 2: Gap Analysis – undertaking studies required to bridge the gap between what information is publicly available and what is needed to meet regulatory requirements. The studies include identity/chemical analyses, safety/toxicological studies and other specific requirements for Health Canada and United States Food and Drug Administration;
- Stage 3: Toxicological Assessment – determining all of the major active ingredients in peyote and other psychedelic cacti, historical use, safety margin assessment, literature review of past pre-clinical and clinical studies, and potential interaction with pharmaceutical products.

Under the agreement, KGK with a focus on Canada and United States, while the Company's partnership with Rangsit University will focus on PSC's research and development efforts in Asia (please see the Company's press releases dated June 24, 2020 and September 29, 2020).

Go-To-Market Strategy

Given the legal status of mescaline, peyote cactus and other psychedelic cacti, market direction will be dictated by the products that are permitted by applicable regulation in the jurisdictions where such products will be sold. PSC intends to determine the permissible path to market based on the research and development efforts of KGK, and the associated capital requirements.

Initially, PSC expects to pursue the nutraceutical market through the development of premium products based on the whole plant extract to compete in the emerging functional food market. These products will be based on the Peyote and San Pedro cacti focused on jurisdictions where regulations permit the manufacture and sale into the natural health product or dietary supplement markets. Establishing products in this area of legal 'microdosing' will provide PSC with an accelerated path to market.

In some instances, psychedelic cacti are exempt from regulation pursuant to federal, state and provincial regulations for use in First Nations and Native American jurisdictions. PSC will also investigate manufacturing products for use in First Nations and Native American jurisdictions where permitted by applicable rules and regulations.

As a longer-term strategy, PSC will seek partnership opportunities in the pharmaceutical market to identify and develop compounds with known activity and/or safety profiles from psychedelic cacti. This pharmaceutical path will focus on securing approval of US Food and Drug Administration for the treatment of diseases with high unmet medical needs through filing of Investigational New Drug and/or New Drug Applications. PSC will also take steps to file patent applications on processes and compounds to protect its future market share.

John Durfy, CEO of Nutritional High, commented – "We are very pleased with the advances of our science team in developing the path forward for Psychedelic Science Corp. The addition of KGK Science as a strategic consultant is sure to further advance our efforts and help our research and development take shape. Mescaline is widely known, with a history of use dating back to 3600s BC, but in modern times is one of the less pursued phenethylamines, mainly due to the regulatory complexity."

Mr. Durfy continued: "We are pleased to report PSC's advances achieved during a busy time for the Company as we completed our debt restructuring and proceed with our critical acquisitions of Outco and Palo Verde. We see the recent development in the psychedelics space as an opportunity to employ our regulatory and product development experience gained in the cannabis space to further create value for shareholders, while maintaining our primary focus on the US cannabis space."

About Nutritional High International Inc.

Nutritional High is focused on developing and manufacturing branded products in the cannabis industry, with a specific focus on edibles and oil extracts for medical and adult recreational use. The Company works exclusively in jurisdictions where such activity is permitted and regulated by state law. Nutritional High has brought its flagship FLI™ edibles and vape product lines from production to market in various markets including Colorado where its award winning FLI™ products are manufactured by Palo Verde, LLC. The Company signed a purchase agreement for Palo Verde and on January 28, 2021, received conditional regulatory approval to close the acquisition.

The Company also owns Psychedelic Science which is working with KGK Science Inc. and Rangsit University in Thailand to conduct research and development of various cacti products targeted at the functional food pharmaceutical markets.

For updates on the Company's activities and highlights of the Company's press releases and other media coverage, please follow Nutritional High on [Facebook](#), [Twitter](#) and [Instagram](#) or visit www.nutritionalhigh.com.

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This news release may contain forward-looking statements and information based on current expectations. These statements include statements regarding: the development of products by PSC; the completion of the acquisition of Palo Verde LLC; the completion of the acquisition of OutCo; and the potential for additional synergistic acquisitions. These statements should not be read as guarantees of future performance or results. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by such statements. This forward-looking information reflects the Company's current beliefs and is based on information currently available to the Company and on assumptions the Company believes are reasonable. These assumptions include, but are not limited to: the ability of the Company to successfully satisfy the conditions to closing the acquisitions of Palo Verde and OutCo., the ability of the Company to successfully execute its business plans; legal changes relating to the cannabis industry proceeding as anticipated; and the Company's continued response and ability to navigate the COVID-19 pandemic being consistent with, or better than, its ability and response to date.

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A description of additional risk factors that may cause actual results to differ materially from forward-looking information can be found in the Company's disclosure documents on the SEDAR website at www.sedar.com. 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. Accordingly, readers should not place undue reliance on forward-looking information. Readers are cautioned that the foregoing list of factors is not exhaustive. Readers are further cautioned not to place undue reliance on forward-looking information as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated.

Forward-looking information contained in this press release is expressly qualified by this cautionary statement. The forward-looking information contained in this press release represents the expectations of the Company as of the date of this press release and, accordingly, are subject to change after such date. However, the Company expressly disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as expressly required by applicable securities law.