



CODE OF CONDUCT AND ETHICS

Effective as of and from June 1, 2018

FSD PHARMA INC.

CODE OF CONDUCT AND ETHICS

1.0 INTRODUCTION

Ethical conduct in its business practices is critical to the development and maintenance of the reputation and credibility of FSD Pharma Inc. ("**FSD Pharma**"). FSD Pharma expects its directors, officers, employees, contractors and consultants (collectively, "**Personnel**") to operate in accordance with the highest ethical standards in their conduct of business for and on behalf of the Company.

FSD Pharma is committed to the following values:

- Integrity, honesty and respect
- Customer focus
- Teamwork
- Achievement and accountability
- Employee engagement
- Innovation
- Openness and transparency
- Understanding and compassion

These values are embodied within this code of conduct and ethics (the "**Code**"). This Code will guide Personnel in identifying and managing business situations, allowing FSD Pharma to conduct business in a responsible and ethical manner, treating those with whom it deals (including, without limitation FSD Pharma's securityholders, gaming regulators, customers, suppliers, competitors and Personnel) with fairness and respect. This Code is not intended to address every issue that may arise, but rather is intended to set out basic principles with which FSD Pharma expects you to comply.

This Code has been adopted by the board of directors of FSD Pharma (the "**Board**"). The Board reserves the right to add to, modify and rescind all or any portion of this Code at any time and from time to time. This Code governs in the event of any conflict or inconsistency between this Code and any other materials distributed by FSD Pharma. If any law conflicts with a policy set out in this Code, you must comply with the law.

2.0 COMPLIANCE WITH LAWS

FSD Pharma will conduct its business activities in compliance with all laws, regulations and requirements that are applicable to wherever FSD Pharma operates. Personnel will inform themselves respecting the laws and regulations applicable to FSD Pharma's activities. FSD Pharma Personnel are also required to become familiar with, and agree to comply with all applicable FSD Pharma policies.

If there are any questions or uncertainties about the application or interpretation of laws, regulations, standards or policies that direct FSD Pharma's operations, Personnel should direct questions to their immediate superior, supervisor or person with whom he or she has a reporting relationship.

3.0 CONFLICT OF INTEREST

A conflict of interest occurs when an individual's private interests interfere in any material way with the interests of FSD Pharma. A perceived conflict of interest occurs where an individual's private interests appear to be in conflict in the material way with the interests of FSD Pharma. Personnel must not participate in any activity or situation that results in a conflict or perceived conflict between personal interests and the interests of FSD Pharma. Personnel should also avoid situations or activities that could compromise, or appear to compromise, their judgment, objectivity or ability to act in the best interest of FSD Pharma. Activities that could give rise to potential conflicts of interest are prohibited unless specifically approved in advance by the Chief Executive Officer ("CEO") or the Board.

The following is a non-exhaustive list of examples where a conflict of interest or a perceived conflict of interest could arise:

- **Financial Interest:** Personnel and their families (spouse, children) will not knowingly own, control or direct a material financial interest in a supplier, contractor, competitor or in any entity with which FSD Pharma does or seeks to do business.
- **Customer and Supplier Relations:** All customers and suppliers involved with FSD Pharma in the purchase of goods and services should be treated fairly and with respect. Purchase decisions must be made based on objective criteria such as quality, reliability, price, delivery and service.
- **Gifts, Entertainment or Bribes:** Offering or receiving any gift (monetary or non-monetary), gratuity or favour that may be perceived to unfairly influence a business decision should be avoided. While gifts or entertainment offered to or by persons or entities seeking to or doing business with FSD Pharma in the ordinary course are to an extent acceptable, Personnel will exercise responsibility and objectivity in offering or accepting such gifts or entertainment. It is unacceptable to directly or indirectly offer, pay, solicit or accept bribes or engage in any activity that may appear to be improperly influencing business relations.

- **External Business Activities:** Personnel will not engage in any outside business activity that creates a conflict of interest or is otherwise deemed detrimental to FSD Pharma or conduct any external business activities on FSD Pharma premises or during normal business hours unless prior approval is obtained from the CEO or the Board.
- **Acting as Director.** Personnel must obtain the approval of the CEO or the Board prior to accepting a position as director of a for-profit company or business organization.
- **Government and Community Relations:** Any Company support to political organizations requires the approval of the CEO. Personnel who engage in personal political activities must do so on their own time and not on behalf of FSD Pharma.
- **Personal Relationships:** Personnel will avoid any arrangement or circumstance (including personal relationships) that may compromise their ability to act in the best interests of FSD Pharma. Officers, directors and employees of FSD Pharma will not directly supervise anyone with whom they are engaged in a personal relationship.

Personnel are expected to use common sense and good judgment in determining whether a conflict of interest does or potentially could exist. In the event of an actual, potential or perceived conflict of interest, Personnel should speak to their immediate superior, supervisor or person with whom he or she has a reporting relationship; and, in the event of any Officers of FSD Pharma, the CEO; and in the event of the CEO, the Board. Waivers can only be granted by the Board or in certain circumstances by the CEO. Breaches of the conflict of interest obligations of Personnel will result in disciplinary action up to and including termination of employment or retainer for cause in appropriate circumstances.

4.0 CORPORATE OPPORTUNITIES AND DUTY OF LOYALTY

You have a duty of loyalty to FSD Pharma, which includes a duty to advance FSD Pharma's legitimate interests when the opportunity to do so arises. Accordingly, you may not use your position or FSD Pharma's name, property, information or goodwill for personal gain or for the gain of others. You are further prohibited from taking advantage of an opportunity that is discovered through the use of any corporate property, information, contacts or your position with FSD Pharma. All such opportunities, actual or perceived, should be reported to your immediate supervisor.

5.0 CONFIDENTIALITY AND DISCLOSURE

During employment with FSD Pharma, Personnel will have access to or obtain information that is non-public, confidential, of value to FSD Pharma's competitors or that may be damaging to FSD Pharma if disclosed improperly ("**Confidential Information**"). Personnel may also gain access to Confidential Information about suppliers and customers with whom FSD Pharma conducts business.

Personnel have a responsibility to protect the Confidential Information of FSD Pharma or the companies it does business with against theft, loss, unauthorized access or use, alteration or misuse. This obligation applies during the employment or retainer of any Personnel and after termination of such employment or retainer for any reason, for so long as the Confidential Information retains its confidential nature.

Personnel must maintain the confidentiality of Confidential Information entrusted to them by FSD Pharma, or that otherwise comes into their possession in the course of their employment or retainer. Confidential Information may only be disclosed if it is legally required or if specific authorization is given, or as required to properly perform any duties on behalf of FSD Pharma.

All information about FSD Pharma, its business, its interests, including its ownership interests, and its activities that has not been publicly disclosed and that if known by the general public might reasonably be expected to have a material impact on a business decision or transaction, or effect the value of any security, ("**Insider Information**") is considered Confidential Information. The use of Insider Information relating to FSD Pharma for personal gain or for any reason other than the proper performance of any duties on behalf of FSD Pharma is not only unethical and a breach of this Code, but may also be illegal.

Examples of Insider Information include, but are not limited to:

- unpublished financial results
- material licensing or other regulatory developments
- expansions or curtailment of operations
- operational incidents
- anticipated acquisitions or joint ventures
- pending litigation

Personnel must not speak on behalf of FSD Pharma unless authorized to do so and should refer to the Corporate Disclosure Policy for specific direction. Personnel should refer questions from the media to the appropriate spokesperson of FSD Pharma.

If Personnel are not sure whether information has been publicly disclosed, they should seek advice from their immediate superior, supervisor or person with whom he or she has a reporting relationship.

These confidentiality and disclosure obligations remain in effect even after Personnel leave their employment or engagement with FSD Pharma. Breaches of the confidentiality and disclosure obligations of Personnel will be subject to disciplinary action up to and including termination of employment or retainer for cause in appropriate circumstances.

6.0 EMPLOYMENT PRACTICES, HEALTH, SAFETY AND ENVIRONMENT

FSD Pharma will ensure that all Personnel are treated with respect and dignity. FSD Pharma will not tolerate discrimination or harassment against current or potential Personnel or those with whom it conducts business based on race, nationality, ethnic origin, colour, religion, age, gender, marital status, family status, sexual orientation, political belief or disability.

FSD Pharma is committed to assuring fair employment, including equal treatment in hiring, training, compensation, termination and corrective actions.

FSD Pharma will establish and maintain a safe and healthy working environment for its Personnel and conduct its operations in an environmentally responsible manner in accordance with applicable laws, regulations and industry standards. FSD Pharma is committed to keeping its workplaces free from hazards. Threats or acts of violence or physical intimidation are prohibited. To protect the safety of all Personnel, FSD Pharma's assets, the environment, and the communities within which FSD Pharma works, Personnel must report for work fit to perform their duties and free from the influence of any substance that could prevent them from conducting their work activities safely, effectively, and in compliance with all applicable laws.

7.0 USE OF COMPANY PROPERTY AND RESOURCES

FSD Pharma's information systems, office equipment, tools, vehicles, supplies, facilities, services and any other assets or property owned or leased by FSD Pharma or that are otherwise in FSD Pharma's possession are provided and should be used for authorized business purposes only. Personnel have an obligation to protect and use FSD Pharma property and resources, including proprietary information, in accordance with the principles of sensible and acceptable use. Unacceptable use will not be tolerated.

Acceptable business use of FSD Pharma property is demonstrated when such use:

- complies with company policies and values, and all applicable laws;
- ensures the confidentiality and integrity of FSD Pharma's information; and
- ensures the protection of FSD Pharma's property and resources.

Personal use of FSD Pharma property is considered reasonable if it:

- does not involve pornographic, sexist, racist, stereotypical or otherwise offensive or inappropriate content or activities;
- adheres to any proprietary restrictions or restrictions on use imposed by FSD Pharma or any third party, including any party with whom FSD Pharma has a licensing agreement;
- aligns with FSD Pharma's values;
- respects applicable laws; and

- does not interfere with the responsibility of Personnel on behalf of FSD Pharma.

Unacceptable use (personal or business related) of FSD Pharma property includes when an individual uses such property:

- to defame, slander, harass or unreasonably interfere with any individual or organization, including FSD Pharma;
- to partake in any illegal or unethical activity;
- to conduct any activity that could negatively impact FSD Pharma or its reputation;
- to make excessive use of non-business-related internet sites or access any illicit or inappropriate sites;
- in substitution for personal assets (e.g. personal computer) for reasons unrelated to FSD Pharma's business;
- intentionally transmit viruses or transmit virus warnings to any recipient;
- access or exchange content that is inappropriate in a professional workplace; and/or
- conduct personal commercial ventures.

The theft, misuse, damage or waste of FSD Pharma property and resources by any Personnel will not be tolerated and will be subject to disciplinary action, up to and including termination of employment or retainer for cause in appropriate circumstances. It could also result in civil or criminal penalties. Any infractions should be reported by Personnel immediately to an immediate superior, supervisor or person with whom he or she has a reporting relationship or, if that will not resolve the issue, the human resources department.

8.0 RETENTION OF DOCUMENTS AND RECORDS

It is FSD Pharma's policy to cooperate with all governmental investigative authorities. Personnel shall retain any record, document or property of FSD Pharma that is known to be the subject of an investigation or litigation.

It is a violation of this Code for Personnel to knowingly alter, destroy, conceal, cover up, falsify or make a false entry in any record, document or tangible object with the intent to impede, obstruct or improperly influence the investigation or proper administration of any matter within the jurisdiction of any federal, provincial, state or municipal department or agency, or any bankruptcy, or in relation to or contemplation of any such matter or case.

9.0 REPORTING FINANCIAL TRANSACTIONS

The books and records of FSD Pharma will reflect all business activities and transactions in a timely, fair and accurate manner. All assets and liabilities of FSD Pharma will be properly recorded in order to reflect and maintain the business operations and activities of FSD Pharma.

Compliance with applicable and generally accepted accounting principles, financial reporting standards and securities laws shall be observed in the preparation and disclosure of all financial records and information.

All business transactions shall be properly authorized, recorded and supported by accurate documentation and in reasonable detail to ensure that the best interests of and any Confidential Information or other corporate information belonging to FSD Pharma is protected.

The intentional creation of any false or misleading entries with respect to any business activity or transaction is strictly prohibited and will be subject to appropriate disciplinary action, up to and including termination of employment or retainer for cause in appropriate circumstances.

10.0 COMPLIANCE AND ENFORCEMENT

All Personnel must become familiar with and agree to comply with this Code as a condition of employment, and apply it to all their business activities with, for and on behalf of FSD Pharma.

You should read this Code carefully, ask questions of your immediate superior, supervisor or person with whom you have a reporting relationship. The attached Annex A sets out compliance procedures for FSD Pharma Personnel to observe when they encounter situations involving a breach or potential breach of this Code.

All directors, officers, and employees of FSD Pharma in managerial or supervisory positions, or whose duties involve regular contact with any government department or agency, or the selection of contractors for the provision of goods or services, or the approval or payment of invoices on behalf of FSD Pharma, or any other Personnel as requested or determined by any officer of FSD Pharma from time to time, must promptly sign and return the certification attached as Annex B, acknowledging receipt of this Code to:

FSD Pharma Inc.
520 Williams Street
Cobourg, Ontario
K9A 3A5

In the event that any Personnel breach their obligations under this Code or any of FSD Pharma's other policies and procedures, they shall be subject to appropriate disciplinary action up to and including termination of employment or retainer for cause in appropriate circumstances.

11.0 NON-COMPLIANCE REPORTING

All Personnel are responsible for reporting any conduct or activities that they reasonably believe are or may lead to a breach of any obligations under this Code. In reporting non-compliance, employees, contractors and consultants should first raise the issue with their immediate superior, supervisor or person with whom he or she has a reporting relationship, who shall consult with FSD Pharma's general counsel or human resources department to determine whether a breach of this Code has or may have occurred and authorize measures to be taken to avoid or neutralize the adverse effect of such breach. If consultation with a supervisor or superior is not possible in the

circumstances, or does not resolve the matter, Personnel should take it up directly with FSD Pharma's general counsel.

No retaliatory action will be taken against an individual for providing information in good faith. Disciplinary actions may be taken against any Personnel who violate this Code.

Any member of the Board or any officer having an actual or potential conflict of interest in any proposed transaction or arrangement is not permitted to vote (in the case of a member of the Board) or use his or her personal influence on the matter being considered by the Board. Any member of the Board having an actual or potential conflict of interest is not counted in determining the quorum for consideration and vote on the particular matter, and should excuse him or herself from any meeting of the Board during discussion of the matter in question and from any vote on the particular matter. The minutes of the Board meeting should reflect the disclosure, the absence from the meeting of the interested director or officer, the abstention from voting of such interested director or officer and the presence of a quorum. The proposed transaction or arrangement is considered approved if it receives the affirmative vote of a majority of the disinterested members of the Board. The foregoing requirements do not prohibit the interested director or officer from briefly stating his or her position in the matter or from answering pertinent questions from the disinterested members of the Board, as the interested director's knowledge may be of assistance to the other Board members in their consideration of the matter.

12.0 WAIVERS AND AMENDMENTS

Any waiver of this Code and any amendments to this Code shall be subject to the sole discretion of the Board. Waivers with respect to employees, contractors and consultants may be given by the CEO, who shall report any such waivers to the Board.

Any amendments to this Code will be disclosed to all Personnel and to any other interested party or governmental department, body or agency as required by applicable law, rule, regulation or stock exchange requirement.

13.0 APPROVAL

Adopted by the Board as of June 1, 2018.

ANNEX A

CODE OF CONDUCT AND ETHICS COMPLIANCE PROCEDURES

Personnel must work together to avoid the breach of any obligations under this Code and to ensure that prompt and consistent action is taken by FSD Pharma to address any violations of this Code that do occur. From time to time, Personnel may encounter situations in which it is difficult to determine whether a breach of this Code has occurred or how best to respond to a possible breach of this Code. Since not every situation that will arise can be anticipated, the following represents a general procedure that Personnel should apply when dealing with these issues:

1. **Make sure you have all the facts.** In order to reach the right solution, all relevant information must be known.
2. **Consider what you are being asked to do and whether it seems unethical or improper.** This will assist you to focus on any potential problems under this Code and the alternatives available to you to deal with the situation.
3. **Discuss the problem with a supervisor.** In many cases, supervisors will be more knowledgeable about the question and the most appropriate response. In other situations, the involvement of a supervisor is a requirement in order to properly evaluate and respond to a breach or possible breach of this Code. Personnel should remember that it is the responsibility of supervisors to help solve problems and ensure compliance with this Code.
4. **Seek help from Company resources.** In the rare case where it may not be appropriate to discuss an issue with a supervisor, or where a supervisor is not available to answer a question, Personnel should discuss it with a person with whom he or she has a reporting relationship or the human resources manager. If that is not appropriate or if a satisfactory resolution is not obtained, you may call or send concerns to FSD Pharma's internal or external counsel.
5. **Report ethical violations in confidence and without fear of retaliation.** The Company does not permit retaliation of any kind for good faith reports of the breach or possible breach of any obligations under this Code. The reporting of breaches or possible breaches of this Code by Personnel in bad faith or contrary to the spirit and intentions of this Code will lead to appropriate disciplinary action being taken by the Company.
6. **Always ask first, act later.** If you are asked to do something you are unsure about, you should seek guidance and ask questions first before the action in question is taken.

ANNEX B

CODE OF CONDUCT AND ETHICS CERTIFICATION

I have read and understand this Code of Conduct and Ethics (the "**Code**") of FSD Pharma Inc. ("**FSD Pharma**"). I agree that I will comply with the policies and procedures set forth in this Code. I understand and agree that, if I am an employee or contractor of FSD Pharma, or one of its subsidiaries, my failure to comply in all respects with FSD Pharma's policies, including this Code, is a basis for appropriate disciplinary action, up to and including termination of employment or retainer for cause.

I agree to promptly notify and, where required, submit a written report to FSD Pharma's general counsel describing any circumstances in which:

1. I have a reasonable basis for believing that a violation of this Code by any Personnel has occurred;
2. I have or any member of my family has, or may have, engaged in any activity that represents a breach of my obligations under this Code;
3. I have or any member of my family has, or may have, any interest in any business or activity that represents a breach of my obligations under this Code; and
4. I or any member of my immediate family is contemplating any activity or acquisition that could reasonably lead to a breach of my obligations under this Code.

I am unaware of any violations or suspected violations of this Code by any employee or contractor except as described below or on the attached sheet of paper. (If no exceptions are noted, please initial the space provided below.)

_____ No exceptions

To the best of my knowledge and belief, neither I nor any member of my immediate family has any interest or affiliation, or has engaged in any activity, which represents a breach of my obligations under this Code or would otherwise create a conflict of interest, or a perceived conflict of interest, between my own personal interests and the interest of FSD Pharma or its subsidiaries, except as described below or on the attached sheet of paper. (If no exceptions are noted, please initial the space provided below.)

_____ No exceptions

I am aware that this signed certification will be filed with my personal records in FSD Pharma's human resources department.

Type or Print Name

Signature

Date