

## Mindset Pharma CEO, James Lanthier Issues Letter to Shareholders

TORONTO, November 30, 2022 — [Mindset Pharma Inc.](#) (CSE: MSET) (FSE: 9DF) (OTCQB: MSSTF) (“Mindset” or the “Company”) today issued a letter to shareholders from James Lanthier, Chief Executive Officer of Mindset.

Dear Fellow Shareholders:

As we approach the end of 2022, I would like to take a moment to remind both shareholders and the broader investment community of Mindset’s recent accomplishments since our last update and express our excitement for 2023 and beyond.

Mindset is focused on a singular goal – to bring best-in-class optimized psychedelic medications to patients in need. It’s worth reiterating why we believe this goal is important and achievable. Well known classical psychedelic drugs, as numerous clinical studies demonstrate, appear to have significant potential to assist patients suffering from neuropsychiatric disorders with unmet need. These same drugs, however, have not been fully optimized for therapeutic use by large patient groups. Novel psychedelic drugs with improved duration, efficacy and safety characteristics may better meet the needs of a broader segment of neuropsychiatric patient populations. Additionally, because of both their superiority and novelty, we believe that new drugs will be more attractive to the pharmaceutical industry, whose support is essential for developing these new drugs into an accessible and regulated psychedelic medication market segment.

At Mindset, we believe that we can help realize this goal by scientifically and methodically applying the tools of contemporary drug discovery – medicinal chemistry and behavioural pharmacology – to develop the next-generation of psychedelic drug candidates to better serve patients in need. This year we have made significant progress in advancing our rich pipeline of new drug programs to the clinical stage, expanded the frontiers of psychedelic drug discovery with development of new chemical classes, formed industry leading partnerships, and continued to expand and enhance our scientific innovations and intellectual property portfolio.

All of our hard work has set the stage for Mindset to launch one or more of our novel drug candidates to first in-human clinical trials in 2023.

### Multiple Programs Moving to a Clinical Stage

#### *Expedited Clinical Pathway for MSP-1014*

MSP-1014 is a novel and patent pending rapidly metabolized prodrug of psilocin, the active metabolite of psilocybin, and is likely to exert similar efficacy to psilocybin in improving symptoms of depression in difficult to treat patient populations. In extensive preclinical studies comparing MSP-1014 to psilocybin, MSP-1014 attenuated the reduction of locomotor activity and body temperature seen with psilocybin, suggesting that the tolerability of MSP-1014 may be superior to psilocybin. Moreover, these improvements were evident in conjunction with increased effect in assays evaluating cardinal signs of 5-HT2A target engagement.

In September, Mindset received positive Scientific Advice from the UK Medicines and Healthcare products Regulatory Agency (“MHRA”) on a range of points to finalize its first-in-human clinical trial plan evaluating its lead psychedelic drug candidate MSP-1014 for the treatment of Major Depressive Disorder (MDD). This guidance will enable Mindset to significantly reduce the time and expense to progress to human clinical trials, bypassing additional preclinical safety studies usually necessary for this clinical transition, and allowing Mindset to proceed directly to treating patients. This first-in-human testing will allow Mindset to collect a valuable and wider range of human phase 1b / 2a clinical data in patients.

#### *Lead Selection from Family 2: MSP-2020*

Mindset’s “Family 2” of novel drug candidates are characterized by a stronger effect size compared to psilocybin and the preclinical data collectively suggest a shorter effect duration than psilocybin. After extensive preclinical screening studies, a lead drug candidate, MSP-2020, and a back-up drug candidate, MSP-2003, were selected from Mindset’s Family 2 program in October and advanced to IND-enabling studies with a leading global Contract Research Organization (“CRO”), representing a significant milestone in Family 2’s development program for the Company and its shareholders.

In side-by-side comparisons to psilocybin and psilocin, the two lead drug candidates elicit in vitro and behavioral responses consistent with a stronger and shorter acting psychedelic effect than psilocybin and a significantly reduced half-life. The two drug candidates are CNS penetrant and exhibit high oral bioavailability in different species. They are being developed as optimized next-generation psychedelic drug candidates for the treatment of mental health disorders in collaboration with the McQuade Center for Strategic Research and Development, LLC (“MSRD”), a member of the Otsuka family of pharmaceutical companies.

#### **Leading Industry Partnerships**

Mindset has an unmatched track record of strategically partnering with organizations that can help us advance and commercialize our innovations. Adding to our existing partnership with Otsuka’s MSRD, in September, Mindset announced an exclusive licensing agreement with Cybin Inc. (“Cybin”) whereby Cybin acquired intellectual property rights to a small subset of Mindset’s preclinical compounds related to our Family 1 portfolio, excluding MSP-1014 and related compounds. The Agreement includes an initial payment by Cybin to Mindset of US \$500,000 along with clinical development milestone payments which could total up to US \$9.5 million upon successful completion of agreed milestones, including the approval and commercialization of the first drug candidate, as well as a sales royalty of approximately 2% for all commercialized licensed products within the scope of the exclusive agreement.

Complementing its new drug programs, Mindset has also developed a patent pending novel cost-effective manufacturing process to synthesize psilocybin. Mindset recently completed a large batch of cGMP (i.e. pharmaceutical grade) psilocybin with a leading international CDMO. In November, Mindset entered into an exclusive sales agreement with PharmAla Biotech Holdings Inc. (“PharmAla”), a biotechnology company focused on the research, development, and manufacturing of MDXX class molecules, including MDMA, to resell Mindset’s cGMP psilocybin to appropriately licensed clinical researchers. PharmAla has a proven track record and sales infrastructure for selling pharmaceutical grade psychedelic compounds to the medical psychedelic research community.

#### **Expanding New Drug Pipeline Portfolio**

Mindset continues to apply insights from its drug discovery efforts to break new ground. Mindset's state-of-the-art drug discovery approach has enabled the identification of three additional families of highly novel, non-tryptamine, next-generation psychedelic and non-psychedelic compounds with distinct pharmacological profiles. We have intentionally expanded our discovery efforts beyond tryptamines (Psilocybin, DMT etc.) and into new, innovative distinct chemical structures. These non-tryptamine drug classes are classified as Families 6, 7, and 8 and these families are showing promising preliminary results, thus far. Over the past few years, we have developed a rich pipeline of both tryptamine and non-tryptamine drug classes, and we are extremely excited to continue our research and innovation in our search for breakthrough drug candidates.

### **Growing Intellectual Property ("IP") Portfolio**

Ensuring a strong IP position is essential to our business strategy, and we seek to continually strengthen and build on our portfolio. Presently, Mindset's IP portfolio encompasses 15 patents and patent applications. In September, Mindset filed an additional 16 different national applications, covering major far-east and north American markets, for the protection of our Family 1 and Family 2 novel, next-generation psychedelics with differentiated characteristics, including our clinical candidate, MSP-1014 and its back-up MSP-1009.

Our recent achievements position Mindset for an even more exciting 2023 as we continue to make tremendous progress towards our ultimate goal of getting optimized drugs to patients. On behalf of the Mindset management team and Board of Directors, I sincerely thank you for your continued support of the company and I look forward to providing you with further updates as our progress continues.

Sincerely,

James Lanthier  
CEO of Mindset Pharma

To watch a video of Mindset's CEO and CSO discussing the announcement in greater detail, please visit: <https://www.youtube.com/watch?v=diR855Q7aT8>

### **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 in order 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 psilocybins in addition to its own proprietary compounds. The company has a co-development agreement with the McQuade Center for Strategic Research and Development, a member of the Otsuka Pharmaceuticals family of companies, for its short-duration compounds, Mindset Families 2 & 4.

For further information on Mindset, please visit our website at [www.mindsetpharma.com](http://www.mindsetpharma.com).

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**Forward-Looking Information**

This news release contains certain “forward-looking information” within the meaning of applicable securities law. Forward looking information is frequently characterized by words such as “plan”, “expect”, “project”, “intend”, “believe”, “anticipate”, “estimate”, “may”, “will”, “would”, “potential”, “proposed” and other similar words, or statements that certain events or conditions “may” or “will” occur. These statements are only predictions. Forward-looking information is based on the opinions and estimates of management at the date the information is provided and is subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information. 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.

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