NEWS RELEASE

FSD Pharma to Acquire Prismic Pharmaceuticals

This transaction positions FSD to help contribute to addressing the opioid crisis through use of synthetic cannabinoids

Toronto, April 23, 2019 – FSD Pharma Inc. (CSE: HUGE) (OTCQB: FSDDF) (FRA: 0K9) ("FSD Pharma" or the "Company") and Prismic Pharmaceuticals Inc. ("Prismic"), a US-based specialty R&D pharmaceutical company, announced today that they have entered into a securities exchange agreement dated April 22, 2019 (the "Agreement") pursuant to which FSD Pharma has agreed to acquire all of the outstanding securities of Prismic (the "Transaction"). Prismic is developing novel non-addictive prescription drugs with unique safety profiles with the goal of addressing the opioid crisis based on formulations utilizing micro-palmitoylethanolamide's ("PEA") "entourage" effect on certain drugs impacting the endocannabinoid system.

Pursuant to the terms of the Agreement, FSD Pharma will acquire all outstanding common and preferred shares of Prismic for an aggregate purchase price of US$17.5 million (CAD$23.4 million based on an exchange rate of US$1 to CAD$1.3349), to be satisfied by the issuance of an aggregate of 102.7 million Class B subordinate voting shares in the capital of FSD Pharma (each, an "FSD Share") at a deemed price of CAD$0.2275 (US$0.1704) per FSD Share representing the volume weighted average price of the FSD Shares on the Canadian Securities Exchange (the "CSE") for the ten trading days prior to the execution of the Agreement. In addition, FSD Pharma has agreed to assume up to US$4.0 million of outstanding Prismic liabilities on terms to be mutually agreed by the two companies, some of which may, potentially, be settled by the issuance of additional FSD Shares. Additionally, all of the outstanding Prismic stock options and warrants will become exercisable into FSD Shares, with the number and exercise price of such securities to be adjusted in accordance with the Transaction's exchange ratio.

The FSD Shares to be issued to the Prismic shareholders will be deposited into escrow at the closing of the Transaction, and be subject to an 18-month staggered time escrow release.

"This transaction symbolizes FSD Pharma's vision of acquiring a platform company to advance research and development of FDA-approved applications of synthetic cannabinoids and other synergistic molecules," said FSD Pharma Executive Co-Chairman & CEO, Dr. Raza Bokhari. "Led by Peter Moriarty, one of the founders of Shire Pharmaceuticals, Prismic's management team has built a solid foundation for a specialty pharmaceutical company, and we look forward to providing them with milestone-based support in order to advance proprietary drug candidates

through the various development stages. This is a very exciting day for FSD Pharma that we believe represents a paradigm shift in the development and outlook of our company."

Peter Moriarty, Co-Founder and Chairman of the Board of Directors of Prismic, commented, "We are excited to be entering into a new phase of growth with FSD Pharma. We believe our combined resources and highly competent leadership teams will position us to execute on our clinical development programs and on delivering highly effective products that safely address pain, inflammation and neurological disorders with high unmet clinical needs."

Prismic has exclusive worldwide licensing rights (except for Italy and Spain) to a patent-protected form of palmitoylethanolamide (micro-PEA with particle sizes of 0.6 – 10 microns), on which Prismic's development platform is based and from which Prismic's lead prescription drug candidate, PP-101, has been formulated. Such formulations take advantage of micro-PEA "synergistic" or "entourage" effect on certain drugs impacting the endocannabinoid system. This means that lower doses of those drugs may be administered together with micro-PEA to achieve the desired therapeutic effect. This includes the potential combination or concomitant use of micro-PEA formulations with drugs such as THC, CBD, certain anticonvulsants, and opioids where studies have indicated opioid-sparing and tolerance delaying properties of micro-PEA may impact the development of dependence in patients. Prismic's first prescription drug candidate, PP-101, a 600 mg tablet of micro-PEA, is anticipated to commence a Phase 2/3 accelerated clinical development program in early 2020 as a concomitant medication to be administered with pregabalin (Pfizer's Lyrica®) for the treatment of fibromyalgia.

Completion of the Transaction is subject to various closing conditions, including: the approval of the CSE, the approval of the boards of directors of FSD Pharma and Prismic, the approval of the security holders of Prismic, and completion of due diligence by the parties.

About FSD Pharma

FSD Pharma is focused on the development of the highest quality indoor grown, pharmaceutical grade cannabis and on the research and development of novel cannabinoid-based treatments for several central nervous system disorders, including chronic pain, fibromyalgia and irritable bowel syndrome. The Company has 25,000 square feet available for production at its Ontario facility.

FSD Pharma's facilities sit on 70 acres of land with 40 acres primed for development and an expansion capability of up to 3,896,000 square feet.

FSD Pharma's wholly-owned subsidiary, FV Pharma, is a licensed producer under the Cannabis Act and Regulations, having received its cultivation license on October 13, 2017. FV Pharma's vision is to transform its current headquarters in a Kraft plant in Cobourg, Ontario into the largest hydroponic indoor grow facility in the world. FV Pharma intends to cover all aspects of this exciting new industry, including cultivation, legal, processing, manufacturing, extracts and research and development.

About Prismic Pharmaceuticals

Prismic is a US-based specialty pharmaceutical company dedicated to addressing the opioid crisis by developing novel non-addictive prescription drugs for the treatment of pain, inflammation, and neurological disorders, based on formulations utilizing the company's micro-PEA development platform (palmitoylethanolamide with particle sizes of 0.6 – 10 microns). Such

formulations take advantage of micro-PEA's "synergistic" or "entourage" effect on certain drugs impacting the endocannabinoid system. This means that lower doses of those drugs may be administered together with micro-PEA to achieve the desired therapeutic effect. This includes the potential combination or concomitant use of micro-PEA formulations with drugs such as THC, CBD, certain anticonvulsants, and opioids where studies have indicated opioid-sparing and tolerance delaying properties of micro-PEA may impact the development of dependence in patients. Prismic's first prescription drug candidate, PP-101, a 600 mg tablet of micro-PEA, is anticipated to commence a Phase 2/3 accelerated clinical development program in early 2020 as a concomitant medication to be administered with pregabalin (Pfizer's Lyrica®) for the treatment of fibromyalgia.

Prismic was founded by three healthcare industry veterans, Zachary Dutton, Danilo Casadei Massari, and Peter Moriarty who was also one of the founders of Shire Pharmaceuticals.

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Forward-Looking Information

This news release contains certain "forward-looking statements" or "forward-looking information" (collectively "forward looking statements") within the meaning of applicable Canadian securities laws. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release. Forward-looking statements can frequently be identified by words such as "plans", "continues", "expects", "projects", "intends", "believes", "anticipates", "estimates", "may", "will", "potential", "proposed" and other similar words, or information that certain events or conditions "may" or "will" occur. Forward-looking statements in this news release include, but are not limited to, statements: that the Transaction will represent a paradigm shift for the Company; that Prismic's drugs under development will have the capability of addressing the opioid crisis; that the combined resources and leadership teams of FSD Pharma and Prismic will be positioned to execute on clinical development programs and on delivering highly effective products that safely address pain, inflammation and neurological disorders with high unmet clinical needs; that lower doses of certain drugs may be administered together with micro-PEAs to achieve a desired therapeutic effect; regarding the expected timing of Prismic's Phase 2/3 accelerated clinical development program for Prismic's PP-101 drug candidate; and regarding the Transaction terms and the expected benefits to the Company and its shareholders as a result of the proposed acquisition of Prismic. Such statements are only projections, are based on assumptions known to management at this time, and are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the forward-looking statements, including: that Prismic's proposed drug formulations may not achieve FDA or other necessary regulatory approvals; that Prismic's micro-PEA formulations may not work as expected or at all; that the Transaction may not be approved by the CSE or the shareholders of Prismic; that the Transaction may not be completed on the terms expected or at all; that legislative changes may have an adverse effect on the business and product development of products of the Company and Prismic; that the Company may not be able to obtain adequate financing to pursue its business plan; general business, economic, competitive, political and social uncertainties; and other factors beyond the Company's control. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits the Company will obtain from them. Readers are cautioned not to place undue reliance on the forward-looking statements in this release, which are qualified in their entirety by these cautionary statements. The Company is under no obligation, and expressly disclaims any intention or obligation, to update or revise any forward-looking statements in this release, whether as a result of new information, future events or otherwise, except as expressly required by applicable securities laws. Statements in this release with respect to Prismic and its products have been provided by Prismic and, as at the date hereof, have not been independently verified by the Company.