**Wesana Announces Second Quarter 2022 Financial Results**

CHICAGO and TORONTO, August 29th, 2022 -- **Wesana Health Holdings Inc.** **(“Wesana” or the “Company”) (CSE: WESA; OTCQB: WSNAF),**a data-driven life sciences company focused on developing the novel therapies of tomorrow and delivering new care paradigms today, has today announced its second quarter 2022 financial results.

**H1 2022 Highlights**

* Received positive feedback from pre-Investigational New Drug (“IND”) meeting with U.S. Food and Drug Administration (“FDA”) on SANA-013
* Expanded the lead indication for SANA-013 to Major Depressive Disorder and exploring other complementary orphan indications
* Accelerating the clinical development of SANA-013 by intiating a Phase 1b/2a study in H1 2023, subject to the availability of capital
* Conducted pre-clinical studies supporting that psilocybin potentiates the impact of an anti-depressant
* Generated data from animal study in support of a novel depression treatment protocol combining psilocybin and cannabidiol
* Launched strategic review of Care Delivery Assets, including Wesana Clinics, Psytech Connect and Wesana Solutions
* Successfully reduced annual operating expenses by over $2.1M

**Select Consolidated Financial Information**

The following table sets forth selected financial information derived from the Company’s unaudited interim combined and consolidated financial statements and notes thereto for the three-months ended June 30, 2022. The following information should be read in conjunction with the financial statements and the accompanying management’s discussion and analysis (“MD&A”), which are available on the Company’s website at www.wesanahealth.com and under the Company’s SEDAR profile at www.sedar.com.

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| --- | --- | --- | --- |
| **For the three months ended ($USD)** | **Jun 30, 2022** | **Dec 31, 2021** | **Change** |
| Cash Balance | 1,759,686 | 6,576,088  | (4,816,402) |
| Total Assets | 5,144,745 | 9,741,602 | (4,596,857) |
| Total Equity | 2,653,269 | 7,714,585  | (5,061,316) |
| Weighted Average Shares Outstanding | 33,898,028 | 23,152,729 | 10,745,299 |
| Fully Diluted Shares Outstanding (as converted\*) | 43,774,491 | 41,387,743 | 2,386,748 |

**\*The number is presented assuming all of the Company’s outstanding Proportionate Subordinate Voting Shares and Super Voting Shares as at June 30, 2022 are converted into Subordinate Voting Shares in accordance with their terms and all of the Company’s other outstanding convertible, exchangeable and exercisable securities as at June 30, 2022 are converted, exchanged or exercised in accordance with their terms.**

**Message to Shareholders**

Wesana is continuing to make advancements with its strategy of streamlining operations to focus on areas that will contribute most to shareholder value. Despite a challenging macro environment for biotech companies we have made some significant advancements in our clinical program for SANA-013. Notably, the positive guidance received from the FDA prompted our team to expand our lead indication to Major Depressive Disorder, an indication that affects approximately 264 million people worldwide1.

We have reached major milestones in our preclinical program including positive findings from animal studies in support of our IND application. Additionally, we have completed a novel animal study demonstrating that psilocybin has the ability to potentiate the effects of anti-depressant medications. Based upon feedback from the regulators, we have made the strategic decision to accelerate our clinical program for SANA-013 and to launch a phase 1b/2a human study in H1 2023, subject to the availability of capital.

I am incredibly proud of our team and efforts to bring SANA-013 to a clinical stage asset where it is ready to be administered in a human population for clinical work. The initiation of phase 1b/2a study will be a pivotal point for SANA-013 as we collect data that can support our lead indication of Major Depressive Disorder in addition to potential future indications for SANA-013 that can benefit patients. We remain convinced that our novel protocol, if and once approved by the FDA, has the ability to change the lives of millions of people suffering from depression.

In connection with our increased focus on the drug development program, we have taken steps to optimize our operating structure through a strategic reorganization and a reduction in the workforce. The restructuring program has reduced layers of management, removed duplicative roles and outsourced certain roles to drive cost efficiencies. The overall restructuring program has reduced annual corporate expenses by approximately $2.1M, excluding severance charges and associated costs. While it has been a difficult decision to part ways with a significant portion of our workforce, we believe that our new operating structure allows Wesana to be a stronger, more durable and focused company.

Lastly, to complete our transition to a simpler operating structure, we have launched a strategic review of our Care Delivery assets, including Wesana Clinics, Wesana Solutions and Psytech Connect.

While we continue to believe in the long term value of these assets and have been pleased with their development and growth, our team remains of the opinion that a streamlined strategy focused on drug development will yield the highest returns on shareholder value in the long term. Additionally, we believe that any future capital deployments, including of the proceeds raised from any sale of the Care Delivery assets, will best be invested into SANA-013.

We are encouraged by the level of interest received in the Care Delivery assets and, while there is currently no certainty as to the completion of a transaction, look forward to the prospect of consummating a sale or other transaction to realize value in respect of such assets.

While the broader capital markets remain difficult for emerging companies, we are working diligently to maximize the value of our current assets to our shareholder base. We believe that combination of the right assets, the right operating structure and the right people provide a strong foundation for Wesana’s future as we look to commence the first phase of SANA-013. Underpinning our current positioning are the multitude of successes our team has achieved in 2021 and the first half of 2022 that we intend to leverage for growth in the future.

Daniel Carcillo

Chief Executive Officer, Wesana Health Holdings Inc.

1 World Health Organization, 2020

**About Wesana Health**

Wesana Health helps people transcend barriers in mental health and performance. We innovate in care development through our therapies and patent-pending protocols, and in care delivery through activating a new multidisciplinary, technology-supported clinical model. Learn more at [www.wesanahealth.com](https://www.globenewswire.com/Tracker?data=OVcFAyZYiGKu1B2jbO9prt1lA8nyNjoNgE5xQ6MQi5qkPRVbs-FFPCh-Cl96jXlwTCqWPt3AqQZqigZqjiBuydiBaxMJw1kTUj83rQfQT2aNM3SMTuN-o1ry81NxKM0TsscuilqmjasQHjTT7NMhD6xLM42KMIm7wW1kx0J4sJJ-qmeXwnHCLWJrt3e_gzguOwyv-OdvOElJXgcua5oFw6EYLeymb6vCNNp8m4-FSTe0aoppobMeIILZ0lEzA7L6tqJdRrpTPruMYPnSN_nE1Q==).

**Cautionary Note Regarding Forward-Looking Information**

This news release contains “forward-looking information” within the meaning of applicable securities laws with respect to the Company, including, but not limited to: the initiation of a Phase 1b/2a study in H1 2023 as part of a revised accelerated development pathway; exploration of MDD as the lead indication for SANA-013; information concerning timing for or completion of any divesture of or other transaction in respect the Care Delivery assets, if at all; achievement of any transaction in respect of the Care Delivery assets; and any other statement that may predict, forecast, indicate or imply future plans, intentions, levels of activity, results, financial position, operational or financial performance or achievements. Often, but not always, forward-looking information can be identified by the use of words such as “plans”, “expects”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, “will”, “projects”, or “believes” or variations (including negative variations) of such words and phrases, or statements that certain actions, events, results or conditions “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. Except for statements of historical fact, information contained herein constitutes forward-looking information. Forward-looking information is not a guarantee of future performance and is based upon a number of estimates and assumptions of management at the date the statements are made.

Certain assumptions that influence the successful initiation of a Phase 1b/2a study in H1 2023 as part of a revised accelerated development pathway include the Company’s capital will be sufficient for the accelerated study; and the readiness of the overall research and development plan, capital resources and internal procedures of the Company, warrant proceeding with the revised project objectives. There can be no assurance that any divestitures of any portions of or any other transaction in respect of the Care Delivery assets will be achieved, and the Company does not intend to comment further on the process unless and until its board of directors has determined that further disclosure is appropriate or required by law. Furthermore, there is no assurance that a transaction in respect of the Care Delivery assets will occur in a form that will be sufficient to serve the capital requirements of the Company or enable it to gain or keep any competitive advantage that it may have in the drug development business, if at all.

Although management believes that the anticipated future results, performance or achievements expressed or implied by the forward-looking statements are based upon reasonable assumptions and expectations, the reader should not place undue reliance on forward-looking statements because they involve assumptions, known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to differ materially from anticipated future results, performance or achievements expressed or implied by such forward-looking statements. Certain risk factors include but are not limited to there being no assurance as to the Company’s ability to continue as a going concern; there being no assurance that the strategic review of the Company’s Care Delivery assets will result in any viable alternatives or a definitive transaction; there being no assurance that the net proceeds of the recently completed private placement will be used as currently contemplated by the Company, the allocation and use of which is at the discretion of the Company, or that the Company will achieve the results from the use of such proceeds as currently targeted; the detrimental impact of future losses and negative cash flow from operations; requirements for additional capital; lack of product or service revenue; research and development of drugs targeting the central nervous system being particularly difficult; failure to comply with health and data protection laws and regulations; delays in pre-clinical and clinical testing resulting in delays in commercializing; inability to file investigational new drug applications or clinical trial applications to commence clinical trials in a timely manner; difficulty enrolling patients in clinical trials; competition from other biotechnology and pharmaceutical companies; violations of laws and regulations resulting in repercussions; psychedelic inspired drugs possibly never being approved as medicines; regulatory or political change; reliance on third parties to plan, conduct and monitor preclinical studies and clinical trials; requirements of commercial scale and quality manufactured drug supply; negative results from pre-clinical and clinical trials or studies of others; unfavourable publicity or consumer perception; not achieving publicly announced milestones; reliance on the capabilities and experience of key executives and scientists; disruptions due to acquisitions or collaborations; risk of product liability claims; COVID-19; litigation; conflicts of interest; limited operating history; general economic, market and business conditions and other risk factors including those found in the MD&A and the Company’s annual information form dated September 3, 2021 filed on the Company’s profile on SEDAR at [www.sedar.com](file:///C%3A%5CUsers%5CSethLevin%5CAppData%5CLocal%5CMicrosoft%5CWindows%5CINetCache%5CContent.Outlook%5CA6IU9N5K%5Cwww.sedar.com) and discussed in the Company’s other public filings available on SEDAR

Forward-looking information is provided and made as of the date of this news release and the Company does not undertake any obligation to revise or update any forward-looking information other than as required by applicable law.

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