

PSYCHED WELLNESS LTD.
For Immediate Release



PSYCHED WELLNES UPSIZES PREVIOUSLY ANNOUNCED BOUGHT DEAL OFFERING

**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.**

Toronto, Ontario, January 22, 2021 – **Psyched Wellness Ltd.** (CSE:PSYC, OTCQB:PSYCF, FRANKFURT:5U9) (the “**Company**” or “**Psyched**”) a life sciences company focused on the production and distribution of artisanal functional and psychedelic mushrooms, is pleased to announce that it has agreed to increase the size of its previously announced bought deal private placement led by Canaccord Genuity Corp. (the “**Lead Underwriter**”). The Lead Underwriter has agreed, on behalf of a syndicate of underwriters (collectively, the “**Underwriters**”), to purchase, on a bought deal private placement basis, an aggregate of 17,750,000 units of the Company (the “**Units**”) at a price of C\$0.31 per Unit (the “**Issue Price**”) for aggregate gross proceeds to the Company of C\$5,502,500 (the “**Offering**”).

Each Unit will consist of one common share of the Company (a “**Common Share**”) and one Common Share purchase warrant (a “**Warrant**”). Each Warrant will entitle the holder thereof to purchase one Common Share at an exercise price of C\$0.43 for a period of 36 months from the Closing Date, subject to a Warrant acceleration right exercisable by the Company if, at any time following the date that is four months and one day from the Closing Date, the daily volume weighted average trading price of the Common Shares on the Canadian Securities Exchange is greater than C\$0.70 for the preceding 5 consecutive trading days.

The Company has granted the Underwriters an option (the “**Over-Allotment Option**”) to purchase up to an additional 3,550,000 Units at the Issue Price, exercisable at any time, for a period of 30 days after and including the Closing Date, which would result in additional proceeds of C\$1,100,500.

The Underwriters are to be paid a commission payable in cash or Units equal to 7% of the gross proceeds of the Offering and to receive Unit purchase warrants of the Company (the “**Underwriters’ Warrants**”) equal to 7% of the number of Units sold under the Offering, with each Underwriters’ Warrant being exercisable to acquire one Unit at the Issue Price for a period of 36 months from the closing of the Offering.

The use of proceed will be to fully fund the pre-clinical trials of our Amanita Muscaria extract, AME-1 and to continue our scientific research of AME-1 and its potential benefits for people suffering from serious mental and physical health issues and for general corporate purposes.

The securities to be offered pursuant to the Offering have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the “**U.S. Securities Act**”) or any U.S. state securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, United States persons absent registration or any applicable exemption from the registration requirements of the U.S. Securities Act and applicable United States state securities laws. This news release shall not constitute an offer to sell or the solicitation of an offer to buy securities in the United States, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

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Neither the Canadian Securities Exchange nor its Regulation Services Provider have reviewed or accept responsibility for the adequacy or accuracy of this release.

About Psyched Wellness Ltd.:

Psyched Wellness Ltd. is a Canadian-based health supplements company dedicated to the distribution of mushroom-derived products and associated consumer packaged goods. The Company’s objective is to create premium mushroom-derived products that have the potential to become a leading North American brand in the emerging functional food category. The Company is in the process of developing a line of Amanita muscaria-derived water-based extracts, teas and capsules designed to help with three health objectives: promote stress relief, relaxation and assist with restful sleeping.

Cautionary Note Regarding Forward-looking Information

This press release contains “forward-looking information” within the meaning of applicable Canadian securities legislation. Forward-looking information includes, but is not limited to, statements with respect to the Offering and use of proceeds of the Offering. Generally, forward-looking information can be identified by the use of forward-looking terminology such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might” or “will be taken”, “occur” or “be achieved”. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company, as the case may be, to be materially different from those expressed or implied by such forward-looking information. 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. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. The

Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

NEITHER THE CANADIAN SECURITIES EXCHANGE NOR ITS REGULATION SERVICES PROVIDER HAS REVIEWED OR ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities of the Company will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act, and may not be offered or sold within the United States or to, or for the account or benefit of U.S. persons except in certain transactions exempt from the registration requirements of the U.S. Securities Act).