FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Psyence Group Inc. ("**the Company**")
121 Richmond Street West
Penthouse Suite, 1300,
Toronto ON M5H 2K1, Canada

Item 2 Date of Material Change

July 7, 2025

Item 3 News Release

A news release dated July 7, 2025 was distributed by Globe Newswire, and subsequently filed on the System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com.

Item 4 Summary of Material Change

On July 7, 2025 the Company announced that it has closed Tranche 2 and issued an aggregate of 1,240,000 Common Shares at a price of C$0.10 per Common Share for gross proceeds of C$124,000.

The Offering was originally announced on June 18, 2025. The net proceeds of the Offering will be used for general working capital purposes.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

See attached press release for details.

5.2 Disclosure for Restructuring Transactions

Not applicable.

Item 6 Reliance on Subsection 7.1(2) of National Instrument 51-102

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

Further information relating to this Material Change Report may be obtained from:

Adri Botha, CFO
Telephone: +1 416-477-1708
Email: info@psyence.com

Item 9 Date of Report

July 7, 2025

PSYENCE GROUP INC. CLOSES SECOND TRANCHE OF NON-BROKERED PRIVATE PLACEMENT FOR REMAINING PROCEEDS

TORONTO, ONTARIO, July 7, 2025 – Psyence Group Inc. (CSE: PSYG) ("**Psyence**" or the "**Company**"), is pleased to announce that it has successfully closed the second tranche ("**Tranche 2**") of its previously announced non-brokered private placement (the "**Offering**"), relying on the accredited investor exemption under section 2.3 of National Instrument 45-106 — Prospectus Exemptions.

Under the Offering, the Company issued a total of 6,000,000 common shares at a subscription price of C$0.10 per share to raise gross proceeds of C$600,000, divided into two tranches:

- Tranche 1 (closed June 25, 2025): 4,760,000 common shares issued for gross proceeds of C$476,000
- Tranche 2 (closed July 4, 2025): 1,240,000 common shares issued for gross proceeds of C$124,000.

All securities issued under the Offering are subject to a four-month and one-day hold period in accordance with Canadian securities regulations, which resale restrictions may extend beyond four months and one day following the completion of certain transactions.

Net proceeds from the Offering will be used to support the Company's ongoing general working capital needs, including operational expenses and strategic growth initiatives.

ABOUT PSYENCE GROUP: www.psyence.com

Psyence is a life science biotechnology company listed on the Canadian Securities Exchange (CSE: PSYG), with a focus on natural psychedelics. Psyence works with nature-derived psilocybin products for the healing of psychological trauma and its mental health consequences in the context of palliative care. Our name "Psyence" combines the words *psychedelic* and *science* to affirm our commitment to producing psychedelic medicines developed through evidence-based research.

Informed by nature and guided by science, Psyence works to develop advanced nature-derived psilocybin products for clinical research and development.

Contact Information

Learn more at www.psyence.com.

Email: ir@psyence.com

Media Inquiries: media@psyence.com

General Information: info@psyence.com

Phone: +1 416-477-1708

FORWARD LOOKING STATEMENTS:

Certain statements in this news release related to the Company are forward-looking statements and are prospective in nature. Forward-looking statements are not based on historical facts, but rather on current expectations and projections about future events and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. These statements generally can be identified by the use of forward-looking words such as "may", "should", "could", "intend", "estimate", "plan", "anticipate", "expect", "believe" or "continue", or the negative thereof or similar variations. There are numerous risks and uncertainties that could cause actual results and the Company's plans and objectives to differ materially from those expressed in the forward-looking information. These risks and uncertainties include the successful deployment of the Offering proceeds and the identification of opportunities in the market. Actual results and future events could differ materially from those anticipated in such information. These and all subsequent written and oral forward-looking information are based on estimates and opinions of management on the dates they are made and are expressly qualified in their entirety by this notice. Except as required by law, the Company does not intend to update these forward-looking statements.

The Company makes no medical, treatment or health benefit claims about the Company's proposed products. The U.S. Food and Drug Administration, Health Canada or other similar regulatory authorities have not evaluated claims regarding psilocybin, psilocybin analogues, or other psychedelic compounds or nutraceutical products. The efficacy of such products has not been confirmed by approved research. There is no assurance that the use of psilocybin, psilocybin analogues, or other psychedelic compounds or nutraceuticals can diagnose, treat, cure or prevent any disease or condition. Vigorous scientific research and clinical trials are needed. The Company has not conducted clinical trials for the use of its proposed products. Any references to quality, consistency, efficacy, and safety of potential products do not imply that the Company verified such in clinical trials or that the Company will complete such trials. If the Company cannot obtain the approvals or research necessary to commercialize its business, it may have a material adverse effect on the Company's performance and operations.