Awakn researching psychedelics for a better future

written by InvestorNews | August 4, 2021

Whether you are familiar with it or not there have been relatively rapid advancements in health care and research utilizing psychedelic-centered solutions to treat addiction and mental illness. In fact, in Canada, Horizons ETFs have a Psychedelic Stock Index ETF (TSX: PSYK) which should tell you that this isn't a new or underground market theme. In the U.S. there is Defiance ETFs' Next Gen Altered Experience ETF (AMEX: PSY) that focuses on the usage of psychedelics, medical cannabis, and ketamine for medicinal and health treatment purposes. In other words, this is an evolving industry that interested investors should already be paying attention to.

If you haven't paid any attention thus far or weren't even aware of this, then today is your lucky day as we are going to have a look at one of these life science companies involved in the psychedelic industry. Awakn Life Sciences Corp. (NEO: AWKN) is a biotechnology company with clinical operations; researching, developing, and delivering psychedelic medicine to better treat addiction. Awakn's team consists of world leading chemists, scientists, psychiatrists, and psychologists who are developing and advancing the next generation of psychedelic drugs, therapies and enabling technologies to treat addiction. Unlike other medical disciplines, psychiatry focuses on maintenance rather than cure, and symptom suppression rather than addressing the root causes of these illnesses. The exception is psychedelics and psychedelic-assisted psychotherapy which has the potential to radically change addiction treatment and deliver significantly better patient outcomes.

Mental health and addictions are the 5th leading cause of illness globally. A WHO report on the percentage of people aged 15 years and older with harmful alcohol use or dependence globally in 2016, suggested that 15-20% of the global adult population, or between 840 million and 1.1 billion people, suffer from addiction such as alcohol, gambling or tobacco use. And 70% of that global treatment market is estimated to be from the U.S. and Europe. The global substance addiction treatment industry is currently valued at US$17.5 billion per annum and is forecast to increase to US$31.5 billion per annum by 2027. Without trying to make light of the situation, I wouldn't be surprised if a global pandemic doesn't help spur this increase on a little quicker.

It's obvious there is a problem, and conventional methods to remediate or cure this problem appear to be having limited success. Of those who are deemed to suffer from Alcohol Use Disorder (AUD), only 16% of those suffering seek treatment, with a 70% relapse rate within 12 months. Hence the need to build a better mouse trap, so to speak. The team at Awakn is focused on being the leader in psychedelic drug and therapy research to treat addiction. They ascribe to deliver psychedelic treatments for addiction and other mental health conditions in a chain of Awakn owned clinics in the UK and EU.

Source: Awakn Life Sciences Corporate Presentation

Along with the clinics the Company recently announced it had undertaken a program of clinical research designed to demonstrate the effectiveness for ketamine-assisted psychotherapy against multiple addictions. Awakn's ketamine research program will focus initially on treating AUD and gambling addiction. The program will consist of a late-stage clinical trial focused on AUD, a mechanistic study focused on

gambling addiction and intellectual property development activities. Awakn will be the only company in the world providing evidence-backed ketamine-assisted psychotherapy for AUD. They are also in a Phase IIB clinical trial to assess the efficacy of MDMA-Assisted Therapy for AUD, having recently announced the filing of patent applications in the U.S. for two next-generation novel MDMA-derived new chemical entities. This further strengthens Awakn's intellectual property portfolio and pipeline for the treatment of a broad range of addictions.

Source: Awakn Life Sciences Corporate Presentation

If you haven't heard of Awakn before, it may be because they just started trading on the Neo Exchange on June 23rd as a result of a reverse takeover. Concurrent with this transaction they closed an $8.3 million financing at $2.50 which, combined with prior working capital, is anticipated to provide enough funding for the next 12 months. By then the Company should be generating at least some revenue from its clinics and hopefully, have a lot more news out about its development drug pipeline. With only 24.5 million shares outstanding (23% owned by management and insiders) and a $44 million market cap, there could be a lot of leverage to good news. So it's time to get up to speed on psychedelics.