THE TRILLION-DOLLAR TRADE PORTFOLIO
FIVE STOCKS THAT CAN MAKE 100 YEARS OF STOCK MARKET GAINS IN 18 MONTHS

By Teeka Tiwari
Imagine you step into a time machine. And it transports you to a Civil War camp in 1863.

There, a young soldier is lying on a stretcher. He’s a member of North Carolina’s 26th Infantry Regiment. He’s got a bullet wound. And the wound has become infected.

Unfortunately, things aren’t looking good for our young soldier. The doctors only had one option to treat an infected leg wound during the Civil War... They cut it off.

I don’t write this to upset you, but to illustrate how far treatment options for infections have come...

If you got a leg infection today, doctors would prescribe you antibiotics. You’d take a pill and likely be cured in a few days.

Today, the market for antibiotics is worth $40 billion. And they cure all manner of infections from acne to life-threatening conditions such as pneumonia and sepsis.

The availability of a simple solution removes the risk of losing a limb... or even a death sentence. It seems so obvious now. But during the Civil War, it was unfathomable.

And right now, something similar is happening...

Imagine the government banning antibiotics not because they aren’t medically beneficial to millions of people... but because some users are prone to abuse.

It’s like banning Tylenol – one of the world’s most popular and effective drugs – because it contains the opiate codeine. And there have been instances of opiates being abused.

Does it make sense to condemn those who use Tylenol for legitimate pain and inflammation relief to suffer... just to keep those traces of opiates out of the hands of potential abusers?

Think back to our Civil War example. We’re seeing the equivalent of amputations for millions of people – including hundreds of thousands of our veterans – because of government inaction.

Let me explain what I’m referring to...

There’s a global health disaster playing out right now in front of our eyes, and it’s leaving millions in the lurch.

According to the World Health Organization (WHO), more than 800 million people worldwide suffer from mental health disorders. And in 2019, the American Foundation to Prevent Suicide estimated there were 1.38 million suicide attempts in the United States alone.

Suicidal ideation is often the result of a mental health condition like depression, anxiety, stress, or trauma.

To help treat these issues, physicians prescribe antidepressants. But their side effects can be brutal, including weakness... digestive problems... fatigue... drowsiness... weight gain... anxiety... even suicidal thoughts.
Even with those patients willing to go through such terrible side effects, one paper found 40–60% of people who took antidepressants didn’t see improvement...

Plus, not only do antidepressants not work for up to 60% of the people who take them... But for those whom they do work... one-third say they stop working completely over time.

It’s a total disaster.

That’s why medical science is looking for a solution. They need an alternative to traditional antidepressants. And I believe what they’re working on will become a game-changer.

**The Trillion-Dollar Solution**

It involves a class of substances people have been using for thousands of years to treat all types of illnesses. But because of fear and hysteria, the government banned them 50 years ago.

However, new studies have shown so much promise, the VA has approved it to treat post-traumatic stress disorder (PTSD).

A study published in the elite scientific journal *Nature* showed that when paired with therapy, it was a safe and effective treatment.

And the U.S. Food and Drug Administration recently gave it “breakthrough therapy” designation for treatment-resistant depression (TRD). Pharma giant Johnson & Johnson recently released its own FDA approved drug, Spravato, using one of these substances.

This breakthrough offers hope to the 2.7 million registered Vietnam War veterans... 660,000 Gulf War vets... and 300,000 Enduring Freedom vets afflicted with PTSD.

I’m talking about therapeutic compounds that have been isolated from psychedelic drugs...

For 50 years, the federal government has banned the use of these plant-based and psychedelic medicines. But recent scientific research shows they have the potential to cure a wide range of mental disorders... including substance abuse, anxiety, and addiction.

Together, the addressable market for these treatments is worth trillions:

- Depression costs the country an estimated $978 billion last year.
- Addiction directly costs Americans $578 billion... and $1.45 trillion overall from losses in productivity.
- And according to a study published in the Illinois Law Review, PTSD costs the nation $496 billion.

Combined, that’s about $2.9 trillion in medical costs and lost productivity due to mental health disorders.

However, despite numerous studies demonstrating their efficacy, psychedelics are still illegal at the federal level. But the massive bureaucracy is slowly starting to shift its views on these life-changing compounds.

Here’s why...

For years, Americans have viewed psychedelic drugs like psilocybin, peyote, ayahuasca and MDMA (the “love drug” ecstasy) as “party drugs” with little medical value.

So for most people, psychedelics were taboo.

But recent studies have found measured doses of psychedelic drugs can ease intractable depression... end addictions... and increase a sense of overall wellbeing and joy. No one can argue these are positive results.
Reputable universities are also exploring psychedelic medicines. And their findings, while preliminary, have been nothing short of amazing, according to a June 2021 Yahoo report.

For depression, anxiety, addictions, and eating disorders, “people who have suffered for decades have made substantial change after this treatment,” generally after just one to three doses in a supportive setting, says Natalie Gukasyan, M.D., medical director of the Center for Psychedelic and Consciousness Research at Johns Hopkins Bayview Medical Center in Baltimore.

Best of all, these shifts seem to be lasting. So there’s no need for drawn-out dosing schedules or refills at the pharmacy. That also lowers the chance of developing a reliance, tolerance, or addiction.

That’s why we believe psychedelic medicine could be the biggest medical breakout since biotech.

We’re not talking about recreational, unregulated use of these compounds. We’re talking about concrete, scientific applications to improve health... boost quality of life... and save lives.

This is real medicine prescribed by a doctor, picked up at a pharmacy, or administered in a doctor’s office. And it has the potential to completely upend the traditional pharmaceutical model.

Now, we’ll be straightforward. Psychedelics face an uphill battle in Congress. Many lawmakers still hold outdated prejudices against these life-saving treatments.

But let me be clear... This is not a legalization story. And this is most certainly not a recreational story.

This driving theme behind what I call my third Trillion-Dollar Trend is a reclassification of psychedelics from Schedule 1 drugs to a lower schedule that decriminalizes and recognizes the huge medical breakthroughs psychedelic compounds represent.

As we’ll show you below, two of the biggest federal agencies have already authorized psychedelic therapies. So the tide is shifting.

And while Congress’ current inaction on psychedelics is discouraging for people suffering from mental disorders and their families, here’s the good news...

We can use this opportunity to position ourselves at the very early stages of what I believe will be my third trillion-dollar trade.

Welcome to Palm Beach Special Opportunities

Welcome to Palm Beach Special Opportunities. In this publication, we do two things:

- Find massive, trillion-dollar trends in their early stages.
- Develop networks of industry experts who can help position us in the right companies riding that trend.

The first trillion-dollar trend we’re taking advantage of is psychedelic medicine. We believe as more states and federal agencies approve these therapies, this class of drugs will grow into at least a $3 trillion market.

And I’ve put together a team of heavyweights to find the best investments to position you early in this massive trend.

My co-editor on Special Ops is Mike “Zappy” Zapolin. And he’ll be joining forces with my long-time chief analyst, William Mikula, to bring you the most exciting opportunities in the psychedelics space.

Zappy’s a multi-millionaire investor – and former Wall Street vice president – who’s been featured in Vice... Playboy ... and Fox News.
When it comes to my next Trillion-Dollar Trade, he’s the most connected man in the space.

He’s a man whom athletes, movie stars, world-class doctors, and even Oprah Winfrey rely on as the most-trusted source of information in this emerging trillion-dollar trend.

William has been my right-hand man at two other publications. At Alpha Edge, he’s been on a nearly 200-trade win streak since January 2016. And his primary options trading strategy has delivered 19.5% average annualized gains since he joined.

Not only that, but he’s also given readers the chance to cash out 380%... 612%... and even 704.5% gains in as little as 90 days or less.

William also partners with me at Palm Beach Venture. In that service, we publish our research on pre-IPO deals. These offer readers the chance to get into a company before it becomes publicly traded. Since launch, two of our recommendations have gone public – and they’ve shown average peak gains of 203% so far.

With seasoned experts like them on our team, I couldn’t be more excited to launch Palm Beach Special Ops and bring you our first “Trillion-Dollar Trade” portfolio in this service.

Below, Zappy and William will unveil how the mainstream was conditioned to reject psychedelic and plant-based medicine as a credible treatment option. Then they’ll lay out the five small-cap stocks our research shows have the highest potential.

We believe the five companies they’ve hand-picked for this special report could pull forward a century’s worth of stock market gains in the next 18 months.

I believe we’re so early in this trend, 99% of people don’t even know this opportunity exists. And as they’ll show you, the companies in this report are so small, they’re off Wall Street’s radar. So we’re getting in before the Big Money.

This is the same blueprint I used to make my first two trillion-dollar trades.

My first trillion-dollar trade was in 2003 when I identified Apple, the world’s first trillion-dollar company. Buying Apple at my recommended price could’ve turned $1,000 into $364,973.

My second trillion-dollar trade happened when I found cryptocurrencies in 2016 – today worth over $1 trillion. If you had listened to just one of my crypto recommendations... you could’ve turned that same $1,000 into $1.5 million.

That’s the opportunity I see here with psychedelics.

Like bitcoin in 2016, these companies are too small for institutions to get into right now. But once they start growing... the floodgates to institutional capital will open.

To be clear, these are early-stage companies. And they’ll experience a lot of volatility along the way – just like we see today in crypto. But that’s the price we pay for the opportunity to make life-changing gains from an early-stage trend.

Another thing this space has in common with crypto is it can be a lot to digest at first. It might feel uncomfortable. It has its own language and terms you may not be familiar with.

But just as we did five years ago with crypto, we’ll break everything down for you and guide you through this new industry. We’ll hold your hand through the ups and downs. And we’ll help you keep your eye on the big picture in this trend.

Friends, when it comes to psychedelics, we’re just seeing the tip of the iceberg. We’re just starting to understand the potential for this market.
As rescheduling of these life-saving drugs ramps up in the coming months, we won’t even recognize the world we’re looking at right now... just like someone from the Civil War era would think our current era of treatments is unrecognizable.

Bottom line: We’re witnessing the birth of the next trillion-dollar industry. It’s going to save lives and make people millions. And you can position yourself on the ground floor.
In 1971, President Nixon signed the Controlled Substances Act, which banned the use of psychedelics.

At the time, the pharmaceutical industry was about to launch a new slate of traditional-based antidepressant drugs. Big Pharma knew these drugs would be a money-making machine because patients had to take them every day for the rest of their lives.

The pharmaceutical industry pressured the government to make plant-based and other psychedelic compounds illegal... and then went on a campaign of destroying the indigenous cultures behind many of the medicines.

The government propaganda campaign against psychedelics became ingrained in the minds of American society. And it led to many of the misunderstandings and taboo nature of these compounds that still persist today.

Thanks to the greed and influence of Big Pharma, many people who suffered from mental illnesses couldn’t legally access the treatment options they deserved for decades.

This injustice also set back years of research, as testing of these compounds was also restricted. Scientists had to wade through a sea of red tape to study psychedelic compounds. And they risked jail time if they ran afoul of state or federal laws.

Things have finally started to shift with the advent of the internet and the democratization of information. People are getting empowered to do their own research. And society is realizing it’s not necessarily in the interest of pharmaceutical companies to cure disease... but rather, just to treat the symptoms.

And a group of small innovators emerged that started producing plant-based medicines to treat these diseases at their root.

Ironically today, the very same pharmaceutical companies that once suppressed them are now coveting them and targeting them for acquisition... Which only makes our opportunity today even sweeter.

History will look back on this 50-plus-year prohibition on psychedelic compounds as one of the greatest affronts to human evolution and mental health.

Only recently, in the crisis and aftereffects of COVID-19, has there been a renaissance in how society thinks about the opportunity for these powerful therapeutic compounds. And because of interest ramping up, we believe we’re on the cusp of the next revolution to impact a multi-trillion-dollar market.

**Aren’t Psychedelics Illegal?**

Now, it’s true psychedelics can be dangerous if abused. But the same applies to all drugs.

For example, Advil is one of the most dangerous drugs in America – if you take too much of it. And we don’t even need to mention legal substances like cigarettes and alcohol, which kill millions of people each year due to users abusing them.

But when it comes to the medical use of drugs, we shouldn’t necessarily frame the argument around what’s legal or illegal... but how the government classifies a drug.

Let us explain...
Today, the government classifies psychedelics as Schedule 1, which includes other drugs like marijuana and heroin.

According to the government, these drugs have a high potential for abuse and no currently accepted medical treatment use in the U.S. (As we’ll show you in a moment, nothing can be further from the truth for psychedelics.)

We believe the category psychedelics belong in and will eventually be reclassified to is Schedule III.

Drugs in this category have medical use but may lead to moderate or low physical dependence or high psychological dependence. Schedule III classification would put psychedelic substances in the same category as drugs like Tylenol with codeine, anabolic steroids, and Vicodin. They’d still be regulated... but would also be recognized for their medical benefits.

Here’s why we believe Congress will eventually reschedule psychedelics as Schedule III.

Research in psychedelic compounds shows they can treat some of the most serious and expensive medical conditions in the world... And they do it better, faster, and at a fraction of the cost of traditional medicines.

- In 2017, the FDA granted “breakthrough therapy” designation to MDMA-assisted psychotherapy for PTSD. The non-profit Multidisciplinary Association for Psychedelic Studies (MAPS) is expected to complete Phase 3 clinical trials this year, meaning the FDA could approve the treatment as early as 2022.

- In 2018, the FDA also granted “breakthrough therapy” designation to Compass Pathways. The company is using psilocybin (a naturally occurring psychedelic compound found in fungi) for treatment-resistant depression (TRD). The designation allows companies to speed up development and review of drugs intended to treat a serious condition.

- In 2019, the FDA gave the same designation to the Usona Institute, which is using psilocybin to treat major depressive disorder (MDD). The disorder causes a persistent feeling of sadness and loss of interest.

- Pharma giant Johnson & Johnson recently released its own FDA-approved drug, Spravato, to treat people suffering from depression. It’s a fast-acting nasal spray that uses a chemical cousin of ketamine, the so-called party drug “Special K.”

- In 2019, the VA approved the psychedelic ketamine for treatment of PTSD.

This last development is particularly impactful. Right now, the rate of retired and active-duty military personnel taking their own lives is a staggering 20.6 times per day. This approval could help lower that rate and literally save thousands of lives.

Former VA secretary Robert Wilkie hailed this milestone:

“We’re pleased to be able to expand options for veterans with depression who have not responded to other treatments. It reflects our commitment to seek new ways to provide the best health care available for our nation’s veterans. And there’s more news of adoption on the regulation front, too. In May 2021, the Texas senate passed a bipartisan bill that would allow study on psilocybin therapy to treat PTSD in veterans.
As you can see, we’re moving toward broader acceptance of psychedelic medicines and therapies. And we believe it’s only a matter of time before they become widespread.

**A New Frontier**

If you’re still skeptical about psychedelics, we completely understand... For most of us, it’s unfamiliar territory. But we’ve been through revolutions in alternative medicine before.

Take beta blockers for instance...

This class of drugs is widely used to treat heart conditions. They control heart rhythm, treat angina, and reduce high blood pressure.

The research that resulted in beta blockers dates from the turn of the 20th century. But according to the New York Times, the drugs had to surpass several stumbling blocks in the 1940s before they became widely accepted in the scientific community...

In fact, one medical editor even refused to publish what turned out to be a crucial paper detailing research of beta receptors by testing the drugs on animals.

The FDA didn’t approve the first beta blockers until 1986. Today, they have applications beyond heart issues, including to prevent everything from migraine headaches to stage fright.

They are “one of the major therapeutic advances of this century,” according to Dr. William H. Frishman, a cardiologist at Albert Einstein College of Medicine in the Bronx.

Today, the beta-blocker market is worth more than $19 billion. And companies like Eli Lilly, which developed the first beta blocker, Propranolol, have seen billions in profit. Shares of Eli Lilly jumped 200% in the years following its FDA approval... And today, they’ve returned 3,260% to the most loyal shareholders.

And that’s our opportunity. The profit potential in psychedelics will be just as lucrative as beta blockers. Even better, we believe this market will generate returns much faster. As you’ll see below, we see up to 100 years’ worth of stock market gains in as little as 12–18 months.

Right now, individual investors have the early advantage over institutions. That’s because institutions have to wait until stocks are large enough to trade on the world’s biggest exchanges.

This gives you the opportunity to get in before the institutions... And puts you in a position to be way ahead as these companies develop and a storm of big money finds its way into this space.

The five small-cap companies we’ve hand-selected for you below are the best plays we’ve found to ride this trillion-dollar trend.

**Our Proprietary SPOR System**

To select the right psychedelic companies to position us early in this massive trend, we developed a proprietary system called SPOR.

It stands for **Strategy, People, Opportunity, and Return potential.** You can read about it in full detail in our Manifesto.

In this special report, we’ll deliver five small-cap stock picks we’ve never released anywhere else. Each one is a unique way to play the New Pharma wave, and we’ll filter it through our SPOR system to see how it stacks up.

We’ll also tell you exactly which compounds it’s using to target mental health conditions and improve the lives of millions.

Each one has the potential to pull forward 100 years’ worth of average stock market gains over the next 18 months.
Primer on Psychedelics

When most people read about psychedelics, they think of hippies tripping off LSD or ravers popping MDMA at a festival. But like many recreational drugs, psychedelics have powerful medicinal uses, too.

That’s why it’s important to have the right research, trials, and compounds backing up the treatments the companies we’re targeting are developing.

Psychedelics are a class of psychoactive substances that produce changes in cognitive processes, perception, and mood. To keep it simple, they work by stimulating, suppressing, or regulating various neurotransmitters in the brain.

For hundreds of years, indigenous communities have used psychedelics in therapeutic and religious settings. The altered thinking caused by the substances, paired with the supervision of a trained therapist, can help the client and therapist work together to process, make sense of, and find meaning in the psychedelic experience.

Below is a list of the most common psychedelic drugs scientists are working on to treat a wide range of mental health disorders and substance abuses.

- **Ibogaine**: Native to West Africa, ibogaine is a psychoactive alkaloid naturally occurring in the shrub iboga. It acts as a mild stimulant in small doses. And studies have found that larger doses can significantly ease withdrawal symptoms from opiates and prevent cravings.

- **Ketamine**: Also known as the party drug “Special K,” ketamine is a dissociative anaesthetic that acts on chemicals in the brain to produce visual and auditory distortion and a detachment from reality. In low doses, it has been shown to ease pain and to be beneficial in treating depression.

- **LSD**: Considered to be the prototype for therapeutic psychedelics, lysergic acid diethylamide (LSD) is a synthetic chemical derived from a fungus. It affects the brain by interacting with receptors such as serotonin and dopamine – the neurotransmitters that regulate mood. It’s considered to be an empathogen... as it enhances feelings of empathy. Research involving controlled doses has shown positive changes in perspective, as well as alleviated anxiety.

- **MDMA**: Also known as the party drug “ecstasy” or “Molly,” MDMA is a synthetic drug derived from safrole oil. It acts as a stimulant, releasing chemicals – again, like dopamine and serotonin – in the brain. These chemicals heighten senses, boost emotions, and provide an energizing effect. Mental health experts say these heightened emotions may create the perfect setting for people with PTSD to work through events that triggered the disorder.

- **Psilocybin**: Derived from so-called “magic” mushrooms, psilocybin is a tryptamine that binds to serotonin receptor 5-HT2A in the brain. In other words, it creates effects of euphoria and changes in perception and sense of time. At certain doses, psilocybin elicits profound changes in consciousness and has great potential in treating mental health disorders. It’s being used to treat mental disorders like depression, anxiety, and substance abuse.
We suggest you take small, uniform positions in each to get broad exposure to this trillion-dollar trend. While we believe all five have the potential to deliver incredible returns... keeping your position sizes small minimizes your risk.

Since this is such a new space, there could be any number of hurdles to jump for these small players. And we have to be ready to see our positions get jostled around on the journey to 100 years’ worth of gains.

So we recommend placing no more than $200–500 into each trade if you’re a smaller investor, or $500–1,000 if you’re a larger investor.

One last note before we get to the picks: We’ve listed them in alphabetical order, not necessarily the order we suggest you purchase them. We suggest you add all five to your portfolio.

Now, let’s get to them...

**Trillion-Dollar Trade No. 1: Cybin (CLXPF)**

The first pick in our Trillion-Dollar Trade portfolio is **Cybin (CLXPF)**. We like Cybin because it’s taking a holistic approach to treating mental disorders like depression.

Not only is the company developing a more effective and faster-acting synthetic version of psilocybin... It’s also creating an entire therapeutic manual for doctors to apply this therapy to their patients.

Traditional antidepressants can cause serious side effects, including potentially deadly reactions when paired with certain foods and suicidal thoughts.

And if you’re pregnant or breast-feeding, some antidepressants may pose an increased health risk to your unborn or nursing child.

Natural psilocybin compounds have fewer side effects... But therapy sessions can be intense and, in some cases, last six or more hours.

Plus, many people who want psychedelic therapies have to travel to remote places like the Andes or Amazon to seek help from spiritual healers.

While the wealthy can pay thousands of dollars to a concierge to design a complete therapeutic psychedelic travel package for them... most people afflicted with depression or substance abuse simply can’t afford the expense.

That’s where Cybin comes in.

Its synthesized psilocybin compounds can shorten therapy sessions to as little as two hours. So not only are Cybin’s drugs safer than traditional antidepressants... they’re also faster-acting than naturally occurring psychedelics.

And that puts it in position to be a leader in this space...

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**Note on volatility:** Immediately after our buy recommendations, we often see an initial price spike. We understand this can be frustrating. But don’t worry. This is par for the course in the small-cap space. Most of the time, the recommendation falls back below our buy-up-to price. Use a limit order. And just be patient and let the price come to you.

**Note on brokerages:** Since the psychedelic medicine space is so new, most of these stock recommendations will be initially available on smaller exchanges. Most investors can buy them from their brokerage accounts. A few we know of that allow you to trade these types of companies include TD Ameritrade, Charles Schwab, Interactive Brokers, and Fidelity.
Let’s take a closer look at how Cybin is developing its strategy around this approach.

**Strategy**

Cybin is using a three-pronged approach to bring its groundbreaking drugs to the broader market for mental health treatment.

First, it’s developing its own synthetic version of psilocybin.

Psilocybin is the active ingredient in so-called “magic” mushrooms. They can produce profound visual and auditory hallucinations and changes in consciousness a few hours after ingestion.

In 2016, Johns Hopkins University School of Medicine researchers reported treatment with psilocybin under psychologically supported conditions significantly relieved existential anxiety and depression in people with a life-threatening cancer diagnosis.

And a recent study in *JAMA Psychiatry* suggested psilocybin may be effective in the much wider population of patients who suffer from major depression than previously appreciated.

Alan Davis, an adjunct assistant professor of psychiatry and behavioral sciences at Johns Hopkins said:

> The magnitude of the effect we saw was about four times larger than what clinical trials have shown for traditional antidepressants on the market.

Second, Cybin is creating more effective synthetic versions of psilocybin through precision medicine.

For example, it developed an oral medication that rapidly dissolves in the mouth. The delivery mechanism is similar to dental hygiene strips. By dissolving orally, patients can rapidly absorb the medicine through the mucous membrane.

Cybin is also testing how hydrogen atoms can speed up the absorption of hallucinogenic compounds in the body and can break them down. Faster absorption rates shorten the time it takes for patients to experience the therapeutic effects of the drugs.

And third, Cybin plans to train health care professionals to use its advanced therapeutics. For instance, it created EMBARK, a psychotherapy model that integrates leading clinical approaches to promote supportive healing with psychedelic medicine.

EMBARK’s goal is to become the gold standard for psychedelic-assisted psychotherapy (PAP) certification.

So instead of investing heavily in brick-and-mortar clinics, Cybin is using a cash-light model by training therapists through EMBARK certification.

There are an estimated 135,000 psychologists and psychiatrists in the U.S. alone. If just a handful of them adopt Cybin’s practices, it could save millions – and even billions – of dollars per year in staffing and training costs.

It’s a great strategy for Cybin to reach the most people.

Now, let’s take a closer look at Cybin’s promising pipeline of treatments.

Its flagship drug is CYB001. It’s a synthetic psychedelic compound used to treat major depressive disorder (MDD).

Cybin successfully completed Phase I trials. It’s now preparing for Phase II. If all goes well in the second and third phases, CYB001 could be on the market by 2024.

Its next promising drug is CYB003. It uses synthetic psychedelics to treat alcohol addiction. CYB003 successfully passed preclinical trials and is headed to Phase I.
Cybin has two other compounds still in the early research phase. They target a group of mental disorders called treatment-resistant psychiatric disorders (TRPD). It’s an umbrella term to describe depression, anxiety, schizophrenia, and other mental disorders that don’t improve with treatment.

Once Cybin breaks into these markets with its safer and more effective treatments... it’ll send the company shooting higher.

Now, let’s look at the people behind Cybin.

**What Are Clinical Trials?**

Clinical trials determine the effectiveness of a new medical strategy, device, or treatment compared to what is currently available. These trials consist of four phases. They increase in both scope and number of participants as researchers evaluate the treatment’s potential benefits as well as its potential side effects.

**Phase I:** Determines the safety of a new drug candidate before advancing to other phases. Also used to determine potential side effects.

**Phase II:** Researchers administer the drug to a larger group of people to assess effectiveness. Positive results at this stage can lead to excitement in the medical and investing communities.

**Phase III:** A larger number of people is studied and divided into two groups – one is given the drug intended to treat the condition... and the other is given a placebo. This is done to determine whether the treatment benefits the general population.

**Phase IV:** Studies any side effects caused over time by a new treatment after it has been approved by the FDA and is on the market.

**People**

Psychedelic research and medicines are in their infancy... But Cybin has tapped into a wealth of talent from the biotech and pharma space.

- **Doug Drysdale (CEO):** Drysdale has extensive pharmaceutical experience. He’s been the CEO and president of several public and private drug companies like Alvogen, Pernix Therapeutics, and Tedor Pharma. He’s also closed 15 pharma mergers and acquisitions (M&A) as head of M&A at Actavis Group. Ernst & Young named him entrepreneur of the year in 2012. With experience in both start-ups and multinationals, Drysdale is the perfect person to lead Cybin.

- **Dr. Alex Nivorozhkin (Chief Scientific Officer):** Trained as a medicinal chemist, Nivorozhkin has founded three biopharma companies, including Adelia Therapeutics, which Cybin purchased for $15.6 million.

- **Aaron Bartlone (COO):** Bartlone is the former senior director of multinational drug company Eli Lilly and vice president of global biopharmaceutical manufacturer UCB. His experience in commercial operations will help Cybin hit the ground running once it has an approved therapy.

Cybin’s team of experts checks all of the boxes. Together, they have decades of experience in creating new therapies, pushing them through rigorous FDA trials, and then getting them to market.

**Opportunity**

Cybin’s two leading therapies, CYB001 and CYB003, are targeting the treatment of MDD and alcohol addiction.
According to the Anxiety & Depression Association of America (ADAA), nearly 7% of Americans are afflicted with MDD. And nearly 5% of Americans are addicted to alcohol.

The therapeutic markets for these disorders are $4 billion and $5.8 billion, respectively. Combined, that’s nearly $10 billion per year.

Traditional antidepressants and addiction therapies have proven to be woefully ineffective. According to a 2009 study by Northwestern University, more than half the people who take antidepressants for depression never get relief. According to the lead author of the study, “the medications are like arrows shot at the outer rings of a bull’s eye instead of the center.”

So it’s no surprise less than half of people with depression don’t seek treatment.

Cybin’s groundbreaking therapies will treat the root causes of depression and addiction… instead of masking the symptoms.

We believe it’ll attract millions of patients who want more holistic therapies.

**Return**

Cybin’s groundbreaking research could lead to a paradigm shift in the treatment of mental disorders and substance abuse.

Now, it’s impossible to put an exact figure on what that could be worth. But we can estimate how much Cybin could be worth if just a fraction of healthcare professionals adopt its drugs and therapies.

The addressable market for Cybin’s treatment is about $10 billion. Let’s be conservative and say it captures 10% of that. That would translate to $1 billion in annual sales.

With that in mind, we can start to figure out what Cybin could be worth...

A common metric to value biotech and biopharma stocks is the price-to-sales (P/S) ratio. It compares a company’s stock price to its revenues.

Cybin’s peers trade at an average P/S multiple of about 7. If we apply the same multiple to Cybin’s forecasted sales... its market cap would be nearly $7 billion.

That’s 2,233% higher than its current market cap of $300 million. Enough to turn every $1,000 into $23,330.

Remember, the average 100-year return of the S&P 500 is 800%. So under a blue-sky scenario, *Cybin would almost triple that in 18 months.*

Cybin is a great early-stage company to play this massive trend. Now’s the time to position yourself before its innovative therapies hit the mainstream.

**Action to Take:** Buy Cybin (CLXPF).

**Buy-up-to Price:** $3

**Stop Loss:** None

**Allocation:** No more than $200–500 for smaller investors and $500–1,000 for larger investors.

**Trillion-Dollar Trade No. 2: MindMed (MNMD)**

Microdosing has been one of the biggest (and largely unreported) trends in Silicon Valley over the last decade. And like many other Valley creations that once seemed crazy… it’s on the verge of going mainstream.

In fact, scientists are now in the process of validating some of the claims made by microdosing advocates. That could open up significant profit potential for early investors.

And that brings us to the second pick of our trillion-dollar portfolio, *MindMed (MNMD).*
It has the most diversified portfolio of psychedelics we’ve come across. One of its trendier treatments is microdosing.

As the name suggests, microdosing is the process of taking relatively small amounts of a substance over an extended period.

The term has come to specifically apply to potent psychedelic compounds known for producing hallucinogenic effects – everything from ibogaine to psilocybin.

Perhaps the most popular choice is LSD, commonly known as “acid.” A regular user looking for the quintessential “trip” – replete with altered levels of perception, including visual or auditory hallucinations – might ingest somewhere between 50–200 micrograms in a single dose.

In contrast, a microdoser could take just 8–15 micrograms in a single dose, typically repeating the process on different days over several weeks or months.

Microdosing has gained popularity in Silicon Valley, where a creative edge could mean millions in the bank for a tech company.

But MindMed isn’t focusing on microdosing to increase mental performance. It’s using microdosing to treat anxiety, addiction, and even adult ADHD.

Let’s take a closer look at how it’s targeting these conditions...

**Strategy**

MindMed has five therapies in Phase II trials and several others in Phase I.

Its three most-promising Phase II candidates are Project Lucy, Project Flow, and Project Layla.

Let’s start with Project Lucy. It’s an innovative LSD treatment for anxiety with the potential to disrupt the entire industry.

According to ADAA, 18% of Americans suffer from anxiety and panic attacks. That’s nearly one in every five individuals. And doctors typically prescribe patients with anxiety an antidepressant like Xanax.

Here’s the problem... It has some serious side effects. Just take a look at the box below...

**Side Effects of Xanax**

Common side effects of Xanax include:
- ataxia, cognitive dysfunction, constipation, difficulty in micturition, drowsiness, dyssarthritis, fatigue, memory impairment, skin rash, weight gain, weight loss, anxiety, blurred vision, diarrhea, insomnia, decreased libido, increased appetite, and decreased appetite.

With side effects like that, it’s no wonder less than half of those who suffer from anxiety seek treatment.

Even worse, drugs like Xanax don’t treat the underlying conditions causing anxiety. They just treat the symptoms.

It’s like treating a bullet wound with pain killers... They might alleviate the pain... but they won’t heal you.

Project Lucy treats the root causes of anxiety via a therapy-guided hallucinogenic experience. It’s a radically different approach to traditional antidepressants.

So far, clinical results look promising....

In May, MindMed announced it had received a Type C Meeting response from the FDA. This designation means the company will consult with the FDA regarding its development of Project Lucy to treat generalized anxiety disorder.
According to a news release from MindMed, the company is on target to submit its new drug application for Project Lucy to the FDA in the third quarter of 2021. This will open the way for it to start Phase 2b clinical trials in the fourth quarter of the year.

That brings us to MindMed’s second big project, Flow.

Project Flow is studying the use of microdoses of LSD to treat adult attention deficit hyperactivity disorder (ADHD). Under this treatment regime, patients would receive trace amounts of LSD – far below the amount needed to cause a hallucinogenic experience – but still high enough to focus on desired tasks.

According to research from Maastricht University in the Netherlands, ADHD patients showed better results using microdoses of LSD than traditional psychostimulants like Stratterra.

(Like antidepressants, psychostimulants have serious side effects, including liver problems, stroke, psychosis, heart problems, suicide, and aggression.)

Also in the pipeline is project Layla. It uses ibogaine to treat people with opioid addictions. (It’s the same plant-based drug Zappy used to successfully treat former NBA star Lamar Odom for his alcohol and drug addiction).

Preliminary data from the Phase 1 trials demonstrated the drug was safe with no serious adverse events reported. If deemed successful – and we’ve seen its success firsthand – Project Layla can help millions of Americans suffering from opioid addiction.

MindMed has other projects in the developmental stage. But with its current pipeline of five treatments in clinical trials, it’s the most diversified player in this space.

Now, let’s turn to the people behind MindMed...

**People**

Like Cybin, MindMed has tapped into a wealth of talent from the pharmaceutical and biotech space...

- **Robert Barrow (interim CEO):** Barrow is a rarity in this industry as he already has experience with psychedelic companies. He’s the former director of drug development at Usona Institute, where he led clinical studies of psilocybin to treat MDD. And he served as COO of Olatec Therapeutics, a privately held biopharma company.

- **Stephen Hurst (co-founder and director):** Hurst comes with 35 years of experience in the biopharma industry, including roles at the Immune Tolerance Institute, The Regents of the University of California, The World Bank, and BIO Ventures for Global Health.

- **Dr. Miri Halperin Wernli (director and president):** Dr. Halperin has a wealth of big pharma experience. She’s led product development and strategy for huge names like Merck, its subsidiary Sharp and Dohme, Roche, and Actelion. She’s also worked in clinical psychology at Swiss academic hospitals.

MindMed’s team of experts checks all of the boxes. Together, they have decades of experience in creating new therapies, pushing them through rigorous FDA trials, and then getting them to market.

**Opportunity**

MindMed is aiming to disrupt the $30 billion market for treating disorders like anxiety, ADHD, addiction, and depression. But the opportunity is even larger than that.

www.palmbeachgroup.com
As we mentioned above, anxiety and depression alone cost society an estimated $1 trillion per year in medical expenses and lost productivity.

And with five drugs in clinical trials and several others in development, there’s a good chance the FDA will approve at least one of MindMed’s therapies.

**Return**

Let’s be conservative and say MindMed captures 10% of the $30 billion market to treat mental disorders. That would translate to $3 billion in annual sales.

Like Cybin, we’ll give MindMed a P/S ratio of 7, which is in line with its peers. At that multiple, MindMed’s market cap would rise from $800 million to $21 billion.

That’s a 2,525% increase – enough to turn every $1,000 into $26,250.

Remember, the average 100-year return of the S&P 500 is 800%. So MindMed has the potential to triple that in 18 months.

MindMed has the most diversified portfolio of psychedelic therapeutics we’ve seen to date. It’s treating a wide range of problems. And it’s successfully completing clinical trials.

We have a chance to position ourselves in what could become the juggernaut of psychedelic medicine. Don’t miss this opportunity.

**Action to Take:** By MindMed (MNMD).
**Buy-up-to Price:** $5
**Stop Loss:** None
**Allocation:** No more than $200–500 for smaller investors and $500–1,000 for larger investors.

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**Trillion-Dollar Trade No. 3: Mydecine (MYCOF)**

The next company in our Trillion-Dollar Trade portfolio is working on what some analysts call a “blockbuster” treatment for millions of veterans suffering from PTSD.

If it can make good on just this promise, it’ll be a game-changer.

Not only is this company aiming to be a pioneer in psychedelics... It’s also positioning itself to be a major player in another massive health care trend: telemedicine.

With two major tailwinds behind it, **Mydecine (MYCOF)** is a no-brainer addition to our basket of companies we believe can pull forward 100 years’ worth of stock market gains in 18 months.

Based in Denver, Mydecine is a pharmaceutical company developing treatments for PTSD and other anxiety disorders. It has several promising drugs in its pipeline, including one in clinical trials.

But what we really like about this company is it wants to be more than a drugmaker. Its goal is to take psychedelic therapies to the masses...

**Strategy**

Mydecine’s main business line is developing plant-based treatments for mental health disorders and substance abuse (specifically to quit smoking).

The most promising is its psilocybin-assisted psychotherapy to treat PTSD in veterans. It plans to start Phase 2A clinical trials on the drug later this year.

According to a study published in PubMed Central, nearly 30% of U.S. veterans will develop PTSD at some point in their lives. Currently, the main treatment for PTSD is antidepressants like Zoloft or Prozac.
According to a report from New York University School of Medicine, while antidepressants help many patients, they often fall short. For instance, studies suggest they don’t work well for people who have multiple traumas over the course of years and chronic PTSD.

Unfortunately, the lack of effective PTSD remedies is linked to higher rates of suicide. Veterans with PTSD are more than five times likely to commit suicide than the general public.

The inefficacy of many antidepressants is why the VA is turning to alternatives like psilocybin to treat PTSD.

And Mydecine is a leader in this space. It has identified four patentable drug candidates. The three most promising are:

- **MYCO 001**: A pure psilocybin from natural fungal sources.
- **MYCO 003**: A psilocybin-based formula with reduced anxiety potential.
- **MYCO 004**: A patch-delivered tryptamine compound.

Roth Capital Partners says Mydecine’s pipeline of drugs have “blockbuster” potential to treat PTSD and other disorders... That’s why it issued a price target roughly 10x higher than where Mydecine is trading today.

But Mydecine has much more to offer than a pipeline of potentially blockbuster drugs...

It’s also getting into the telehealth game through its $4 million acquisition of Mindleap Health in June 2020.

Telemedicine covers all of the ways doctors and patients can use technology to communicate without being in the same room. It includes phone calls, video chats, emails, and text messages.

Telemedicine itself isn’t new, but its emerging widespread use is. The coronavirus pandemic has taken this little-used medical option and turbocharged it.

Last year, telemedicine visits totaled 36 million. Forrester Research expects that to grow to 1 billion visits this year. Adding fuel to this trend is a recent decision by the U.S. government to allow for Medicare and Medicaid to reimburse telemedicine visits at the same rate as in-person visits.

*Fortune Business Insights* valued the telemedicine market at $79 billion in 2020... nearly doubling from the previous year. This is huge. It implies the global telemedicine market could surpass $396 billion in 2027. That’s over 29% more than original estimates.

Mindleap is a digital health platform centered around psychedelics. The company will allow easier access to mental health and wellness services through technology.

Mydecine’s acquisition of Mindleap positions it to ride the $225 billion telemedicine wave as well as the massive trillion-dollar psychedelics trade.

**People**

Mydecine has tapped into a wealth of talent from the cannabis space. So they have immense experience in bringing plant-based medicines to the public.

- **Joshua Bartch (CEO, director and chairman)**: Bartch joined Mydecine in 2020. He’s a serial entrepreneur, having founded companies in tech and cannabis, including Cannabase, the largest digital wholesale cannabis platform.
- **Damon Michaels (COO and co-founder)**: Michaels comes from a cannabis background. He’s held leadership roles at cannabis companies in Colorado.
and California, including Ebbu, which was bought out by Canopy Growth. He also founded hemp consulting firm Emerald Baron, which deepened his connections in the plant-based medicine field.

- **Robert Roscow (chief scientific officer and co-founder):** Roscow’s working relationship with co-founder Michaels spans back to their days at Ebbu, an advanced hemp researcher in Colorado. Roscow is a geneticist and has spent his career working on therapeutic psychedelic compounds in academia and industry. Today he’s helping Mydecine build out its portfolio of patented psychedelic drugs.

Mydecine’s team of experts checks all of the boxes. Together, they have decades of experience in creating new therapies, pushing them through rigorous FDA trials, and then getting them to market.

**Opportunity**

Mydecine’s biggest target is the PTSD market. Treating this disorder costs nearly $8 billion every year. And that’s expected to nearly double to $15 billion by 2030.

But Mydecine doesn’t want to just be a drug company. It wants to be a psychedelics juggernaut. So it’s also targeting the telehealth industry, which is projected to grow to nearly $400 billion by 2027.

Let’s take a closer look at the potential returns we could see from Mydecine if it can successfully leverage these two major trends.

**Return**

We’ll use the same valuation metrics for Mydecine as we’ve used for our other portfolio picks.

If Mydecine can capture 10% of the market for PTSD treatment, it’ll see $1.5 billion in annual sales. And if it can penetrate a tiny fraction of the telehealth market – let’s say 0.5% – it’d make an additional $1.2 billion per year in sales.

At a P/S multiple of 7, its market cap would grow from $92 million to $18.9 billion – an incredible 20,434% gain.

And under a blue-sky scenario, we could see Mydecine get to a nearly $20 billion valuation.

That’s because Mydecine’s drug portfolio and telemedicine platform will be an attractive acquisition target for pharma giants like Johnson & Johnson or Pfizer. And that means early investors could see a buyout for the ages.

For example, in 2020, Gilead bought Immunomedics for $21 billion, a 100%-plus premium to its share price from the previous day’s close. Early investors would have seen at least four- or five-digit gains.

Under a blue-sky scenario in which a pharma giant acquires Mydecine at a similar price tag... it would deliver us 250x gains. That’s enough to turn every $1,000 into $252,000.

Remember, we’re looking for companies that will beat the average 100-year return of the S&P 500 in 18 months. Under our blue-sky scenario, Mydecine would deliver more than 31 times that average...

Mydecine is developing the first drug specifically designed to treat PTSD... along with a telehealth platform that will make access to psychedelic therapies available to millions.

There aren’t many opportunities to find the right company early in a massive trend. And Mydecine is checking all the boxes. Now’s the time to act.

**Action to Take:** Buy Mydecine (MYCOF).

**Buy-up-to Price:** $0.75

**Stop Loss:** None

**Allocation:** No more than $200–500 for smaller investors and $500–1,000 for larger investors
Trillion-Dollar Trade No. 4: Numinus Wellness (LKYSF)

Our next company isn’t a drugmaker... But it will play a major role in expanding psychedelic-assisted psychotherapies (PAP) to patients across North America.

It’s called Numinus Wellness (LKYSF). And it operates three clinic locations and a state-of-the-art research lab in British Columbia, Canada.

At its clinics, Numinus offers training, resources, and facilities for mental health practitioners and their patients who want to try groundbreaking PAP – including psilocybin – to treat substance abuse disorders.

And Numinus is the only company to receive a license from Health Canada (Canada’s health department) to cultivate, extract, produce, and sell psychedelics.

For instance, its lab recently partnered with the Multidisciplinary Association for Psychedelic Studies (MAPS) to help complete Phase III trials for MDMA-assisted treatments for PTSD. MAPS is a San Jose-based nonprofit organization working to raise awareness and understanding of psychedelic substances.

And this partnership is just the beginning...

Numinis is the first mover in this space. And over the coming years, we see millions – or possibly billions – of research dollars coming into its facility.

So let’s take a closer look at Numinus’ strategy to bring psychedelic-assisted psychotherapies to the masses.

Strategy

Numinus operates two main businesses: Numinus Health (clinics) and Numinus Biosciences (labs).

Numinus Health is establishing the standard practices for physicians and therapists who want to use PAP. It recently acquired Mindspace Wellbeing for $3 million in February. Mindspace offers ketamine-assisted psychotherapy for treatment-resistant depression.

Last year, Health Canada indicated it planned to revise its Special Access Program to allow legal access to psilocybin and MDMA outside of clinical trials, while the substances await formal approvals.

This would be a huge bonus for Numinus and other companies involved in administering treatments and hosting trials, rather than developing a handful of specific treatments.

If approved, Numinus could help patients with potentially life-threatening conditions obtain special access to these therapies.

Its other business line, Numinus Biosciences, offers research and development, analytical testing, and consulting services for psychedelic compounds.

The lab is equipped to complete product development and formulation studies for controlled drug substances and cannabis products.

In addition, Numinus Biosciences can:

- Deliver medical-grade extracts to other companies.
- Test and analyze compounds.
- Offer clinical infrastructure for patient trials.
- And conduct research for new compounds in known medicinal plants.

It costs an average $37 million to take a therapy through the FDA’s three clinical trials. Much of these costs go to arranging patient trials.
Since Numinus can use its network of clinics to host these trials, it stands to profit as more and more companies enter the space.

With the special licenses that Numinus holds and potentially more on the way, it can pave a path for psychedelic treatment developers to get the access they need to get into this space.

**People**

Like our other picks, Numinus has tapped into top experts from the biotech and pharma space.

- **Payton Nyquvest (co-founder and CEO):** Nyquvest has a deep financial background with 15 years at investment banks. His experience will help Numinus navigate the capital market. His interest in this space comes from his own personal health issues, so he’s passionate about the potential here. In 2018, he saw the regulatory landscape was changing. So he took the opportunity to start a company that could benefit millions of people with psychedelics.

- **Stacey Wallin (co-founder and chief strategy officer):** Wallin founded LifeBooster, a successful biotech company. After that, she went on to create incubators and accelerators to support business development. Her edge is in developing rock-solid business strategies and bootstrapping.

- **Dr. Evan Wood (CMO):** Dr. Wood is a long-time expert in substance abuse. He’s worked with Health Canada on large-scale treatment options. And he adds the much-needed industry experience and insight to support Numinus’ co-founders.

Numinus’ team of experts checks all of the boxes. Together, they have decades of experience in creating new therapies, pushing them through rigorous FDA trials, and then getting them to market.

**Opportunity**

Unlike most of the picks in this report, Numinus isn’t pushing through a pipeline of drugs. Its focus is expanding access to these therapies for patients and providers and research and development for pharma companies.

The market for mental health treatment is about $175 billion per year... And it’s projected to grow to $242 billion by 2027. But Numinus won’t directly capture drug sales like other pharma companies.

Instead, it’s focusing on clinical trials, a much less competitive space. Grand View Research estimates this market will grow from $45 billion today to $68.9 billion by 2025.

With that in mind, let’s take a look at our potential return...

**Return**

Combined, Numinus has exposure to potentially $45 billion in mental health research spending. If it can manage to capture just 3% of that spending, it’s set to make $1.3 billion per year.

Since Numinus isn’t a direct biopharma play, we expect it to trade a more conservative P/S ratio of 5. At that multiple, Numinus would grow from a market cap of $150 million to $6.5 billion.

That’s a 4,233% return from today’s prices. Enough to turn every $1,000 into $43,300 in the coming months... And nearly four times more than the average 100-year return of the S&P 500.

While Numinus isn’t a drugmaker, it still gives us direct exposure to the medicinal psychedelics trend. It provides the labs and clinics that companies will need to develop and test their psychedelic-assisted psychotherapies.
Adding Numinus to our portfolio gives us diversification... while still offering the chance to pull forward 100 years’ worth of market gains in 18 months.

**Action to Take:** Buy Numinus (LKYSF).

**Buy-up-to Price:** $1.50

**Stop Loss:** None

**Allocation:** No more than $200–500 for smaller investors and $500–1,000 for larger investors

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**Trillion-Dollar Trade No. 5: Pure Extracts (PRXTF)**

During the 19th-century California gold rush, enterprising entrepreneurs figured out a simple way to get rich – whether they struck gold or not.

Instead of becoming miners themselves, they sold the tools every miner needed: the picks and shovels.

So it didn’t matter which miners struck it rich or came away empty-handed. As long as people mined for gold, the pick-and-shovel guys made money.

That brings us to our final pick of this report, **Pure Extracts (PRXTF)**.

It’s not developing a new therapy or building a network of clinics. Instead, it’s laser-focused on becoming the premiere extractor of compounds for the budding plant-based health and wellness movement.

Pure Extracts got its start in 2018 as a cannabis extractor. As the name implies, extractors pull active compounds – like THC and CBD – from flower buds and leaves of the cannabis plant. Then they distill them into purified form.

Manufacturers can use the extracts to make all kinds of products... including vape cartridges, gummies, and drinks.

With the psychedelics-assisted therapies movement taking off, Pure Extracts had the foresight to shift its business model to plant-based medicines and supplements.

It’s a great business model. Pure Extracts can sell its products to any type of psychedelics business... from drugmakers to confectionaries.

Let’s take a closer look at how Pure Extracts is positioning itself in the budding health and wellness market...

**Strategy**

Pure Extracts is using its experience from the cannabis industry to get a jumpstart in the burgeoning psychedelics space.

Let us explain...

You’re probably already familiar with one type of cannabis: marijuana (also known as pot or weed). It contains tetrahydrocannabinol, or THC. It’s the psychoactive compound that makes people feel “high.”

Now, the federal government lists marijuana as a Schedule I drug. So it gets the same treatment as heroin, LSD, and ecstasy. And because it’s illegal, most big banks won’t touch financing for big marijuana deals.

But hemp is another type of cannabis. It produces cannabidiol (CBD). And unlike THC, CBD doesn’t make you feel intoxicated. More importantly, unlike marijuana, hemp is completely legal at the federal level.

So while drugmakers like G.W. Pharma did clinical trials with CBD to treat rare forms of epilepsy... Other companies like Village Farms and Neptune Wellness sold CBD supplements.

During the cannabis bull market, Village Farms and Neptune Wellness saw peak gains as high as 390% and 586%, respectively.
Pure Extracts is following a similar model with psychedelics. It’s extracting non-psychoactive compounds from magic mushrooms and offering them as supplements to the $429 billion general health and wellness market.

In May, Pure Extracts launched Pure Mushrooms, an e-commerce platform on Amazon. It’s selling pills extracted from several mushroom varieties, including lion’s mane, reishi, and maitake.

But Pure Extracts isn’t just focusing on the health and wellness market. It’s also providing high-quality extracts to the medical industry.

In March, it partnered with Psyence Group to extract psilocybin from magic mushrooms. Psyence has a license to grow medicinal mushrooms and operate clinics in South Africa and Jamaica. But each mushroom produces varying amounts of psilocybin. So growers need extractors, who produce standardized batches of psilocybin.

As a first mover in this space, Pure Extracts has the opportunity to innovate new methods and patent them. This would give it a huge advantage over latecomers to the psychedelics space.

Now, let’s take a look at the people behind Pure Extracts.

People

Pure Extracts has a team of veterans from the cannabis industry with a wealth of experience in plant-based compound extraction.

- **Ben Nikolaevsky (CEO):** Nikolaevsky already has a successful cannabis exit under his belt. He was the former president of Natura Naturals, which Tilray bought out for $70 million in January 2019. He was also formerly the president of Blue Goose Capital, a Canadian organic food company. Nikolaevsky brings a good mix of expertise in emerging market opportunities and raising capital. He understands what it takes to build a competitive business model.

- **Doug Benville (COO and founder):** Benville is the mastermind behind extractions. He brings over a decade of experience in cannabis extraction to the table. He pioneered extraction methods for cannabis... and worked as a consultant for other extractors and growers before founding Pure Extracts. He’s already toiling away at advancing the methods used for medicinal mushrooms.

Pure Extracts’ team of experts checks all of the boxes. Together, they have decades of experience in creating new therapies, pushing them through rigorous FDA trials, and then getting them to market.

Opportunity

Pure Extracts is targeting the health and wellness and the medicinal markets with its mushroom extracts.

On the health and wellness side, it would compete in the $177 billion functional food market. In 2020, functional mushrooms made up $25 billion in sales. On the mental health side, the market for Pure Extracts is $100 billion.

Combined, the market opportunity is $125 billion... and growing.

Let’s see what we stand to make if Pure Extracts executes on its strategy.

Return

Pure Extracts is a first mover in this space. And that gives it a huge advantage over the competition.
Let’s be conservative and say it captures just 0.5% of its total addressable market... That would translate to $625 million in annual sales.

Now to value Pure Extracts, we’ll compare it to extractors in the cannabis space. They trade at an average P/S ratio of 3.8.

Applying that multiple to Pure Extracts potential sales would increase the company’s market cap from $18 million at $2.3 billion.

That means it could return a potential 12,677% — enough to turn every $1,000 into $126,770. And nearly 16 times more than the average 100-year return of the S&P 500.

The guys who supplied picks and shovels to the miners made money regardless of which miners went boom or bust.

Pure Extracts is providing the equivalent of picks and shovels to the psychedelics industry with its high-quality extracts. Whether it’s for health and wellness or therapeutic use... Pure Extracts will be a winner as this trend takes off.

It’s rare to find an opportunity like this in an early-stage trend. Don’t wait for it to pass.

**Action to Take:** Buy Pure Extracts (PRXTF).

**Buy-up-to Price:** $0.50

**Stop Loss:** None

**Allocation:** No more than $200–500 for smaller investors and $500–1,000 for larger investors.