



Mindset
Pharma Inc.

NEWS RELEASE

April 15, 2021

THIS NEWS RELEASE IS INTENDED FOR DISTRIBUTION IN CANADA ONLY AND IS NOT INTENDED FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES.

Mindset Pharma Announces Closing of \$7.5 Million Bought Deal Public Offering

Toronto, Ontario, April 15, 2021 – **Mindset Pharma Inc.** (CSE:MSET) (FSE:9DF) (OTCQB:MSSTF) ("**Mindset**" or the "**Company**") is pleased to announce that it has completed the previously announced "bought deal" public offering through the issuance of an aggregate of 10,000,000 units (each, a "**Unit**") of the Company at a price of \$0.75 per Unit (the "**Issue Price**") for aggregate gross proceeds to the Company of \$7,500,000 (the "**Offering**"). The Units were issued and sold pursuant to the terms of an underwriting agreement dated March 25, 2021, among the Company, Canaccord Genuity Corp. (the "**Lead Underwriter**"), as lead underwriter and sole bookrunner, along with Stifel Nicolaus Canada Inc. and Cormark Securities Inc. (collectively with the Lead Underwriter, the "**Underwriters**").

Each Unit consists of one common share of the Company (each, a "**Unit Share**") and one common share purchase warrant of the Company (each, a "**Warrant**"). Each Warrant will entitle the holder thereof to purchase one common share of the Company (each, a "**Warrant Share**") at an exercise price of \$1.10 per Warrant Share at any time until 5:00 p.m. (Toronto time) on the date that is 36 months following the closing date of the Offering (the "**Closing Date**"), subject to adjustment in certain events and subject to the terms of a warrant indenture (the "**Warrant Indenture**") dated April 15, 2021 between the Company and Computershare Investor Services Inc., as warrant agent.

In addition, the Company has applied to list the Warrants issued in connection with the Offering on the Canadian Securities Exchange ("**CSE**") under the symbol "MSET.WT". The Company anticipates that the Warrants will commence trading on the CSE at the open of market on or about Friday, April 17, 2021. The listing of the Warrants on the CSE remains subject to receipt of all necessary regulatory approvals, including the approval of the CSE.

The Company has granted the Underwriters an option (the "**Over-Allotment Option**") to purchase up to an additional 1,500,000 Units (the "**Over-Allotment Units**") at the Issue Price, to cover over-allotments, if any, and for market stabilization purposes. The Over-Allotment Option is exercisable at any time, in whole or in part, for a period of thirty (30) days after and including the Closing Date, which, if exercised in full, would result in additional gross proceeds of \$1,125,000 to the Company.

In respect of the Offering, the Units (including the Over-Allotment Units issuable upon exercise of the Over-Allotment Option, as applicable) were offered by way of a short form prospectus dated April 12, 2021 filed in all of the provinces of Canada, except Québec.

As consideration for their services to be provided in connection with the Offering, the Underwriters received a cash commission equal to 7.0% of the gross proceeds of the Offering and such number of broker warrants of the Company (the "**Underwriters' Warrants**") as is equal to 7.0% of the number of Units sold pursuant to the Offering. Each Underwriters' Warrant entitles the holder thereof to acquire one Unit at the Issue Price for a period of thirty-six (36) months from the Closing Date.

The net proceeds of the Offering will be used for the expansion of Mindset's current pipeline of proprietary compounds, further pre-clinical testing of its current compounds, advancement of Mindset's psilocybin synthesis process, formulation development chemistry and for general working capital purposes.

The securities offered have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from



Mindset
Pharma Inc.

the registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

FOR MORE INFORMATION, PLEASE CONTACT:

James Lanthier
Chief Executive Officer
jlanthier@mindsetpharma.com

Jason Atkinson
VP, Corporate Development
jatkinson@mindsetpharma.com
647-938-5266

About Mindset Pharma Inc.

Mindset Pharma Inc. is a drug discovery and development company focused on creating optimized and patentable next-generation psychedelic medicines to treat neurological and psychiatric disorders with unmet needs. Mindset was established to develop next generation pharmaceutical assets that leverage the breakthrough therapeutic potential of psychedelic drugs. Mindset is developing several novel families of next generation psychedelic compounds, as well as an innovative process to chemically synthesize psilocybin along with its own proprietary compounds. www.mindsetpharma.com

Forward-Looking Information

This news release contains statements and information that, to the extent that they are not historical fact, may constitute "forward-looking information" within the meaning of applicable securities legislation. Forward-looking information is typically, but not always, identified by the use of words such as "will", "intends", "scheduled", "to be" and "may be" and similar words, including negatives thereof, or other similar expressions concerning matters that are not historical facts. Forward-looking information in this news release includes, but is not limited to, statements regarding: the filing of the short form prospectus in each of the provinces of Canada (except Québec); the completion of the Offering, the intended use of the net proceeds therefrom, and the anticipated closing date thereof; that the Units may be offered in jurisdictions outside of Canada. Such forward-looking information is based on various assumptions and factors that may prove to be incorrect, including, but not limited to, factors and assumptions with respect to: the receipt of all necessary regulatory and other approvals or consents; the ability of the Company to successfully implement its strategic plans and initiatives and whether such strategic plans and initiatives will yield the expected benefits; approvals and authorizations from regulatory authorities, and the timing thereof. Although the Company believes that the assumptions and factors on which such forward-looking information is based are reasonable, undue reliance should not be placed on the forward-looking information because the Company can give no assurance that it will prove to be correct or that any of the events anticipated by such forward-looking information will transpire or occur, or if any of them do so, what benefits the Company will derive there from. Actual results could differ materially from those currently anticipated due to a number of factors and risks including, but not limited to: conditions in the psychedelic pharmaceutical industry; fluctuations in market conditions, including in securities markets; economic factors; the ability of management to execute its business strategy, objectives and plans; and the impact of general economic conditions and the COVID-19 pandemic in Canada. Additional information regarding risks and uncertainties relating to the Company's business are contained under the heading "Risk Factors" in the Company's annual information form for the financial year ended June 30, 2020 dated March 5, 2021. The forward-looking information included in this news release is made as of the date of this news release and the Company does not undertake an obligation to publicly update such forward-looking information to reflect new information, subsequent events or otherwise, except as required by applicable law.



Mindset
Pharma Inc.

NEITHER THE CANADIAN SECURITIES EXCHANGE NOR ITS REGULATIONS SERVICES PROVIDER HAVE REVIEWED OR ACCEPT RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.