

**NOTICE OF SETTLEMENT APPROVAL
FSD PHARMA INC.
SECURITIES CLASS ACTION**

Read this notice carefully as it may affect your rights.

This Notice is directed to all persons and entities, excluding certain persons associated with the Defendant, wherever they may reside or be domiciled, who purchased or otherwise acquired FSD Pharma, Inc. ("FSD") class B common shares in the secondary market, on or after September 20, 2018, and held some or all of those shares until after the close of trading on February 6, 2019 ("Class Members" and the "Class").

PURPOSE OF THIS NOTICE:

A class action brought on behalf of Class Members has been settled. The Settlement has been approved by the Ontario Superior Court of Justice. This Notice provides Class Members with information about how to submit a Claim Form to the Administrator in order to participate in the distribution of the Net Settlement Amount on a *pro rata* basis.

THE ACTION:

On February 22, 2019, a proposed class action was commenced on behalf of investors who purchased FSD class B common shares in the secondary market during the Class Period, against FSD in the Ontario Superior Court: *Anne Miller v. FSD Pharma, Inc.* CV-19-614981-00CP (the "Action"). The Plaintiff in the Action alleges that the Defendant made misrepresentations during the Class Period related to FSD's business, operations and finances by omitting from core documents, non-core documents and statements, material facts regarding the status of its project with Auxly Cannabis Corp. to build-out 220,000 square feet of cannabis cultivation space in Cobourg, Ontario.

The settlement of the Action, without an admission of liability on the part of the Defendant, was approved by The Honourable Justice Edward Morgan on February 4, 2021. This notice provides a summary of the settlement.

SUMMARY OF THE SETTLEMENT TERMS:

FSD and its insurers will pay CAD \$5.5 million (the "Settlement Amount"), in full and final settlement of all claims against FSD in the Action. Class Counsel Fees, including out-of-pocket expenses and taxes, were fixed by the Court as a first charge on the Settlement Amount in the amount of thirty (30) percent of CAD \$5,500,000.00, plus disbursements, plus taxes. The settlement for the Class, less the Class Counsel Fees and disbursements, administrator's expenses, and taxes, will be distributed to the Class on a *pro rata* basis in accordance with the Court-approved Plan of Allocation. The Settlement Agreement and Plan of Allocation may be viewed at <https://morgantico.com/fsd-pharma-inc/>, www.fsdsecuritiesclassaction.com, or in the investor relations section of [https://www.fsdpharma.com](http://www.fsdpharma.com).

HOW TO MAKE A CLAIM FOR COMPENSATION:

CLAIMS FOR COMPENSATION MUST BE RECEIVED BY JUNE 21, 2021, 11:59 PM EST.

Each Class Member must complete and submit a Claim Form electronically using the online claims administration portal on or before the Claims Bar Deadline of June 21, 2021, 11:59 PM EST, in order to participate in the settlement. The online claims administration portal and Claim Form can be accessed at <https://portal.fsdsecuritiesclassaction.com> or obtained by calling the Administrator at 1-877-400-1211.

If you do not submit a completed Claim Form by the Claims Bar Deadline of June 21, 2021, you will not receive any part of the Net Settlement Amount.

The Court appointed Paul Battaglia of Trilogy Class Action Services as the Administrator of the settlement to, among other things: (i) receive and process Claim Forms; (ii) decide eligibility for compensation; and (iii) distribute the net Settlement Amount to eligible Class Members. The Claim Form should be submitted to the Administrator by using the secure online claims administration portal at <https://portal.fsdsecuritiesclassaction.com/>. You may submit a paper Claim Form only if you do not have internet access. The paper Claim Form may be sent by regular mail to:

Trilogy Class Action Services
c/o FSD Pharma, Inc. Class Action Settlement
117 Queen Street, P.O. Box. 1000
Niagara-on-the-Lake, Ontario, L0S 1J0
Toll Free: 1-877-400-1211
Fax: 416-342-1761
Email: claims@trilogyclassactions.ca
Website: <https://www.fsdsecuritiesclassaction.com>

QUESTIONS:

Questions for the Class Members' lawyers may be directed to:

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Morganti & Co., P.C.
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Toronto, ON M4T 1L9
Tel: (647) 344-1900
Fax: (416) 352-7638
Email: amorganti@morgantico.com

INTERPRETATION:

If there is a conflict between the provisions of this Notice and the Settlement Agreement, the terms of the Settlement Agreement will prevail.

This notice has been approved by the Court. Questions about matters in this notice should NOT be directed to the Court.