

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **June 30, 2023**

Lucy Scientific Discovery Inc.
(Exact name of registrant as specified in its charter)

British Columbia, Canada

(State or other jurisdiction of
incorporation or organization)

001-41616

(Commission File Number)

Note Applicable

(I.R.S. Employer
Identification No.)

301-1321 Blanshard Street
Victoria, British Columbia, Canada

(Address of principal executive offices)

V8W 0B6

(Zip Code)

Registrant's telephone number, including area code: **(778) 410-5195**

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Shares, no par value	LSDI	The Nasdaq Capital Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01 Entry into a Material Definitive Agreement.

As previously disclosed, on March 20, 2023, Lucy Scientific Discovery Inc. (the “**Company**”) entered into a definitive asset purchase agreement (“**APA**”) with Wesana Health Holdings Inc. (“**Wesana**”), pursuant to which the Company has agreed to acquire intellectual property and related assets relating to Wesana’s psilocybin and cannabidiol combination investigational therapy, SAN-013. On June 30, 2023, the Company entered into the First Amendment to the APA (the “**First Amendment**”). Pursuant to the First Amendment, the consideration to be paid for these assets is: (a) \$300,000 in cash to be paid within 24 hours of the signing of the First Amendment; (b) upon the closing of the acquisition (the “**Closing**”), the Company will issue Wesana an aggregate of 1,000,000 shares of the Company’s common stock (the “**Shares**”); (c) \$177,973.99 in cash payable in the following 4 installments: (i) \$100,000.00 due on or before July 1, 2023; (ii) \$25,991.33 due on or before October 1, 2023; (iii) \$25,991.33 due on or before January 1, 2024; and (iv) \$25,991.33 due on or before April 1, 2024, and (d) at the Closing, the Company will assume certain liabilities of Wesana which principally consists of \$92,026.01 of debt owed by Wesana to a law firm.

On June 30, 2023, the Closing occurred. A total of \$100,000 was paid by the Company to Wesana on July 5, 2023 and the Shares were issued on June 30, 2023.

On July 5, 2023, the Company issued a press release regarding the Closing, a copy of which is attached as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

Item 2.01 Completion of Acquisition or Disposition of Assets.

The applicable information set forth in Item 1.01 of this Current Report on Form 8-K is incorporated by reference into this Item 2.01.

Financial statements are not included in this Current Report on Form 8-K because the Company has determined, in accordance with the guidance set forth in Regulation S-X Rule 11-01(d), that the APA does not involve the acquisition of a business.

Item 3.02 Entry into a Material Definitive Agreement.

The applicable information set forth in Item 1.01 of this Current Report on Form 8-K is incorporated by reference into this Item 3.02. The Shares were issued in reliance upon an exemption from the registration requirements of the Securities Act of 1933, as amended, pursuant to Section 4(a)(2) thereof, which exempts transactions by an issuer not involving any public offering. The issuance of the Shares was not a public offering for purposes of Section 4(a)(2) because of its being made only to Wesana, its status as an accredited investor, and the manner of the issuance, including that the Company did not engage in general solicitation or advertising with regard to the issuance of the Shares and did not offer any of the Shares to the public in connection with the issuance.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
10.1	First Amendment to the Asset Purchase Agreement dated June 30, 2023 among Lucy Scientific Discovery Inc., Lucy Scientific Discovery USA Inc., Wesana Health Inc. and Wesana Health Holdings Inc.
99.1	Press release of Lucy Scientific Discovery Inc. dated July 5, 2023.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Lucy Scientific Discovery, Inc.

Date: July 7, 2023

By: /s/ Christopher McElvany

Name: *Christopher McElvany*

Title: *President and Chief Executive Officer*

CONFIDENTIAL

June 30, 2023

Lucy Therapeutic Discoveries Inc.
c/o Lucy Scientific Discovery Inc.
301-1321 Blanshard Street
Victoria, British Columbia
Canada V8W 0B6
Attn: Richard Nanula, Executive Chairman

Dear Mr. Nanula:

Re: Amendment of Asset Purchase Agreement Among Wesana Health Holdings Inc., Lucy Scientific Discovery Inc., Lucy Scientific Discovery USA Inc., and Wesana Health Inc. (each a “Party” and together, “Parties”)

We refer to the Asset Purchase Agreement dated March 20, 2023 between the Parties (“**Purchase Agreement**”). Capitalized terms used but not otherwise defined shall have the meanings set forth in the Purchase Agreement.

The Parties have agreed to enter this first amending agreement (the “**First Amendment**”) to amend certain provisions of the Purchase Agreement as follows:

(a) **Buyer.**

- (i) The Parties hereby agree that the rights and obligations of Buyer as set forth in the Purchase Agreement and Ancillary Agreements are hereby assigned in whole to Lucy Therapeutic Discoveries Inc., a Delaware corporation and a direct, wholly-owned subsidiary of Buyer Parent, and all references in the Purchase Agreement or Ancillary Documents to the defined term “Buyer” or to “Lucy Scientific Discovery USA Inc.” shall be deemed to be a reference to Lucy Therapeutic Discoveries Inc. The parties acknowledge and agree that, as a result of this assignment of rights and obligations of, and amendment to, the Purchase Agreement and Ancillary Documents, at the Closing, the transactions to be consummated pursuant to the Purchase Agreement and Ancillary Documents, as amended, shall be consummated between the Seller, Wesana Parent, Buyer Parent, and Lucy Therapeutic Discoveries Inc., as Buyer.

(b) **Consideration.**

- (ii) Section 1.6 of the Purchase Agreement is hereby deleted in its entirety and replaced with the following:

“**Section 1.6. Consideration.** In full consideration for the sale, assignment, transfer, conveyance, and delivery of the Purchased Assets to the Buyer, the Buyer has paid and/or shall pay to the Seller **(a)** within twenty-four (24) hours of signing this Agreement, \$300,000.00 in cash by wire transfer of immediately available funds to an account designated in advance by Seller, *plus* **(b)** at the Closing, 1,000,000 common shares, no par value, of Buyer Parent (the “Parent Shares”), *plus* **(c)** \$177,973.99 in cash by wire transfer to an account designated in advance by Seller, payable in the following four (4) installments: **(i)** \$100,000.00 due on or before July 1, 2023; **(ii)** \$25,991.33 due on or before October 1, 2023; **(iii)** \$25,991.33 due on or before January 1, 2024; and **(iv)** \$25,991.33 due on or before April 1, 2024, and **(d)** at the Closing, assume the Assumed Liabilities (collectively, the “Transaction Consideration”).”

(c) **Wesana Schedules to Purchase Agreement.**

- (i) Schedule 1.3 (Assumed Liabilities) attached to the Purchase Agreement is hereby deleted in its entirety and replaced with **Schedule 1.3** attached to this First Amendment as **Exhibit A**.
- (ii) Schedule 5.1(g) attached to the Purchase Agreement is hereby deleted in its entirety.

(d) **Buyer Parent Working Capital.**

- (i) Section 6.2(f) of the Purchase Agreement is hereby deleted in its entirety and replaced with the following:

“Section 6.2. Conditions to the Obligations of the Seller.

(f) Buyer Parent shall have successfully consummated an initial public offering of its common stock pursuant to an effective registration statement on Form S-1 of Buyer Parent filed with the SEC, resulting in gross proceeds of not less than \$5,000,000.00, and shall have provided evidence satisfactory to the Seller and Wesana Parent that the Buyer Parent has on a consolidated basis at the time of Closing working capital of at least \$2,000,000 and that, accounting for all of its contingent and non-contingent liabilities on a consolidated basis, Buyer Parent can reasonably expect to use cash on hand of at least \$1,500,000 towards the research and development of SANA-013 for the treatment of major depressive disorder.”

This First Amendment constitutes an amendment to the Purchase Agreement in accordance with Section 9.4 of the Purchase Agreement. Except as amended hereby, the Purchase Agreement remains in full force and effect in accordance with its terms. All references to the Purchase Agreement in all agreements, Ancillary Agreements, certificates and/or other documents delivered on or concerning the Closing shall be deemed to refer to the Purchase Agreement as amended or otherwise supplemented by this First Agreement.

This First Amendment is made pursuant to and will be construed in accordance with the laws of the State of Delaware. All other terms of the Purchase Agreement shall remain in full force and effect except as amended by this First Amendment.

This First Amendment may be executed in any number of counterparts, each of which is deemed to be an original, and such counterparts together constitute one and the same instrument. Transmission of an executed signature page by facsimile, email or other electronic means is as effective as a manually executed counterpart of this agreement.

If this is also your understanding, please sign the acknowledgement and agreement below to evidence our agreement of the above-referenced amendments to the Purchase Agreement.

IN WITNESS WHEREOF, the Parties have caused this First Amendment to be executed to be effective as of the date first set forth above.

LUCY SCIENTIFIC DISCOVERY INC.

By: /s/ Richard Nanula
Name: Richard Nanula
Title: Executive Chairman

LUCY THERAPEUTIC DISCOVERIES INC.

By: /s/ Richard Nanula
Name: Richard Nanula
Title: Executive Chairman

LUCY SCIENTIFIC DISCOVERY USA INC.

By: /s/ Richard Nanula
Name: Richard Nanula
Title: Executive Chairman

WESANA HEALTH HOLDINGS INC.

By: /s/ Daniel Carcillo
Name: Daniel Carcillo
Title: President and CEO

WESANA HEALTH INC.

By: /s/ Daniel Carcillo
Name: Daniel Carcillo
Title: President

EXHIBIT A

Amended and Restated Schedule 1.3
Assumed Liabilities

- a) All Liabilities arising from the research, development, registration, manufacture, making, formulating, having made, use or commercialization of SANA-013 that first come into existence on or after the Closing Date;
- b) all Liabilities with respect to the Purchased Assets and Transferred Agreements arising due to facts or conditions first in existence on or after the Closing Date;
- c) all necessary registration, maintenance, renewal and other relevant filing fees that are required to maintain SANA-013 and/or the Purchased Assets in full force and effect;
- d) fees related to patent assignments;
- e) responsibility, including fees, related to sponsorship of the SANA-013 FDA Program;
- f) all Liabilities arising from any infringement claim or proceeding brought by any third party, including any governmental entity, related to events first occurring before, at or after Closing;
- g) all Liabilities relating to amounts required to be paid by or obligations of Buyer hereunder; and
- h) Debts to Fish & Richardson P.C. ("**Fish**") related to events first occurring before the Closing and totaling \$92,026.01 (the "Fish Debt"), comprised of invoices/accounts receivable in the amount of \$69,561.01 and work in progress in the amount of \$22,465.00.



Lucy Scientific Discovery, Inc. Achieves Major Milestone with
Successful Completion of its Acquisition of the Assets of Wesana Health

Company Forms Lucy Discoveries Holdings for Future Research and Development

VANCOUVER, British Columbia, July 5, 2023 -- Lucy Scientific Discovery Inc. ("Lucy" or "the Company") (NASDAQ: LSDI) proudly announces the successful completion of its acquisition of Wesana Health Inc.'s ("Wesana") SANA-013 assets, marking a significant milestone in the field of mental health therapeutics. This acquisition strengthens Lucy's position as a leader in innovative drug development research and accelerates the development and commercialization of this groundbreaking treatment.

SANA-013 is being developed for the treatment of several mental health and central nervous system (CNS) related conditions, including Major Depressive Disorder (MDD), Migraine, Episodic Cluster Headaches, and Trigeminal Neuralgia (TG). This novel combination allows both psilocybin and CBD to act in the brain, while also inducing a potent anti-inflammatory effect that, together, leads to anti-depressant effects. According to Emergen Research, the global depression treatment market size was \$12.1 billion in 2019 and is expected to reach \$16.1 billion in 2027, with a revenue CAGR of 3.9% from 2020-2027.

Lucy Scientific Discovery Inc. is also pleased to announce the formation of Lucy Discoveries Holdings, a new entity that will serve as a platform for the continued advancement of psychedelic medicine research and development. Lucy Discoveries Holdings will focus on expanding and diversifying Lucy's portfolio of innovative therapies, catering to the unmet needs of patients worldwide.

"We are delighted to finalize the acquisition of Wesana's SANA-013 assets and announce the formation of Lucy Discoveries Holdings," said Richard Nanula, Executive Chairman of the Board Lucy Scientific Discovery Inc. "This strategic move significantly enhances our capabilities in the development of psychedelic medicine, reinforcing our commitment to revolutionizing mental health treatments. We are excited about the opportunities ahead and the potential to positively impact the lives of individuals around the world."

"I am pleased to announce the sale of our highly anticipated drug development program, SANA-013, to Lucy Scientific Discovery," said, Daniel Carcillo, Wesana founder and Chief Executive Officer. "This partnership will enable us to leverage Lucy's resources, expertise, and global reach, solidifying our commitment to making a lasting impact in the field of mental health and underscores the tremendous potential of SANA-013. Our team at Wesana Health has worked tirelessly to develop this innovative program, and I am personally honored to be joining the exceptional team at Lucy, and together, we will bring hope and healing to individuals worldwide, forging a brighter future for mental wellness."

The completion of this acquisition and the establishment of Lucy Discoveries Holdings position Lucy Scientific Discovery Inc. as a leader in the field of mental health therapeutics. With a robust pipeline of cutting-edge treatments and a commitment to improving patient outcomes, Lucy is poised to make a profound impact on mental wellness.

About Lucy Scientific Discovery Inc.

Lucy Scientific Discovery Inc. (NASDAQ: LSDI) is a licensed producer of compounds for medicinal products. Holding a Controlled Drugs and Substances Dealer's License granted by Health Canada's Office of Controlled Substances, Lucy Scientific Discovery Inc. and its wholly-owned subsidiary, LSDI Manufacturing Inc., operate under Part J of the Food and Drug Regulations promulgated under the Food and Drugs Act (Canada). This specialized license authorizes LSDI to develop, sell, deliver, and manufacture pharmaceutical-grade active pharmaceutical ingredients (APIs) used in controlled substances and their raw material precursors—Lucy's focus is on pioneering innovative therapies for patients in need, and through its lead candidate SANA-013, dedicated to advancing the understanding and applications of psychedelic medicine, improving mental health outcomes, and enhancing well-being for individuals worldwide.

Note Regarding Forward-Looking Statements

This press release may contain forward-looking statements. Forward-looking statements give our current expectations or forecasts of future events. You can identify these statements by the fact that they are not related to historical or current facts. Forward-looking statements involve risks and uncertainties and include statements regarding, among other things, our projected revenue growth and profitability, our growth strategies and opportunity, anticipated trends in our market and our anticipated needs for working capital. They are generally identifiable by use of the words "may," "will," "should," "anticipate," "estimate," "plans," "potential," "projects," "continuing," "ongoing," "expects," "management believes," "we believe," "we intend" or the negative of these words or other variations on these words or comparable terminology. In particular, these include statements relating to future actions, prospective products, market acceptance, future performance, results of current and anticipated products, sales efforts, expenses, and the outcome. Most of these factors are outside Lucy's control and may cause actual future events to differ materially from the expected results, include, but are not limited to: (i) the occurrence of any event, change or other circumstance that could give rise to the legality of this consumer product, (ii) inability to recognize the anticipated benefits of the opportunity, which may be affected by, among other things, competition and the ability of the company to grow and manage growth profitability, (iii) costs related to the production, (iv) the ability to implement business plans, forecasts, and other expectations of the opportunity, as well as identify and realize additional opportunities, (v) the outcome of any legal proceedings that may be instituted against Lucy following the announcement of the new product line, and (vi) other risks and uncertainties indicated in the filings that are made from time to time with the SEC by Lucy (including those under the "Risk Factors" sections therein).

These statements are based on our management's expectations, beliefs and assumptions concerning future events affecting us, which in turn are based on currently available information. Although we believe that the estimates and projections reflected in the forward-looking statements are reasonable, our expectations may prove to be incorrect.

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