

FSD Pharma

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FSD Pharma announces US\$10 million registered direct offering as it advances FSD201 as possible COVID-19 treatment

FSD Pharma Inc (NASDAQ:HUGE) (CSE:HUGE.CN) announced Friday it has launched a US\$10 million registered direct offering.

The offering comes as the Canadian company actively works to submit an Investigational New Drug Application to the US Food and Drug Administration to use its FSD201 as a possible treatment to reduce lung inflammation in hospitalized coronavirus (COVID-19) patients.

In a statement, the company said it has entered into definitive agreements with investors for the purchase and sale of 2,762,430 Class B subordinate voting shares and warrants to buy 1,381,215 shares at US\$3.62 each.

READ: FSD Pharma notifies Health Canada it will forfeit licenses of subsidiary FV Pharma and suspend operations

The warrants have an exercise price of US\$4.26 per share, which are immediately exercisable, and will expire five years from the date of issuance. The closing of the offering is expected to occur on or about August 4.

AGP/Alliance Global Partners is acting as sole placement agent for the offering. Brookline Capital Markets, a division of Arcadia Securities LLC, acted as the company's financial advisor for the offering.

FSD Pharma also granted the agent an option to arrange for purchases of up to an additional US\$10 million of securities on the same terms for a period of 30 days following the initial closing.

In other company news, the board of directors authorized the issuance of 1,322,927 shares as compensation to FSD Pharma's directors, officers, and certain employees.

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Price: 2.38

Market Cap: \$45.6 m

1 Year Share Price Graph



December 2019 June 2020 December 20

Share Information

Code: HUGE

Listing: CSE

52 week	High	Low
	15.1	1.7

Sector: Pharma & Biotech

Website: fsdpharma.com

Company Synopsis:

FSD Pharma Inc. is a publicly-traded holding company, since May 2018. FSD Pharma BioSciences, Inc., a wholly-owned subsidiary, is a specialty biotech pharmaceutical R&D company focused on developing over time multiple applications of its lead compound, ultramicrosized-palmitoylethanolamide ("FSD201"), by down-regulating the cytokines to effectuate an anti-inflammatory response.

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