

GETTING PSYCHEDELIC IN CANADA: LEGALITIES OF PSYCHEDELIC THERAPIES

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This bulletin provides an introduction into psychedelics and their potential therapeutic applications and describes the legal process through which companies can become involved in this developing field, classified by many as a "*psychedelic renaissance*."¹

What are psychedelics?

Psychedelics are a class of drugs that affect the brain's serotonin receptors, triggering a variety of changes in perception, cognition, mood, and behaviour, with some psychedelics producing an altered state of consciousness². These include drugs such as psilocybin, ecstasy, lysergic acid diethylaminde ("**LSD**"), and ketamine.

Historically, psychedelics have been at the forefront of religious and spiritual healing practices. The effects of these drugs and their potential applications were investigated by scientists as early as 1877, with LSD and psilocybin being discovered by Dr. Albert Hoffman in 1943³. By the 1950s, psychedelic substances showed promise as therapeutic treatments in many research studies in North America and in Europe for a multitude of mental illnesses, including addiction and mood disorders⁴.

As free love and anti-war attitudes gained popularity in the 1950s and 1960s⁵, and as psychedelic substances became more widely available for recreational use, regulators were no longer able to control drug abuse. Political parties in power at the time experienced a significant threat and began to push back against psychedelic substances. The dangerous and negative effects of such substance use were sensationalized by the media, and negative publicity chilled any authority or credibility for medical researchers investigating potential applications of psychedelics⁶. Any future for greater scientific inquiry and discovery came to a halt when most countries in the world, including Canada, wholly criminalized psychedelic substances⁷.



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¹ Lucas Richert, *The Psychedelic Renaissance* (Aug 14 2019), online: <https://www.psychologytoday.com/ca/blog/hygieias-workshop/201908/the-psychedelic-renaissance>.

² Kerry Banks, *The Canadian Revival of Psychedelic Drug Research* (June 14 2019), online: [https://www.universityaffairs.ca/features/feature-article/the-canadian-revival-of-psychedelic-drug-research/\[Banks\]](https://www.universityaffairs.ca/features/feature-article/the-canadian-revival-of-psychedelic-drug-research/[Banks]).

³ Desiree Smith, *The Psychedelic Renaissance: The Historical Progression of Canada's Legal Regulations on Psychedelics*, p. 5 (unpublished manuscript) [Smith]; Centre for Addiction and Mental Health, *LSD*, online: <https://www.camh.ca/en/health-info/mental-illness-and-addiction-index/lisd> [CAMH LSD]; Emily Witt, *The Science of the Psychedelic Renaissance* (May 29 2018), online: <https://www.newyorker.com/books/under-review/the-science-of-the-psychedelic-renaissance>.

⁴ Smith, *supra* note 3 at pp. 5–6.

⁵ Jeffrey O'Brien, *Business gets ready to trip: How psychedelic drugs may revolutionize mental health care* (Feb 17 2020), online: <https://fortune.com/longform/psychedelic-drugs-business-mental-health/> [O'Brien].

⁶ Smith, *supra* note 3 at pp. 7–8.

⁷ *Ibid* at p. 7.

Since the 1990s and 2000s, society has experienced a liberalization of political attitudes and an increase in technological advancements, resulting in a drastic change in public and government perspectives towards the use of psychedelics in medical and scientific research⁸. Another contributing factor to the revitalized investigation into psychedelic therapies stems from the mixed results that available pharmacotherapies for those experiencing mental illness can have: selective-serotonin reuptake inhibitors (antidepressants that boost the level of serotonin in the brain) can take months before becoming effective, with the first prescription being effective about 30% of the time. Up to 15% of benzodiazepine users become addicted, and adults on antidepressants are 2.5 times as likely to attempt suicide⁹. Therefore, a growing number of scientists and researchers are conducting clinical trials using psychedelics to treat various psychological illnesses including depression and post-traumatic stress disorder¹⁰.

Which psychedelics are being applied or investigated as psychedelic therapies?

Psilocybin is the active ingredient in "magic mushrooms", a term used to describe mushrooms which contain hallucinogens¹¹. Psilocybin is being studied for its potential to treat various conditions such as anxiety, depression, obsessive compulsive disorder, and addictions. For example, psilocybin has been shown to cause a rapid and sustained reduction in anxiety and depression in a group of patients with life-threatening cancer¹², with 80% of cancer patients experiencing reduced anxiety and fear of death a minimum of six months after a single psilocybin treatment¹³. A combination of psilocybin and cognitive therapy enabled 80% of one study's participants to curb their nicotine addiction for at least six months¹⁴. In Fall 2019, the University of Toronto launched the Centre for Psychedelic Studies, which will host the world's first clinical trials on microdosing psilocybin¹⁵.

Ecstasy, also known as "molly" or "MDMA", is a drug that releases a high level of serotonin, which plays a role in regulating mood, energy levels, and appetite¹⁶. Ecstasy can be dangerous because makers often use cheaper ingredients, including cornstarch, soaps, and detergents. Other substances may also be mixed into the substance, including LSD, ketamine, cocaine, and methamphetamine¹⁷. Results from one clinical trial

⁸ *Ibid* at pp. 13–14.

⁹ O'Brien, *supra* note 5.

¹⁰ Kristine O'wram, *Move over, pot: Psychedelic drug companies gear up to list on Canadian stock exchanges* (Feb 11 2020), online: <https://business.financialpost.com/cannabis/cannabis-business/move-over-pot-psychedelic-companies-are-about-to-go-public> [O'wram].

¹¹ Health Canada, *Magic Mushrooms*, online: <https://www.canada.ca/en/health-canada/services/substance-use/controlled-illegal-drugs/magic-mushrooms.html#a6>.

¹² O'Brien, *supra* note 5; Kashmira Gander, *FDA approves psychedelic magic mushrooms ingredient psilocybin for depression trial* (Aug 23 2018), online: <https://www.newsweek.com/fda-approves-psychedelic-magic-mushrooms-ingredient-psilocybin-depression-1086759> [Gander].

¹³ O'Brien, *supra* note 5.

¹⁴ *Ibid*.

¹⁵ Rachel Browne, *What the future holds for medical psychedelics in Canada* (Dec 27 2019), online: <https://globalnews.ca/news/6291447/medical-psychedelics-canada/> [Browne]; See also: <https://www.psychedelicsscience.ca/>.

¹⁶ Centre for Addiction and Mental Health, *Ecstasy*, online: <https://www.camh.ca/en/health-info/mental-illness-and-addiction-index/ecstasy>.

¹⁷ Health Canada, *Ecstasy*, online: <https://www.canada.ca/en/health-canada/services/substance-use/controlled-illegal-drugs/ecstasy.html>.

observing the use of ecstasy in treating Post-Traumatic Stress Disorder ("PTSD") show sustained remission from symptoms in over 70% of participants one year after treatment¹⁸.

The British Columbia Centre on Substance Use will conduct Phase III of MDMA-assisted psychotherapy trials in Vancouver as part of a larger research project overseen by the Multidisciplinary Association for Psychedelic Studies, a non-profit pharmaceutical company based in California. The hope is to have legalized psychedelic therapy in Canada and the United States by 2021¹⁹.

LSD, also known as "acid", is a potent hallucinogen derived from a fungus, which alters a person's perception of reality and vividly distort the senses²⁰. A clinical study conducted at the University of Toronto confirmed that microdoses of LSD improved mood and focus²¹. LSD has also been shown to be helpful in treating disorders like alcoholism and depression, particularly in patients whose conditions are the result of life-threatening illnesses²².

Ketamine, also known as "special K" or "vitamin K", is a fast-acting anesthetic and painkiller used primarily in veterinary surgery and occasionally in human medicine. Ketamine can produce vivid dreams and a feeling that the mind is separated from the body (dissociative effects)²³. Ketamine can be dangerous because it is odourless and colourless, two characteristics which led to its more well-known moniker, the "date rape drug"²⁴.

Ketamine is different than the other three psychedelics discussed, because it is legally available for veterinarians and medical doctors for medical uses. Therefore, its expansion into psychotherapeutic applications is not as radical as the applications of psilocybin, ecstasy, or LSD may seem to health regulators.

A physician is allowed under the respective drug control laws to administer ketamine for a medical purpose. For example, practitioners in Canada (including medical doctors) are allowed, under the regulations to the *Controlled Drugs and Substances Act*, to prescribe or administer ketamine to an individual where the individual is their patient that the practitioner is treating in their professional capacity and where the ketamine is required to treat the individual's medical condition²⁵.

¹⁸ Lucas Bird, *MAPS Canada charts the way for psychedelic therapy* (Feb 19 2019), online: <http://www.mcgilltribune.com/sci-tech/maps-canada-charts-the-way-for-mdma-therapy-190219/> [Bird].

¹⁹ Banks, *supra* note 2.

²⁰ CAMH LSD, *supra* note 3.

²¹ Elaine Smith, *People who 'microdose' psychedelic substances report improved mood and focus: U of T study* (July 11 2019), online: <https://www.utoronto.ca/news/people-who-microdose-psychedelic-substances-report-improved-mood-and-focus-u-t-study>.

²² Bird, *supra* note 18.

²³ Centre for Addiction and Mental Health, *Ketamine*, online: <https://www.camh.ca/en/health-info/mental-illness-and-addiction-index/ketamine>.

²⁴ Health Canada, *Ketamine*, online: <https://www.canada.ca/en/health-canada/services/substance-use/controlled-illegal-drugs/ketamine.html>.

²⁵ *Benzodiazepines and Other Targeted Substances Regulations*, S.O.R. 2000-217. *The same is true in the United States: Natasha Tracy, How to Get Ketamine Prescribed* (Aug 30 2017), online: <https://www.healthplace.com/depression/depression-treatment/how-to-get-ketamine-prescribed>.

Ketamine has shown promise as a treatment in treatment-resistant adolescent depression²⁶, and has been shown to rapidly reduce life-threatening thoughts or actions and relieve anxiety²⁷. There are 133 clinics in the United States where physicians provide ketamine treatments for depression²⁸, and one in Canada where physicians provide intravenous ketamine injections as treatment for treatment-resistant depression²⁹. The Canadian ketamine clinic is licensed by the College of Physicians and Surgeons in Ontario³⁰. Off-label uses of ketamine require approval by health regulators. For example, in March 2019, the United States Food and Drug Administration ("FDA") approved esketamine, an isomer of ketamine, for use as a depression treatment³¹. Health Canada is currently reviewing esketamine's potential use as a depression treatment³².

Exempting Psychedelics from the Controlled Drugs and Substances Act

Psychedelic drugs including psilocybin, ecstasy, LSD, and ketamine are all controlled substances pursuant to the federal *Controlled Drugs and Substances Act*³³. A controlled substance is any type of drug that Canada has categorized as having a higher-than-average potential for abuse or addiction³⁴. Mirroring the United Nations policies and conventions on international drug control³⁵, the CDSA lists over 300 substances in one of the Schedules as controlled substances and precursor chemicals. The Schedules are divided up based on their likelihood for abuse or addiction. Psilocybin and LSD are Schedule III substances, and ecstasy and ketamine are Schedule I substances.

The CDSA prohibits activities related to controlled substances included in the Schedules. Prohibited activities include possession³⁶, trafficking³⁷, possession for the purpose of trafficking³⁸, importing and exporting the substances³⁹, and producing the substances⁴⁰. Trafficking includes selling, administering, giving, transferring,

²⁶ Aristos Georgiou, *Ketamine shows promise as treatment for adolescents with depression* (Aug 2 2018), online: <https://www.newsweek.com/ketamine-shows-promise-treatment-adolescents-depression-1054021>.

²⁷ O'Brien, *supra* note 5.

²⁸ *Ibid.*

²⁹ Meghan Collie, *Ketamine for depression divides experts: "I've seen these drugs come and go"* (Apr 14 2019), online: <https://globalnews.ca/news/5145537/ketamine-depression-treatment/>.

³⁰ Canadian Rapid Treatment Centre of Excellence, *FAQs*, online: <https://www.crtce.com/faq/>.

³¹ Carolyn Y. Johnson and Laurie McGinley, *FDA approves new nasal spray for untreatable depression* (March 6 2019), online: <https://nationalpost.com/news/world/fda-approves-new-nasal-spray-for-untreatable-depression>.

³² CBC Radio, *Ketamine works its magic on depression by 'stabilizing the brain in a well state'* (Apr 12 2019), online: <https://www.cbc.ca/radio/quirks/april-13-2019-black-hole-imaged-a-new-tiny-human-rebuilding-coral-reefs-and-more-1.5093713/ketamine-works-its-magic-on-depression-by-stabilizing-the-brain-in-a-well-state-1.5093729>.

³³ S.C. 1996, c. 19 [CDSA].

³⁴ Health Canada, *Controlled Substances and Precursor Chemicals*, online: <https://www.canada.ca/en/health-canada/services/health-concerns/controlled-substances-precursor-chemicals.html>.

³⁵ Smith, *supra* note 3 at pp. 8–10. *Canada is also a signatory to the following international treaties: the Single Convention on Narcotic Drugs, 1961, as amended by the 1972 Protocol; the 1971 Convention on Psychotropic Substances, and the 1988 United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances. These provisions have been integrated into the CDSA.*

³⁶ CDSA, *supra* note 33, s. 4(1).

³⁷ *Ibid.*, s. 5(1).

³⁸ *Ibid.*, s. 5(2).

³⁹ *Ibid.*, ss. 6(1), 6(2).

⁴⁰ *Ibid.*, s. 7(1).

transporting, sending, or delivering the substance⁴¹. Offences involving Schedule I drugs attract the most serious sentences.

Unless authorized by an exemption from the Minister of Health or by the regulations, the above activities are unlawful and are punishable at law. A person who wishes to possess a specified quantity of a controlled substance, such as psychedelics, for the purposes of scientific research or clinical trials (medical purposes) must receive an exemption under section 56 of the CDSA (a "**Section 56 Exemption**")⁴². Section 56 grants the Minister of Health the discretionary power to provide an individual with an exemption to possess a specified quantity of the controlled substance and to administer the controlled substance to human subjects or animals for the purpose of research.

Section 56 states:

The Minister may, on any terms and conditions that the Minister considers necessary, exempt from the application of all or any of the provisions of this Act or the regulations any person or class of persons or any controlled substance or precursor or any class of either of them if, in the opinion of the Minister, the exemption is necessary for a medical or scientific purpose or is otherwise in the public interest.

Section 56 Exemptions are not mechanisms to promote or encourage the use of substances for which approval for general marketing in Canada has not been granted or to circumvent other conventional avenues of access⁴³.

By its very nature, a Section 56 Exemption may be granted only in exceptional circumstances. The Minister of Health may grant an exemption if, in the opinion of the Minister, the exemption is necessary for a medical purpose. In determining whether an exemption is necessary for a medical purpose in a particular case, the Minister may consider certain factors, such as⁴⁴:

- The nature and seriousness of the medical condition of the patient who will be treated with the controlled drug/substance for which an exemption is sought (including whether the life of the patient would be threatened if the use of the drug/substance were not employed as a treatment for the patient's condition);
- Whether, in the particular case, the benefits of employing such treatment for the patient outweigh the risks;
- Whether all therapies currently available in Canada have been reasonably tried but have failed or in cases where therapies have not been tried, such therapies have been reasonably considered and been found to be inappropriate by the treating practitioner;

⁴¹ *Ibid.*, s. 2(1).

⁴² Exemptions can be issued for all controlled substances for scientific research and for clinical trials. For example, Section 56 Exemptions have been granted to supervised injection sites for the purposes of overdose prevention (Dilshad Burman, Toronto's safe injection sites: your FAQs answered (Aug 14 2018), online: <https://toronto.citynews.ca/2018/08/14/toronto-safe-injection-site-faq/>).

⁴³ Health Canada, *Interim Guidance Document: Therapeutic Products Programme* (April 27, 1999), online: <https://www.johnconroy.com/library/interim.pdf>.

⁴⁴ *Ibid.*

- Whether all other means of lawful access, such as access in the context of research activities, including clinical trials, to which the patient could reasonably be expected to participate, have been exhausted; and
- Whether the patient's treating practitioner is also of the opinion that access to the controlled drug/substance, in the manner and form requested for the patient, is necessary for a medical purpose.

In deciding whether to grant the exemption, the Minister may also consider other factors, such as the health and safety risks associated with granting the exemption in the specific case, the potential for diversion and whether terms and conditions can adequately address these risks; and any other concerns that may be specific to the case.

In 2017, a coalition of health professionals from British Columbia formed a group called TheraPsil and filed an application with Health Canada for a Section 56 Exemption to allow the use of psilocybin as a depression treatment for patients in palliative care with severe psychological distress⁴⁵. According to discussions that Bruce Tobin (Program Director of TheraPsil) had with Health Canada, his application was the first of its kind in Canada⁴⁶. He has not been formally rejected by Health Canada to date, but has revised his application a number of times⁴⁷. He has publicly stated he will bring a lawsuit against Health Canada if his application is rejected, basing his arguments for medical uses of psychedelics on the legal arguments which convinced Canadian courts to allow medical access to cannabis⁴⁸.

Psychedelics and the Law in the United States

Psychedelic substances remain criminalized in the United States under the federal *Controlled Substances Act*⁴⁹. American scientists and researchers can apply to the FDA to receive approval for clinical trials involving psychedelics. Under section 506(a) of the *Federal Food, Drug, and Cosmetic Act*⁵⁰, researchers and scientists can obtain a "breakthrough therapy" designation for their clinical trials involving psychedelics.

The "breakthrough therapy" designation is intended to expedite the development and review of drugs for serious or life-threatening conditions. To obtain the designation, the applicant requires preliminary clinical

⁴⁵ <https://thera-psil.ca/>; Smith, *supra* note 3 at p. 20; Troy Farah et al, *The Push to Legalize Magic Mushrooms for Depression and PTSD* (2019), online: <https://www.wired.com/story/inside-the-push-to-legalize-magic-mushrooms-for-depression-andptsd/>.

⁴⁶ Sarah Berman, *Here Comes the Legal Case for Medicinal Psychedelics* (Oct 18 2018), online: https://www.vice.com/en_ca/article/pa94v7/here-comes-the-legal-case-for-medicinal-psychedelics.

⁴⁷ Browne, *supra* note 15.

⁴⁸ Olivia Goldhill, *Do Canadians have a constitutional right to magic mushrooms?* (Aug 24 2019), online: <https://qz.com/1693840/is-canada-constitutionally-required-to-legalize-magic-mushrooms/>. Dana Larsen is not waiting for Health Canada; he has been operating a medical psilocybin dispensary since 2019 in Vancouver without a license.

⁴⁹ Griffen Thorne, *Denver Decriminalizes Psilocybin* (May 10 2019), online: <https://www.cannalawblog.com/denver-decriminalizes-psilocybin/>.

⁵⁰ United States Code, Title 21.

evidence that demonstrates the drug may have substantial improvement on at least one clinically significant endpoint over available therapy⁵¹.

The FDA granted "breakthrough therapy" designation status to a psilocybin trial for treatment-resistant depression and major depressive disorder in 2018⁵² and to ecstasy as a treatment for PTSD⁵³. Both compounds have been cleared for fast-track review by the FDA and could find their way into hospitals and treatment clinics within a few years, if not sooner⁵⁴. The FDA will also be overseeing a clinical trial testing the use of the psychedelic drug, ibogaine, as a treatment for opioid addiction, conducted by Toronto-based Mind Medicine Inc⁵⁵.

Will psychedelics be decriminalized?

Clearly, the largest hurdle faced by psychedelic therapies is that psychedelic substances remain criminalized in Canada and in the United States. However, notwithstanding that the purchase, sale, or possession of psilocybin remains illegal under the *Controlled Substances Act* in the United States⁵⁶, a number of local American jurisdictions have begun to "decriminalize" psilocybin in effect to varying degrees⁵⁷. Denver, Colorado became the first American jurisdiction to "decriminalize" psilocybin on May 8, 2019 by directing police to treat the enforcement of laws criminalizing possession of psilocybin as their lowest priority, and by barring the use of city resources or money to impose penalties⁵⁸.

Many other American cities, such as Oakland and Santa Cruz (in California) and Washington, D.C.⁵⁹, are attempting to follow Denver's lead in making psychedelics offences the lowest police priority⁶⁰. Some reports

⁵¹ FDA, *Frequently Asked Questions: Breakthrough Therapies*, online: <https://www.fda.gov/regulatory-information/food-and-drug-administration-safety-and-innovation-act-fdasia/frequently-asked-questions-breakthrough-therapies>.

⁵² Vince Sliwoski, *FDA Approves Drug Trial for Psilocybin (Magic Mushrooms)* (Aug 28 2018), online: <https://www.cannalawblog.com/fda-approves-drug-trial-for-psilocybin-magic-mushrooms/>; Gander, *supra* note 12.

⁵³ MAPS, *Press Release: FDA Grants Breakthrough Therapy Designation for MDMA-Assisted Psychotherapy for PTSD, Agrees on Special Protocol Assessment for Phase 3 Trials* (Aug 26 2017), online: <https://maps.org/news/media/6786-press-release-fda-grants-breakthrough-therapy-designation-for-mdma-assisted-psychotherapy-for-ptsd,-agrees-on-special-protocol-assessment-for-phase-3-trials>.

⁵⁴ Matt Lamkin, *Psychedelic medicine is coming. The law isn't ready* (Jul 31 2019), online: <https://blogs.scientificamerican.com/observations/psychedelic-medicine-is-coming-the-law-isnt-ready/>; O'Brien, *supra* note 5.

⁵⁵ online: <https://www.newswire.ca/news-releases/mindmed-acquires-opioid-addiction-drug-candidate-based-on-the-natural-psychedelic-ibogaine-891112447.html> [Ibogaine Release].

⁵⁶ Justin Wingerter, *Questions about Denver's decriminalization of magic mushrooms? We have your answers* (May 9 2019), online: <https://www.denverpost.com/2019/05/09/denver-magic-mushrooms-questions-answers/> [Wingerter].

⁵⁷ Alison Malsbury, *The Effort to Decriminalize Psilocybin in California is Underway* (Feb 24 2020), online: https://www.cannalawblog.com/the-effort-to-decriminalize-psilocybin-in-california-is-underway/?utm_source=Harris+Bricken+-+Canna+Law+Blog&utm_campaign=9983a3e085-RSS_EMAIL_CAMPAIGN&utm_medium=email&utm_term=0_f771927421-9983a3e085-78747061

⁵⁸ Wingerter, *supra* note 56.

⁵⁹ "Washington D.C. may legalize psychedelic mushrooms this November 2020" Feb 11 2020: online <https://www.baystreet.ca/stockstowatch/7277/Washington-DC-May-Legalize-Psychedelic-Mushrooms-this-November-2020>.

⁶⁰ Malsbury, *supra* note 57.

estimate about 100 cities are researching into these measures for psilocybin⁶¹, and at the state level, California and Oregon have proposed ballot measures out for signature⁶². For example, Oregon and California's state initiatives provide that there are to be no laws prohibiting or regulating the possession, cultivation, or distribution of psychedelics for personal use⁶³. Federally, however, no "decriminalization" changes have been proposed or accepted⁶⁴ and it remains illegal to possess or sell psychedelic substances.

Canada's move in legalizing cannabis for medical use, and then recreational use, made waves in public health communities around the world. In Canada, the legalization of psychedelics has not achieved the same support for either non-medical or medical use, perhaps because its potential applications remain in their beginning stages.

There is evidence to support the ineffectiveness of drug offences in reducing drug use, and further evidence which links criminalization of drug use to adverse societal and public health effects⁶⁵. Decriminalization would remove obstacles faced by scientists and researchers in developing psychedelic treatments and by those seeking to invest in such developments.

In the News: The Global Psychedelics Market

The global psychedelics market is developing rapidly. The demand for new treatments is high — in any given year, 1 in 5 Canadians experience a mental health problem⁶⁶, the costs on Canada's healthcare system are estimated at around \$7.9 billion⁶⁷, and some estimate that the cost of mental disorders will reach \$16 trillion by 2030⁶⁸.

Financiers see psychedelic drugs as a "potential elixir" for all sorts of psychiatric afflictions⁶⁹. One investor described the psychedelics market as follows⁷⁰:

...the next five years [are] an absolutely golden window. There's an opportunity to use relatively small amounts of money to have billions of dollars of impact and to affect millions of lives...There just aren't that many opportunities that are so dramatically obvious.

⁶¹ Kyle Jaeger, *Four More Major Cities Take Steps to Decriminalize Psychedelics* (Oct 30 2019), online: <https://www.marijuanamoment.net/four-more-major-cities-take-steps-to-decriminalize-psychedelics/> [Jaeger].

⁶² Vince Sliwoski, *The Psilocybin Movement is Like the Cannabis Movement (Except When It's Not)* (Feb 19 2020), online: <https://www.cannalawblog.com/the-psilocybin-movement-is-like-the-cannabis-movement-except-when-its-not/>.

⁶³ Jaeger, *supra* note 61; *California Psilocybin Mushroom Decriminalization Initiative*, online: [https://ballotpedia.org/California_Psilocybin_Mushroom_Decriminalization_Initiative_\(2020\)](https://ballotpedia.org/California_Psilocybin_Mushroom_Decriminalization_Initiative_(2020)).

⁶⁴ Kyle Jaeger, *House Rejects AOC Amendment to Make it Easier to Study Psychedelic Drugs* (June 13 2019), online: <https://www.marijuanamoment.net/congress-debates-aoc-amendment-to-make-it-easier-to-study-psychedelic-drugs/>.

⁶⁵ Smith, *supra* note 3 at p. 18.

⁶⁶ O'Brien, *supra* note 5.

⁶⁷ Centre for Addiction and Mental Health, *Fast Facts About Mental Illness* (2019), online: <https://cmha.ca/about-cmha/fast-facts-about-mentalillness>. See Smith, *supra* note 3 at p. 21. The statistics are identical in the United States.

⁶⁸ O'Brien, *supra* note 5.

⁶⁹ Polina Marinova, *How will mind-bending startups fare on the public markets?* (Feb 28 2020), online: <https://fortune.com/2020/02/28/how-will-mind-bending-startups-fare-on-the-public-markets/> [Marinova].

⁷⁰ O'Brien, *supra* note 5 (quoting Tim Ferriss).

To that end, companies in the psychedelic therapies space are preparing to issue shares on Canadian stock exchanges, which have already become the go-to for American cannabis companies which cannot list in their home country⁷¹. For example, Mind Medicine Inc. is a Toronto-based psychedelics company eyeing an initial public offering before March 2020 on the NEO Exchange⁷². Its reverse takeover transaction, was completed on February 28, 2020⁷³, but its listing remains subject to final approval by the NEO Exchange. It is expected that the shares will be listed on March 3, 2020⁷⁴. Mind Medicine Inc. claims it will be the first psychedelic pharmaceutical company to be listed on a public stock exchange⁷⁵.

Field Trip Psychedelics Inc. completed a private placement financing and raised \$8.5 million⁷⁶ and is in the process of building a network of clinics focused on ketamine-enhanced psychotherapies⁷⁷. Field Trip Ventures Inc. is planning to build the world's first legal research and cultivation facility for psilocybin-producing mushrooms at the University of the West Indies in Mona, Jamaica⁷⁸, where psilocybin has never been criminalized and is sold openly⁷⁹.

Conclusion

The psychedelics space is experiencing a scientific and business boom. The Smithsonian Magazine has categorized the psychedelic therapies movement as a Top 10 trend that will shape science in 2020⁸⁰. As this "psychedelic renaissance" continues to grow, opportunities to become involved in the psychedelics market will continue to develop. For further guidance or information on the psychedelics market and the applicable regulations, please contact Rick Moscone at Fogler, Rubinoff LLP.

⁷¹ Owram, *supra* note 10.

⁷² *Ibid.*

⁷³ Mind Medicine (MindMed) Inc., *Mind Medicine (MindMed) Inc. Completes Reverse Takeover Transaction* (Feb 28 2020), online: <https://www.mindmed.co/press-releases/mind-medicine-mindmed-inc-completes-reverse-takeover-transaction>.

⁷⁴ *Ibid.*

⁷⁵ Marinova, *supra* note 69.

⁷⁶ Debra Borchardt, *Psychedelic Clinic Company Field Trip Raises \$8.5 Million* (Feb 6 2020), online: <https://www.greenmarketreport.com/psychedelic-clinic-company-field-trip-raises-8-5-million/>.

⁷⁷ Owram, *supra* note 10.

⁷⁸ David George-Cosh, *Toronto firm to build world's first 'magic mushroom' research lab* (Sep 19 2019), online: <https://www.bnnbloomberg.ca/toronto-firm-to-build-world-s-first-magic-mushroom-research-lab-1.1318634>.

⁷⁹ Dillon DuBois, *Legal psychedelics: Countries with the most relaxed laws* (May 22, 2019), online: <https://www.alltherooms.com/blog/legal-psychedelics-countries-relaxed-laws/>.

⁸⁰ Katherine Wu & Rachael Lallensack, *Ten Trends That Will Shape Science in the 2020s* (Feb 25 2020), online: <https://www.smithsonianmag.com/science-nature/ten-trends-will-shape-science-2020s-180974226/>.