

FORM 9

NOTICE OF ISSUANCE OR PROPOSED ISSUANCE OF LISTED SECURITIES

(or securities convertible or exchangeable into listed securities¹)

Name of Listed Issuer:

Symbol(s):

Psyched Wellness Ltd. (the "Issuer").

PSYC

Date: April 24, 2024 Is this an updating or amending Notice: ☐ Yes ☒ No

If yes provide date(s) of prior Notices: **Not applicable.**

Issued and Outstanding Securities of Issuer Prior to Issuance: **236,277,550 common shares in the capital of the Issuer ("Common Shares") on a non-diluted basis.**

Pricing

Date of news release announcing proposed issuance: **April 19, 2024.**

Date of confidential request for price protection: **Not applicable.**

Closing Market Price on Day Preceding the news release: **\$0.045.**

Day preceding request for price protection: **Not applicable.**

Closing

Number of securities to be issued: **35,066,632 Advisory Warrants. See item Part 2.**

Issued and outstanding securities following issuance: **236,277,550 Common Shares on a non-diluted basis.**

Instructions:

1. For private placements (including debt settlement), complete tables 1A and 1B in Part 1 of this form.
2. Complete Table 1A – Summary for all purchasers, excluding those identified in Item 8.
3. Complete Table 1B – Related Persons only for Related Persons
4. If shares are being issued in connection with an acquisition (either as consideration or to raise funds for a cash acquisition) please proceed to Part 2 of this form.
5. An issuance of non-convertible debt does not have to be reported unless it is a significant transaction as defined in Policy 7, in which case it is to be reported on Form 10 – Notice of Proposed Transaction
6. Post the completed Form 9 to the CSE website in accordance with *Policy 6 – Distributions*. In addition, the completed form must be delivered to

listings@thecse.com with an appendix that includes the information in Table 1B for ALL placees.

Part 1. Private Placement – not applicable, please see part 2.

Part 2. Transaction

1. Provide details of the assets to be acquired by the Issuer (including the location of the assets, if applicable). The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the transaction without reference to any other material:

On April 19, 2024, the Issuer entered into a master services agreement (the “Master Services Agreement”) with Zerkalo, LLC, a New York partnership (“Zerkalo”), pursuant to which the Issuer engaged Zerkalo to develop product development, marketing, distribution and supply chain set up for a product derived from AME-1 (the “Product”), in accordance with the terms and conditions of the Master Services Agreement and accompanying statement of work (the “SOW” and together with the Master Services Agreement, the “Transaction Documents”) for a period of the greater of: (x) thirty months and (y) the time required to complete any services still outstanding pursuant to the Transaction Documents at the end of the thirty month period.

2. Provide details of the acquisition including the date, parties to and type of agreement (eg: sale, option, license etc.) and relationship to the Issuer. The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the acquisition without reference to any other material:

Pursuant to the terms and conditions of the Transaction Documents, the Company will allocate a budget \$2,250,000 in cash towards Zerkalo, payable in ten quarterly installments of \$225,000 to achieve the milestones outlined in the SOW and issue to Zerkalo an aggregate of 35,066,632 advisory warrants (each, an “Advisory Warrant”) within ten days of signing the Transaction Documents. These milestones include, but are not limited to, the creation of a brand/brand identity, product development/formulation, packaging conception and execution, development of marketing material, sales support and merchandising asset development, review and selection of copacker partners and strategy, oversight of pilot and production runs, go-to-market/sales-and-distribution (channel selection, positioning analysis, soft launch with core audience, channel support execution, field sales support strategy and activation, promotional strategy, negotiation and execution), and project management and finance.

Each Advisory Warrant will entitle Zerkalo to acquire one Common Share at a price of C\$0.10 per Common Share at any time for a period of sixty

months from the date of issuance, subject to certain vesting conditions. Subject to the Transaction Documents not being terminated prior to the applicable vesting date, 23,377,755 Advisory Warrants shall vest in quarterly installments over the span of ten quarters and the remaining 11,688,877 Advisory Warrants shall vest only upon the completion of the Product's launch.

For further details please see the Issuer's press release dated April 19, 2024.

3. Provide the following information in relation to the total consideration for the acquisition (including details of all cash, securities or other consideration) and any required work commitments:
- (a) Total aggregate consideration in Canadian dollars: **\$2,250,000.**
 - (b) Cash: **\$2,250,000.**
 - (c) Securities (including options, warrants etc.) and dollar value: **35,066,632 Advisory Warrants. Each Advisory Warrant entitles Zerkalo to acquire one Common Share at a price of \$0.10 per Common Share for a period of 60 months from the time of issuance, subject to certain vesting conditions. Subject to the Transaction Documents not being terminated prior to the applicable vesting date, 23,377,755 Advisory Warrants shall vest in quarterly installments over the span of ten quarters and the remaining 11,688,877 Advisory Warrants shall vest only upon the completion of the Product's launch.**
 - (d) Other: **Pursuant to the terms and conditions of the Transaction Documents, Gotham Green Partners and Zerkalo will enter into a side letter agreement whereby Gotham Green Partners will transfer 11,688,878 Common Share purchase warrants held by Gotham Green Partners, which equates to approximately 5.00% of the currently outstanding shares of the Issuer, subject to satisfaction of certain commitments under the Transaction Documents. These warrants were issued with a five-year initial term and have a C\$0.10 strike price.**
 - (e) Expiry date of options, warrants, etc. if any: **Five years from date of issuance (April 19, 2029).**
 - (f) Exercise price of options, warrants, etc. if any: **\$0.10.**
 - (g) Work commitments: **See above.**

4. State how the purchase or sale price was determined (e.g. arm's-length negotiation, independent committee of the Board, third party valuation etc). **Arm's length negotiation.**
5. Provide details of any appraisal or valuation of the subject of the acquisition known to management of the Issuer: **Not applicable.**
6. The names of parties receiving securities of the Issuer pursuant to the acquisition and the number of securities to be issued are described as follows:

Name of Party (If not an individual, name all insiders of the Party)	Number and Type of Securities to be Issued	Dollar value per Security (CDN\$)	Conversion price (if applicable)	Prospectus Exemption	Total Securities, Previously Owned, Controlled or Directed by Party	Describe relationship to Issuer ⁽¹⁾
Zerkalo, LLC ⁽²⁾	35,066,632 Advisory Warrants	Nil	\$0.10	2.24 of NI 45-106 ⁽³⁾	Nil	Consultant

(1) Indicate if Related Person.

(2) Insiders of Zerkalo are: Justin Guilbert and Douglas Riboud.

(3) National Instrument 45-106 – *Prospectus Exemptions* ("NI 45-106").

7. Details of the steps taken by the Issuer to ensure that the vendor has good title to the assets being acquired: **Not applicable.**
8. Provide the following information for any agent's fee, commission, bonus or finder's fee, or other compensation paid or to be paid in connection with the acquisition (including warrants, options, etc.): **Not applicable.**
 - (a) Details of any dealer, agent, broker or other person receiving compensation in connection with the acquisition (name, and if a corporation, identify persons owning or exercising voting control over 20% or more of the voting shares if known to the Issuer):
 - (b) Cash
 - (c) Securities
 - (d) Other
 - (e) Expiry date of any options, warrants etc.
 - (f) Exercise price of any options, warrants etc.

FORM 9 – NOTICE OF ISSUANCE OR PROPOSED ISSUANCE OF LISTED SECURITIES

9. State whether the sales agent, broker or other person receiving compensation in connection with the acquisition is a Related Person or has any other relationship with the Issuer and provide details of the relationship. **Not applicable.**
10. If applicable, indicate whether the acquisition is the acquisition of an interest in property contiguous to or otherwise related to any other asset acquired in the last 12 months. **Not applicable.**

Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance on behalf of the Issuer.
2. As of the date hereof there is not material information concerning the Issuer which has not been publicly disclosed.
3. the Issuer has obtained the express written consent of each applicable individual to:
 - (a) the disclosure of their information to the Exchange pursuant to this Form or otherwise pursuant to this filing; and
 - (b) the collection, use and disclosure of their information by the Exchange in the manner and for the purposes described in Appendix A or as otherwise identified by the Exchange, from time to time
4. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CSE Policy 1).
5. All of the information in this Form 9 Notice of Issuance of Securities is true.

Dated April 24, 2024.

Keith Li

Name of Director or Senior
Officer

"Keith Li"

Signature

Chief Financial Officer

Official Capacity

Appendix A

PERSONAL INFORMATION COLLECTION POLICY REGARDING FORM 9

The Canadian Securities Exchange and its subsidiaries, affiliates, regulators and agents (collectively, “CSE or the “Exchange”) collect and use the information (which may include personal or other information) which has been provided in Form 9 for the following purposes:

- To determine whether an individual is suitable to be associated with a Listed Issuer;
- To determine whether an issuer is suitable for listing;
- To determine whether allowing an issuer to be listed or allowing an individual to be associated with a Listed Issuer could give rise to investor protection concerns or could bring the Exchange into disrepute;
- To conduct enforcement proceedings;
- To ensure compliance with Exchange Requirements and applicable securities legislation; and
- To fulfil the Exchange’s obligation to regulate its marketplace.

The CSE also collects information, including personal information, from other sources, including but not limited to securities regulatory authorities, law enforcement and self-regulatory authorities, regulation service providers and their subsidiaries, affiliates, regulators and agents. The Exchange may disclose personal information to these entities or otherwise as provided by law and they may use it for their own investigations.

The Exchange may use third parties to process information or provide other administrative services. Any third party will be obliged to adhere to the security and confidentiality provisions set out in this policy.

All personal information provided to or collected by or on behalf of The Exchange and that is retained by The Exchange is kept in a secure environment. Only those employees who need to know the information for the purposes listed above are permitted access to the information or any summary thereof. Employees are instructed to keep the information confidential at all times.

Information about you that is retained by the Exchange and that you have identified as inaccurate or obsolete will be corrected or removed.

If you wish to consult your file or have any questions about this policy or our practices, please write the Chief Privacy Officer, Canadian Securities Exchange, 220 Bay Street – 9th Floor, Toronto, ON, M5J 2W4.