Psyched Wellness Announces Secured Term Loan

Toronto, Ontario--(Newsfile Corp. - August 5, 2026) - Psyched Wellness Ltd. (CSE: PSYC) (OTCQB: PSYCF) (FSE: 5U9) (the "**Company**" or "**Psyched Wellness**"), a life sciences company focused on the production and distribution of Amanita Muscaria-derived health and wellness products, announces that it has entered into secured term notes (the "**Notes**") with Gotham Green Fund III, L.P. and Gotham Green Fund III (Q), L.P. (together the "**Lenders**") for an aggregate principal amount of US$230,000 (the "**Loan**"). The proceeds of the Loan will be used by the Company for operating expenses and inventory purchases related to operating the Company's business under the AMA brand.

The Loan bears interest at the rate equal to the applicable Secured Overnight Financing Rate (SOFR) plus 5% per annum, compounded annually in accordance with the terms of the Notes, with all accrued interest together with the principal amount payable on August 4, 2028 (the "**Maturity Date**"). Each Note is secured by a continuing security interest over all assets and property of the Company directly related to the Company's business under the AMA brand.

The Loan constitutes a "related party transaction" within the meaning of Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**") as the Lenders, together with their affiliates and/or co-investors, jointly control over 10% of the outstanding common shares of the Company. The Company is relying on the exemptions from formal valuation and minority approval requirements contained in Sections 5.5(a) and 5.7(1)(a) of MI 61-101, on the basis that the fair market value of the transaction does not exceed 25% of the Company's market capitalization.

For further information, please contact:

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About Psyched Wellness

Psyched Wellness 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.

Cautionary Note Regarding Forward-looking Information

This press release contains "forward-looking information" within the meaning of applicable Canadian securities legislation. These statements relate to future events or future performance. The use of any of the words "could", "intend", "expect", "believe", "will", "projected", "estimated" and similar expressions and statements relating to matters that are not historical facts are intended to identify forward-looking information and are based on the Company's current belief or assumptions as to the outcome and timing of such future events. The forward-looking information and forward-looking statements contained herein include, but are not limited to, statements regarding: the use of proceeds of the Loan; the Company's future financing or transactional or operational activities and the Company's ability to carry out its objectives and develop its business and products following the date hereof.

These statements involve known and unknown risks, uncertainties and other factors, which may cause actual results, performance or achievements to differ materially from those expressed or implied by such statements, including but not limited to: the Company being unable to use the proceeds of the Notes as described, legal or regulatory impediments regarding the Notes, accrued and unpaid interest thereon, the Company defaulting on the Note leading to, among other things, enforcement under the security, increased accrued interest and the Lenders extending the Maturity Date (and increased accrued interest in respect thereof) or availing itself of other available remedies, the proceeds being insufficient for the Company's purposes, the Company's inability to repay the Note on the Maturity Date or at all and the Company being unable to raise additional funds on terms acceptable to the Company or at all necessary to repay the Note.

Readers are cautioned that the foregoing list is not exhaustive. Readers are further cautioned not to place undue reliance on forward-looking statements, as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement and reflect the Company's expectations as of the date hereof and are subject to change thereafter. The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, estimates or opinions, future events or results or otherwise or to explain any material difference between subsequent actual events and such forward-looking information, except as required by applicable law.

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