Psyence Group Inc.

Condensed Consolidated Interim Financial Statements
For the three and nine months ended December 31, 2025 and 2024

Expressed in Canadian Dollars
(CAD $)

Management's Responsibility for Financial Reporting

The accompanying Condensed Consolidated Interim Financial Statements of Psyence Group Inc. and its subsidiaries (together the "Company") have been prepared by and are the responsibility of management.

The Condensed Consolidated Interim Financial Statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the Condensed Consolidated Interim Financial Statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the Condensed Consolidated Interim Statements of Financial Position date. In the opinion of the management, the Condensed Consolidated Interim Financial Statements have been prepared within acceptable limits of materiality and are in accordance with IFRS® Accounting Standards as issued by the International Accounting Standard Board ("IFRS") applicable to interim financial information, as outlined in International Accounting Standard ("IAS") 34, "Interim Financial Reporting" and using the accounting policies consistent with those in the audited financial statements as at and for the year ended March 31, 2025.

Management has established processes, which are in place to provide it sufficient knowledge to support management representations that it has exercised reasonable diligence that (i) the Condensed Consolidated Interim Financial Statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of, and for the periods presented by, the Condensed Consolidated Interim Financial Statements and (ii) the Condensed Consolidated Interim Financial Statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented by the Condensed Consolidated Interim Financial Statements.

The Board of Directors is responsible for reviewing and approving the Condensed Consolidated Interim Financial Statements together with other financial information of the Company and for ensuring that management fulfils its financial reporting responsibilities.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations and for maintaining proper standards of conduct for its activities.

"Jody Aufrichtig"

Executive Chairman

Toronto, Canada

March 2, 2026

Condensed Consolidated Interim Statements of Financial Position

As at December 31, 2025 and March 31, 2025

CAD $	Note	As at December 31, 2025	As at March 31, 2025
ASSETS			
Current assets			
Cash and cash equivalents		505,423	8,888,570
Restricted cash		-	51,702
Other receivables	4	1,806	200,733
Prepaids		3,655	361,982
Loan receivable from GoldCoast Resources Corp.	5	355,778	-
Total current assets		866,662	9,502,987
Non-current assets			
Investment in Psyence Labs Ltd		-	1,071,012
Property and equipment		-	15,951
Intangible assets	6	13,002	14,901
Total non-current assets		13,002	1,101,864
TOTAL ASSETS		**879,664**	**10,604,851**
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	7	75,242	776,075
Derivative warrant liabilities		-	287,658
Total current liabilities		75,242	1,063,733
TOTAL LIABILITIES		**75,242**	**1,063,733**
SHAREHOLDERS' EQUITY			
Share capital	8	22,537,858	21,826,722
Options reserve	8	1,916,071	1,949,797
Foreign currency translation reserve		-	737,522
Accumulated Deficit		(23,649,507)	(23,226,817)
TOTAL SHAREHOLDERS' EQUITY		**804,422**	**1,287,224**
Non-controlling interest	10	-	8,253,894
TOTAL EQUITY		**804,422**	**9,541,118**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**879,664**	**10,604,851**

Nature of operations and going concern (note 1)
Subsequent events (note 22)

Approved on behalf of the Board of Directors.

"Jody Aufrichtig" — Executive Chairman and Director

"Warwick Corden-Lloyd" — Director

The accompanying notes are an integral part of the Condensed Consolidated Interim Financial Statements.

Condensed Consolidated Interim Statements of Net Income (Loss) and Comprehensive Income (Loss)

For three and nine months ended December 31, 2025 and 2024

	Note	Three months Ending December 31, 2025	Three months Ending December 31, 2024	Nine months Ending December 31, 2025	Nine months Ending December 31, 2024
Expenses					
Sales and marketing		874	88,575	119,325	529,114
Research and development		-	108,511	89,990	471,385
General and administrative		7,224	447,862	155,875	1,215,560
Professional fees and consulting fees		65,236	740,398	330,230	1,914,370
Depreciation and amortization	6	635	2,303	2,497	6,011
Income /(Loss) before other items		**(73,969)**	**(1,387,649)**	**(697,917)**	**(4,136,440)**
Other items					
Interest income	5	10,150	38,626	10,150	38,760
Interest expense		-	-	(14,240)	(5)
Foreign exchange gain (loss)		(53)	(9,901)	755	3,303
Loss on subsidiary disposal	10	-	-	(287,042)	(540,970)
Fair value loss on investment of Psyence Labs Ltd.		-	-	(219,441)	-
Fair value gain on NCAC promissory note		-	659,235	-	520,281
Fair value gain (loss) on convertible note		-	(2,288,973)	-	4,622,709
Fair value gain (loss) on warrant liability		-	(21,467)	(22,911)	996,947
Fair value loss on warrant exchange		-	(1,955)	-	(254,792)
NET INCOME / (LOSS)		**(63,872)**	**(3,012,084)**	**(1,230,646)**	**1,249,793**

Other comprehensive(loss)/income					
Foreign exchange gain (loss) on translation		-	54,900	(175,151)	(353,097,)
TOTAL COMPREHENSIVE INCOME / (LOSS)		**(63,872)**	**(2,957,184)**	**(1,405,797)**	**896,698**
Net gain / (loss) is attributable to:					
Non-controlling interest share of net loss	11	-	(2,449,194)	(807,956)	975,220
Parent share of gains/(losses)		(63,872)	(562,890)	(422,690)	274,573
		(63,872)	**(3,012,084)**	**(1,230,646)**	**1,249,793**
Total comprehensive gain / (loss) for the period is attributable to:					
Non-controlling interest share of net loss		-	(2,404,553)	(922,947)	699,698
Parent share of gains/(losses)		(63,872)	(552,631)	(482,850)	197,000
		(63,872)	**(2,957,184)**	**(1,405,797)**	**896,698**
Income / (Loss) per share - basic and diluted	14	**0.00**	**(0.32)**	**(0.08)**	**0.13**
Weighted average number of outstanding shares - basic and diluted		**14,652,048**	**9,335,415**	**15,638,267**	**9,328,463**

The accompanying notes are an integral part of the Condensed Consolidated Interim Financial Statements

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity

For the nine months ended December 31, 2025 and 2024

	Note	Number of shares	Share capital	Warrants reserve	Options reserve	Foreign currency translation reserve	Accumulated Deficit	Non-controlling interest	Total shareholders' equity
Opening balance as at April 1, 2024		9,273,748	21,662,052	1,574,721	2,013,786	124,365	(49,256,893)	12,048,384	(11,833,585)
Share based compensation	9	-	-	-	71,732	-	-	-	71,732
Exercise of RSUs	9	61,666	120,250	-	(120,250)	-	-	-	-
Non-controlling interests adjustment for change in ownership	11	-	-	-	-	-	-	21,710,155	21,710,155
Other comprehensive loss		-	-	-	-	(353,097)	-	-	(353,097)
Net gain		-	-	-	-	-	274,573	975,220	1,249,793
Balance, December 31, 2024		**9,335,415**	**21,782,302**	**1,574,721**	**1,965,268**	**(228,732)**	**(48,982,732)**	**34,733,759**	**10,884,998**
Opening balance as at April 1, 2025		9,387,695	21,826,722	-	1,949,797	737,522	(23,226,817)	8,253,894	9,541,118
Share based compensation	9	-	-	-	77,410	-	-	-	77,410
Exercise of RSU's	9	250,572	111,136	-	(111,136)	-	-	-	-
Shares issued for cash	9	6,000,000	600,000	-	-	-	-	-	600,000
Disposal of Subsidiaries	10	-	-	-	-	(562,371)	-	(7,445,938)	(8,008,309)
Other comprehensive loss (April 1 – 30, 2025)		-	-	-	-	(175,151)	-	-	(175.151)
Net (loss)/profit		-	-	-	-	-	(422,690)	(807,956)	(1,230,646)
Balance, September 30, 2025		**15,638,267**	**22,537,858**	**-**	**1,916,071**	**-**	**(23,649,507)**	**-**	**804,422**

The accompanying notes are an integral part of the Condensed Consolidated Interim Financial Statements

Condensed Consolidated Interim Statements of Cash Flows

For the nine months ended December 31, 2025 2024

	Note	December 31, 2025	December 31, 2024
Net (loss)/profit		(1,230,646)	1,249,793
Non-cash adjustments:			
Depreciation and amortization		2,497	6,011
Foreign exchange gain		(755)	(3,303)
Share based compensation	9	77,410	71,732
Loss on disposal of subsidiaries	10	287,042	540,970
Fair value gain on NCAC promissory note		-	(520,281)
Fair value gain on convertible note liability		-	(4,622,709)
Fair value loss (gain) on derivative warrant liabilities		22,911	(996,947)
Fair value loss on warrant exchange		-	254,792
Fair value loss on investment		219,441	-
Changes in working capital:			
Other receivables		42,490	377,416
Prepaids		44,525	374,025
Accounts payable and accrued liabilities		(25,633)	(137,725)
Cash used in operating activities		**(560,748)**	**(3,406,199)**
Investment in Psyence Labs Ltd		(691,5000)	-
Additions to property and equipment		-	(13,599)
Decrease/(Increase) in restricted cash		-	(1,625)
Proceeds from disposal of Investment in Psyence Biomedical Ltd.	10	426,170	-
Cash Disposed off with investment in Psyence Biomedical Ltd.	10	(7,813,202)	-
Advances to Gold Coast Resources Corp.		(343,867)	-
Cash used in investing activities		**(8,422,399)**	**(15,224)**
Proceeds from share issuance	9	600,000	-
Proceeds from convertible note liability		-	1,367,700
Proceeds from NCI share issuance		-	11,554,335
Cash provided from financing activities		**600,000**	**12,922,035**
Change in cash and cash equivalents		(8,383,147)	9,500,612
Cash and cash equivalents, beginning of period		8,888,570	1,058,752
Cash and cash equivalents, end of period		**505,423**	**10,559,364**

The accompanying notes are an integral part of the Condensed Consolidated Interim Financial Statements

Notes to the Condense Consolidated Interim Financial Statements

1. Nature of operations and going concern

Psyence Group Inc. (the **"Company"** or **"PGI"**) is a life science biotechnology company focused on the research, cultivation and production of psychedelics and nature-based compounds to treat psychological trauma in the context of palliative care and in support of mental wellness.

The Company's registered office is at 121 Richmond Street West, Penthouse Suite, 1300, Toronto, Ontario M5H 2K1. The Company commenced trading on the Canadian Securities Exchange (**"CSE"**) on January 27, 2021 under the symbol "PSYG".

On August 20, 2025, the Company entered into the letter of intent (the "LOI") with GoldCoast Resource Corp. ("GoldCoast") to acquire all of the issued and outstanding securities and securities convertible into securities of GoldCoast, a corporation existing under the laws of Ontario. GoldCoast submitted application to the Minerals Commission of Ghana for a reconnaissance licence in accordance with Section 31 of the Minerals and Mining Act, 2006 (Act 703) to conduct reconnaissance activities over a 10,000 square km area at half Assini in Western Ghana and eastward to Winneba, Ghana measuring 300 km off the coastline of Ghana.

On November 21, 2025, the Company, GoldCoast and Psyence Therapeutics Corp., a wholly owned subsidiary of the Company, entered into a definitive amalgamation agreement (the "Agreement") which superseded the LOI.

Under the terms of the Agreement, the Company, GoldCoast and Psyence Therapeutics Corp. agreed to structure the business combination by way of an amalgamation of GoldCoast and Psyence Therapeutics Corp. (the "Amalgamation") in accordance with the Business Corporation Act (Ontario) (the "OBCA").

Under the terms of the Agreement, the Company will complete a name change to GoldCoast Resource Corp. (or such other name as may be approved by GoldCoast and applicable regulatory authorities) and a share consolidation prior to closing of the business combination, which in no event will be later than March 31, 2026.

At the effective time of the Amalgamation between GoldCoast and Psyence Therapeutics Corp., the following shall occur in the following order:

Psyence Therapeutics Corp. and GoldCoast shall amalgamate to form Amalco and shall continue as one company under the OBCA and with the effect set out in Section 179 of the OBCA. Amalco will become a wholly owned subsidiary of the Resulting Issuer (the Company after giving effect to the Amalgamation).

Immediately upon the Amalgamation:

- Each one GoldCoast share shall be exchanged for one fully paid and non-assessable Resulting Issuer shares;
- Each Psyence Therapeutics Corp. share shall be exchanged for one fully paid and non-assessable Amalco share;
- Each holder of one option granted pursuant to the GoldCoast Option Plan outstanding immediately before the Amalgamation shall be exchanged for one Resulting Issuer Option having the same economic terms as the option for which it is being exchanged.

With respect to each GoldCoast share, exchanged in accordance with provisions detailed above:

- The holders thereof shall cease to be the holders of such GoldCoast shares, as the case may be, and the name of each such holder shall be removed from the applicable register of holders of such GoldCoast securities;
- The GoldCoast securities as noted above shall be deemed to have been cancelled as of the effective date of the Amalgamation.

On the effective date of the Amalgamation:

- GoldCoast and Psyence Therapeutics Corp. shall amalgamate and continue as Amalco under the terms and conditions prescribed in the Agreement;
- GoldCoast and Psyence Therapeutics Corp. shall cease to exist as entities separate from Amalco;
- Amalco shall possess all the property, rights, privileges and franchises and is subject to all liabilities, including civil, criminal and quasi-criminal, and all contracts, disabilities and debts of each of GoldCoast and Psyence Therapeutics Corp.;
- A conviction against, or ruling, order or judgment in favour or against either GoldCoast and Psyence Therapeutics Corp. may be enforced by or against Amalco;
- The Articles of Amalgamation are deemed to be the articles of incorporation of Amalco;
- Amalco shall be deemed to be the party plaintiff or the party defendant, as the case may be, in any civil action commenced by or against an amalgamating corporation before the Amalgamation has become effective;
- The initial directors of Amalco shall be the same directors as the Resulting Issuer; and
- The initial management of Amalco shall be the same management as the Resulting Issuer.

The closing of the business combination is subject to customary conditions in accordance with the Agreement including but not limited to regulatory approvals and the Company having a minimum cash balance of $400,000 and no liabilities at the date of the closing.

The Agreement can be terminated by the Company or GoldCoast if conditions precedent detailed in the Agreement were not met.

On February 24, 2026, the Company entered into an amending agreement (the "Amending Agreement") with GoldCoast and Psyence Therapeutics Corp, to amend the Agreement. The Amending Agreement provides for certain amendments to the Agreement in connection with the proposed Amalgamation, including: (i) an extension of the long-stop date for the holding of required shareholder meetings from January 30, 2026 to April 30, 2026; (ii) an extension of the outside date for completion of the Amalgamation (the "Closing Date") from March 31, 2026 to May 31, 2026; (iii) a corresponding extension of the termination date under the Agreement from March 31, 2026 to May 31, 2026; and (iv) a reduction of the minimum cash condition applicable to the Company at closing from $400,000 to $250,000.

On April 30, 2025 the Company sold all its shares in Psyence Biomedical Ltd. (“**PBM**”), its NASDAQ listed subsidiary which resulted in a loss of control over PBM, refer to Note 9

On April 23, 2025, the Company consolidated its common shares and warrants on the basis of 15:1.

All prior share capital information has been presented based on these ratios.

Going concern

These condensed consolidated interim financial statements have been prepared on a going concern basis which assumes that the Company will, in the foreseeable future, realize on its assets and discharge its liabilities in the normal course of business as they come due. Accordingly, the consolidated financial statements do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and, therefore be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in these condensed consolidated interim financial statements.

As of December 31, 2025, the Company has an accumulated deficit of $23,649,507 (December 31, 2024- $48,982,320). In addition, the Company generated negative cash flow from operating activities of $560,748 (December 31, 2024- $3,406,199). Management has considered the significance of such condition in relation to the Company's ability to meet its current obligations and to achieve its business targets and determined that these conditions are indicators of material uncertainties that may cast significant doubt about the Company’s ability to continue as a going concern.

The Company’s ability to continue as a going concern is dependent upon its ability to generate future profitable operations and/or to obtain the necessary financing to conduct its planned business, meet its on-going levels of corporate overhead and discharge its liabilities as they come due. The Company has historically raised funds from the issuance of shares and convertible debentures. The Company's ability to obtain additional financing is materially uncertain, as there is no assurance that additional funding will be available on a timely basis or on terms acceptable to the Company.

2. Basis of presentation

Statement of compliance

These condensed consolidated interim financial statements of the Company have been prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standard Board ("IFRS") applicable to interim financial information, as outlined in International Accounting Standard ("IAS") 34, "Interim Financial Reporting" and using the accounting policies consistent with those in the audited financial statements as at and for the year ended March 31, 2025.

These condensed consolidated interim financial statements were authorized for issuance on March 2, 2026 by the directors of the Company.

Basis of presentation

These condensed consolidated interim financial statements have been prepared on a historical cost basis, except for certain financial instruments, which are classified as fair value through profit or loss ("**FVTPL**").

These condensed consolidated interim financial statements incorporate the accounts of the Company and its wholly owned subsidiary, Psyence Therapeutics Corp. A subsidiary is an entity controlled by the Company and its results are consolidated into the financial results of the Company from the effective date of control up to the effective date of loss of control. All intercompany transactions and balances are eliminated on consolidation.

3. Material accounting policies

These condensed consolidated interim financial statements follow the same accounting policies, estimates, and methods of application as our most recent Annual audited Consolidated Financial Statements.

Accounting Standards Issued But Not Yet Effective

A number of new standards, and amendments to standards and interpretations, are not yet effective for the period ended December 31, 2025, and have not been early adopted in preparing these consolidated financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18 – Presentation and Disclosure in Financial Statements which will replace IAS 1, Presentation of Financial Statements. The key new concepts introduced in IFRS 18 relate to the structure of the statement of earnings (loss), required disclosures in the financial statements for certain earnings or loss performance measures that are reported outside an entity's financial statements and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. IFRS 18 will apply for reporting periods beginning on or after January 1, 2027, and also applies to comparative information. The Company is still in the process of assessing the impact of this standard on its consolidated financial statements.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates and are not expected to have a significant impact on the Company's consolidated financial statements.

4. Other receivables

Other receivables include the following amounts.

	December 31, 2025	March 31, 2025
Other receivables	119	53,285
Sales tax receivable	1,687	147,447
Total	**1,806**	**200,733**

5. Loan receivable from GoldCoast Resources Corp.

On August 20, 2025, the Company signed a LOI with GoldCoast (Note 1) and agreed to advance $343,867 (US$250,000) subject to the terms and conditions of the Loan Agreement within 5 days of signing the LOI. Interest shall accrue on any outstanding amount at the rate of 10% per annum, payable upon maturity. During the nine months ended December 31, 2025, the Company recorded $10,150 interest income in its condensed consolidated interim statements of net income (loss) and comprehensive income (loss). The loan will be secured pursuant to a general security agreement against all of the assets of GoldCoast. In the event that the Acquisition does not close, any amounts owing under the Loan shall be due and payable within 21 days of demand by the Company.

Subject to the terms and conditions of the LOI, if the amalgamation closes, the outstanding amount including all accrued and unpaid interest, shall be deemed satisfied and extinguished in full and shall no longer be repayable by GoldCoast. In consideration for such forgiveness, the Company shall receive an equity interest in the Resulting Issuer, as determined in accordance with the share conversion and exchange formula set out in the LOI which expressly accounts for the value of the outstanding amount being forgiven.

In the event that the amalgamation does not close by the earlier of (i) the closing date contemplates in the Definitive Agreement or (ii) May 31, 2026, the outstanding amount plus accrued interest shall be due and payable within 21 days of demand of the Company. If GoldCoast fails to pay the outstanding amount plus accrued interest by the due date, the Company shall have the right to convert the outstanding amount and accrued interest into that number of common shares of GoldCoast calculated at a price per share equal to the price of the last equity financing completed by GoldCoast prior to the date of the LOI, being US$0.057 per share.

6. Intangible assets

The Company acquired a domain name and have commissioned additional improvements, which is recognized under intangible assets at cost and it is carried at the amortized value.

Intangible Assets	$
Cost:	
Opening Balance	25,212
Additions	-
At March 31, 2025	25,212
Additions	-
At December 31, 2025	25,212
Accumulated Amortization:	
Opening Balance	(7,790)
Charge for the period	(2,521)
At March 31, 2025	(10,311)
Charge for the period	(1,899)

At December 31, 2025	(12,210)

Carrying amount:	
At March 31, 2024	**14,901**
At December 31, 2025	**13,002**

7. Investment in Psyence Labs Ltd.

On April 1, 2024, the Company sold its investment in Mind Health (Pty) Ltd, Psyence South Africa (Pty) Ltd, Psyence UK Group Ltd, and its 50% shareholding in Good Psyence (Pty) Ltd. in exchange for 1,000 shares in Psyence Labs Ltd. ("PsyLabs"). PsyLabs is a private company headquartered in the British Virgin Islands, and focused on the production of psychedelic active pharmaceutical ingredients and extracts.

The sale of subsidiaries for 1,000 PsyLabs shares resulted in a loss of $540,970 which was recorded in the consolidated statements of income (loss) and comprehensive income (loss).

The fair value of the investment in PsyLabs shares as at March 31, 2025, was estimated at $1,071,012 (US$745,000), based on a recent arm's length subscription transaction by a third-party investor at US$745 per PsyLabs share.

On April 28, 2025, the Company's former subsidiary PBM bought 250 PsyLabs shares in two tranches. The first tranche PBM bought 125 shares in exchange for US$250,000. The fair value loss of this investment was $219,441 (US$156,875), based on the arm's length subscription transaction by a third-party investor at US$745 per PsyLabs share. The second tranche of 125 shares were bought in June 30, 2025.

The investment in PsyLabs was disposed on April 30, 2025 when the Company disposed its shares in PBM (Note 4 & 12).

8. Accounts payable and accrued liabilities

Accounts payable and accrued liabilities include the following amounts:

	December 31, 2025 $	March 31, 2025 $
Trade payables	242	399,066
Accrued liabilities	-	71,083
Provisions	75,000	305,926
Total	75,242	776,075

9. Share capital

Authorized share capital

Unlimited number of voting common shares without par value.

Issued and outstanding

On April 23, 2025, the Company consolidated its common shares and warrants on the basis of 15:1.

As at December 31, 2025, there were 15,638,267 (December 31, 2024 – 9,335,415) issued and outstanding Common Shares.

Common shares	2025		2024	
	Number	Amount ($)	Number	Amount ($)
Opening balance April 1	9,387,695	21,826,722	9,273,748	21,662,052
Issuance of shares in private placement	6,000,000	600,000	-	-
Issuance of shares for RSUs exercise	250,572	111,136	61,666	120,250
Balance as at December 31,	15,638,267	22,537,858	9,335,415	21,782,302

Common shares

Private placements

On June 25, 2025, the Company issued 4,790,000 shares with a subscription price of $0.10 in a private placement. The Company received proceeds of $479,000.

On July 4, 2025, the Company issued 1,210,000 shares with a subscription price of $0.10 in a private placement. The Company received proceeds of $121,000.

RSU exercise

On May 1, 2024, the Company issued 61,667 shares for the exercise of RSU's by various consultants and an employee of the Company. Upon exercise, amounts totalling $120,250 was transferred from contributed surplus to share capital, determined by reference to the original fair value of the RSU's determined on the date of grant.

On January 10, 2025, the Company issued 25,613 shares for the exercise of RSU's by various consultants and an employee of the Company. Upon exercise, amounts totalling $38,420 was transferred from contributed surplus to share capital, determined by reference to the original fair value of the RSU's determined on the date of grant.

On June 12, 2025, the Company issued 250,572 shares for the exercise of RSU's by various consultants of the Company. Upon exercise, amounts totalling $111,136 was transferred from contributed surplus to share capital, determined by reference to the original fair value of the RSU's determined on the date of grant.

Stock Options

The changes in stock options outstanding during the period ended December 31, 2025 and December 31, 2024 are as follows:

	Period ended December 31, 2025	
	Number of options	Weighted average exercise price ($)
Outstanding, at beginning of period	403,936	1.35
Expired (i)	(272,492)	1.35
Options outstanding, ending	131,444	1.35
Options exercisable, ending	131,444	1.35

	Period ended December 31, 2024	
	Number of options	Weighted average exercise price ($)
Outstanding, at beginning of period	403,936	1.35
Options outstanding, ending	403,936	1.35
Options exercisable, ending	394,677	1.35

On December 31, 2025, a total of 272,492 options expired unexercised. The options were granted on December 31, 2020 and November 14, 2023

The following stock options are outstanding at December 31, 2025:

Expiry date	Number of options outstanding	Exercise price $	Weight average remaining life (years)	Number of options exercisable
December 31, 2027	27,778	0.90	1.75	27,778
March 31, 2028	93,667	2.10	3.00	93,667
May 25, 2028	10,000	2.10	3.15	10,000
			1.70	131,445

During the period ended December 31, 2025, $0 (December 31, 2024 - $2,796) was expensed and recorded as share-based payments under professional fees and consulting fees and general and administrative in the consolidated statements of net loss and comprehensive loss based on the vesting terms and forfeiture of the options.

Restricted stock units (RSUs)

The changes in RSUs outstanding during the period ended December 31, 2025 and December 31, 2024 are as follows:

	Period ended December 31, 2025
	Number of RSUs
Outstanding, at beginning of the period	99,777
Issued during the period (i)(ii)	1,323,831
Exercised during the period	(250,572)
RSUs outstanding, ending	1,172,870
RSUs exercisable, ending	1,172,870

	Period ended December 31, 2024
	Number of RSUs
Outstanding, at beginning of the period	210,613
Exercised during the period	(61,666)
RSUs outstanding, ending	148,947
RSUs exercisable, ending	-

(i) On April 1, 2025, a total of 602,300 RSUs were issued to consultants of the Company.
(ii) On October 8, 2025, a total of 721,531 RSUs were issued to consultants of the Company.

The RSUs granted are accounted for as an equity instrument whereby share-based payments recognized in the consolidated statements of net income (loss) and comprehensive income (loss) are held in options reserve until exercised.

During the period ended December 31, 2025, $77,410 (December 31, 2024 - $71,732) was expensed and recorded as share-based payments under professional fees and consulting fees and general and administrative in the consolidated statements of net loss and comprehensive loss on the vesting of RSUs.

10. Disposal of PBM

On April 30, 2025, the Company sold all its ownership in PBM for the net proceeds of $426,170 to third party investors. As a result, the Company lost control over PBM. This resulted in the deconsolidation of

PBM from the condensed consolidated interim financial statements and the resulting loss on disposal has been recorded in the condensed consolidated interim statements of net income (loss) and comprehensive income (loss).

The following summarizes the sale date fair value of the consideration received and the net book value of the assets sold and liabilities transferred:

Consideration received	426,170
Carrying value of NCI derecognised	7,445,938
Foreign currency translation reserve	562,371
Net assets disposed:	
Cash and cash equivalents	(7,813,202)
Other receivables	(156,437)
Prepaids	(313,801)
Property and equipment	(14,735)
Investment in Psyence Labs Ltd	(1,157,618)
Investment in subsidiary	(91)
Accounts payable and accrued liabilities	435,079
Derivative warrant liabilities	299,284
Loss on disposal	(287,042)

11. Non-controlling interest (NCI)

During the period ended December 31, 2025, the share of losses attributable to non-controlling shareholders was $807,956 (December 31, 2024 – profit of $975,220). On April 30, 2025, the Company sold all its ownership in PBM for the net proceeds of $426,170 to third party investors. As a result, the Company lost control over PBM. This resulted in the deconsolidation of PBM from the condensed consolidated interim financial statements and the resulting loss on disposal of subsidiaries has been reflected in the condensed consolidated interim statements of net income (loss) and comprehensive income (loss). This resulted in the derecognition of NCI to the value of $7,445,938.

12. Transactions with related parties

All related party transactions are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. All amounts either due from or due to related parties other than specifically disclosed are non-interest bearing, unsecured and have no fixed terms of repayments. The Company incurred the following transactions with related parties during the period ended December 31, 2025 and December 31, 2024:

Compensation to key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's executive officers and Board of Directors.

Key Management Personnel	**December 31, 2025**	**December 31, 2024**
Short term benefits	7,255	418,241
Share-based compensation	65,916	52,792
Total	73,171	471,033

Short term benefits consist of consulting fees and other benefits paid to key management personnel.

13. Financial instruments and financial risk management

In the normal course of business, the Company is exposed to a variety of financial risks: credit risk, liquidity risk, foreign exchange risk and interest rate risk. These financial risks are subject to normal credit standards, financial controls, risk management as well as monitoring. The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

Credit risk

Credit risk arises from cash and cash equivalents, restricted cash, other receivables and loan to joint venture. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses on financial assets. The Company minimizes the credit risk of cash by depositing with only reputable financial institutions. The Company also assesses the credit quality of counterparties, taking into account their financial position, past experience and other factors.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.

As at December 31, 2025, the Company's financial liabilities consist of account payable and accrued liabilities.

The Company manages liquidity risk through an ongoing review of future commitments and cash balances available. Historically, the Company's main source of funding has been the issuance of shares for cash, primarily through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity or debt funding.

The following table illustrates the contractual maturities of financial liabilities as at December 31, 2025:

Financial Instrument Maturity ($)	Carrying amount	Contractual cash flows	Less than 1 year	Between 1 and 3 years
Accounts payable and accrued liabilities	75,242	75,242	75,242	-
Total	75,242	75,242	75,242	-

Foreign exchange risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency.

The Company operates internationally and is exposed to foreign exchange risk from the AUD and USD. Foreign exchange risk arises from transactions as well as recognized financial assets and liabilities denominated in foreign currencies.

A 10% adverse change in exchange rate would have resulted in a loss of $37,231 as at December 31, 2025 (December 31, 2024 - $836,500).

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has no significant interest-bearing assets or liabilities and therefore its income and operating cash flows are substantially independent of changes in market interest rates.

14. Loss/profit per share

The calculation of basic and diluted profit/(loss) per common share for the period ended December 31, 2025 and December 31, 2024 was calculated as follows:

Earnings per share ($)	December 31, 2025	December 31, 2024
Basic and diluted (loss) / profit per share:		
Net (loss) / profit	(1,230,646)	1,249,793
Average number of common shares outstanding	14,652,048	9,328,463
(Loss) / profit per share – basic and diluted	(0.08)	0.13

The diluted weighted average number of common shares does not take into account the effects of stock options and warrants as they would be anti-dilutive for the period ended December 31, 2025 and December 31, 2024.

15. Capital management

The Company manages its cash and cash equivalents and the components of shareholders' equity as capital. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of natural health business, to maintain a flexible capital structure which optimizes the cost of capital at an acceptable risk level.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust its capital structure, the Company may attempt to issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash and short-term investments on hand.

In order to facilitate the management of its capital requirements, the Company prepares annual budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. The annual and updated budgets are approved by the Board of Directors.

Management considers its approach to capital management to be appropriate given the relative size of the Company. There were no changes in the Company's approach to capital management during the year.

16. Subsequent Events

On January 27, 2026, the Company announced that its proposed reverse takeover target, GoldCoast Resources Corp. has been granted a series of ten contiguous offshore reconnaissance licenses by the Minerals Commission of Ghana covering approximately 10,000 square kilometres along Ghana's western offshore continental shelf. The Company and GoldCoast continue to advance their proposed reverse takeover transaction, which remains subject to the completion in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects, financial statement requirements, shareholder approval, and Canadian Securities Exchange acceptance. There can be no assurance that the transaction will be completed as proposed or at all.