

The light at the end of the tunnel for Awakn Life Sciences addiction treatment by Psychedelic therapeutics

written by InvestorNews | January 27, 2022

As an investor, I like to look for companies that have tremendous leverage to success. I often write about junior mining stocks and get pretty interested when they have plenty of drill results pending. If it is a pure exploration play, then news of any sort of economic drill holes can often make a stock pop (unless you are unfortunate enough to announce your information in a market like we've seen over the last week or so, in which case who knows what will happen). It's not often you can find this same kind of opportunity in a biotech company. Typically, there is a bloated share structure given it often takes many years, and a lot of money, to achieve any notable success. Certainly, it can happen, if you find a cure for cancer or perhaps create a vaccine that stops a pandemic, then it doesn't really matter what your share structure looks like, you can still get that magnificent rally that every shareholder dreams about. But today we are going to look at a company that isn't your typical biotech firm.

[Awakn Life Sciences Corp.](#) (NEO: AWKN | OTCQB: AWKNF) is in the unique position of having a relatively tight share structure (only 25 million shares outstanding), recently announced positive results from a [Phase IIb Clinical Trial](#), recorded its first-ever [quarterly revenue in Q3/21](#), and has ample cash in the treasury (C\$ 5.7 as of Oct 31/21) to fund operations for the foreseeable future. I view this as an outstanding starting point

for a biotech company that could provide an investor with pretty good upside to any future successes along the way. So, let's have a closer look at Awakn and what that upside could be.

Awakn Life Sciences is a biotechnology company, researching, developing, and delivering psychedelic therapeutics to better treat addiction. Awakn's team consists of world leading chemists, scientists, psychiatrists, and psychologists who are advancing the next generation of psychedelic drugs and therapies to be used together in treatments. Unlike other medical disciplines, psychiatry focuses on maintenance rather than cure, and on symptom suppression rather than addressing the root causes of these illnesses. The exception is psychedelics and psychedelic-assisted psychotherapy which have the potential to radically change addiction treatment and deliver significantly better patient outcomes.

But why the focus on addiction? It is because addiction is one of the biggest unmet medical needs globally with substance and behavioral addictions affecting a significant proportion of the global adult population. As a potential investor here are some key metrics: The global substance addiction treatment industry was valued at US\$16 billion in 2021 and is forecast to increase to US\$25 billion by 2027, while the overall global addiction rehabilitation and recovery industry was estimated to be valued at US\$140 billion per annum in 2021. The latter includes behavioral disorders like gambling, binge eating, and internet gaming (which my wife claims I suffer from).

Awakn is making excellent progress in tapping into the addiction market, particularly Alcohol Use Disorder (AUD). AUD is a pervasive and persistent public health issue, affecting at least 390 million people globally. Treatment rates are low and relapse rates, post-treatment, tend to be high. New and more effective treatments are urgently needed. To that end, on January 11th the

Company announced ground-breaking positive data from their [Phase II A/B trial](#) using Ketamine-Assisted Therapy for the treatment of AUD. Primary and secondary endpoints were achieved, including 86% abstinence over 6 months post-treatment and no serious adverse events (results were published in the American Journal of Psychiatry). The positive Phase II trial outcome paves the way to progress this trial into Phase III, with the ultimate aim of securing regulatory approval for Ketamine-Assisted Therapy to treat AUD in the UK through the NHS and potentially in other regions.

On the revenue front, Awakn achieved its first earning of patient service revenue through the acquisition of Axon, a leading ketamine-assisted psychotherapy clinic in Norway, which the Company [acquired on October 5, 2021](#). Additionally, their [Bristol, UK clinic was opened in October 20, 2021](#) with patient intake beginning in November. Each clinic is anticipated to generate on average £3 million (US\$4 million) revenue per annum and Awakn targets 20 clinics by the end of 2024. A third clinic in London is expected to open in Q1/22 with leases currently under negotiation in Manchester and Dublin.



Source: Awakn Life Sciences [Corporate Presentation](#)

Depending on the rollout of the clinics and the corresponding uptake of the associated services it's not unreasonable to see Awakn get close to generating enough revenue to self-fund its ongoing research and clinical trials. Awakn had a market cap of C\$51 million as of yesterday's close, which could be a paltry 2x annualized patient service revenue by mid-2022. All of a sudden that would make this Company very positively levered to any clinical success given the small number of shares outstanding and potentially little to no further dilution required to fund R&D.

Awakn Life Sciences' new psychedelic drug treatment for alcohol addiction moving to clinical trial

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As we all know alcohol addiction is one of the worst addictions in society costing billions per year. A 2010 study found that alcohol abuse in the USA costs the country [US\\$249 billion a year](#). A Washington Post report [stated](#) that "total cost manifests itself primarily in things like early mortality due to alcohol (\$75 billion of the total), lost productivity and absenteeism at work (\$82 billion), health-care costs (\$28 billion), crime (\$25 billion) and car crashes (\$13 billion)."

Awakn [states](#): "Between 15-20% of adults suffer from substance addictions, and many others from behavioral addictions.....\$17 billion per year (and rising) is spent on private addiction treatment."

With this in mind, the company has recently had some very encouraging results proving the effectiveness of ketamine-assisted psychotherapy on alcohol use disorder (AUD).

Some comments from patients in the study [included](#):

- *"It helped family wise, relationship wise, in every, every single avenue of my life, It's changed it."*
- *"I wouldn't be here now if it wasn't for it. I can definitely say that."*

- *“I feel I have much less desire to drink now than I used to. And I think what it is, I actually, I think I enjoy it less now.”*

The Company is [Awakn Life Sciences Corp.](#) (NEO: AWKN | OTCQB: AWKNF) (“Awakn”) and they believe their treatment can “revolutionise the treatment of alcohol use disorder.”

Awakn is developing a revolutionary new approach for treating substance and behavioral addictions



[Source](#)

The ‘Ketamine in the Reduction of Alcoholic Relapse’ (KARE) psychotherapy intervention study results

The actual study results will be published in the American Journal of Psychiatry later this year. However, judging from the patient’s comments above and the insider’s comments below the results appear to be outstanding.

Professor of Psychopharmacology at the UK’s University of Exeter (UoE), Celia Morgan [commented](#): “We are delighted that the findings are to be published in *the American Journal of Psychiatry*. **This new approach looks set to revolutionize the treatment of alcohol use disorder.** We are excited to partner with Awakn for the next steps in the journey of ketamine-assisted therapy into a licensed treatment for this group of patients with limited treatment options.”

Awakn CEO, Anthony Tennyson, [commented](#): “This is a very exciting moment for ketamine-assisted psychotherapy. For so many people who are suffering from alcohol addiction, for whom the current treatments just aren’t working, a successful phase II a/b trial and a unified ambition to progress this forward to a pivotal

trial, gives real hope to those seeking a better and healthier future.”

Note: Professor Morgan headed up the KARE study. Awakn has acquired the rights to this research.

More about Awakn Life Sciences

Awakn is a biotechnology company with clinical operations that researches, develops, and delivers psychedelic and other medicines to treat all types of addiction, as well as some other mental health disorders. Some examples of the conditions treated by Awakn include anxiety, depression, PTSD, eating disorders, and various types of addiction (alcohol, drugs, gambling etc).

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. The team was [recently strengthened by adding Kate Butler](#) as CFO. Ms. Butler joins Awakn from Vectura Group plc, where she was the Group Financial Controller leading the team’s strategic, finance and M&A activity. Prior to that, she was Head of Finance for EMEA Cell Therapy (Kite Europe) and EMEA Controller for Gilead Sciences Inc.

In terms of commercialization, Awakn is still in the early stages. Awakn did [announce](#) in November 2021 a MOU with UK National Health Service (“NHS”) provider Devon Partnership NHS Trust, to increase access to psychedelic-assisted psychotherapy in the UK. The announcement [stated](#):

“The partnership establishes a framework and strategic relationship to assess NHS organizational readiness for ketamine-assisted psychotherapy. It will investigate how to enhance the evidence base for ketamine-assisted psychotherapy as

an alternative treatment for Alcohol Use Disorder and treatment-resistant depression within the NHS. The partnership will also assess how best to accelerate the on-label use of ketamine-assisted psychotherapy to treat AUD at scale.”

Awakn plans to deliver their evidence backed psychedelic therapies in clinics in the UK and Europe and through licensing partnerships, globally, starting already. As [announced](#) in October 2021, Awakn Clinics Bristol has received Care Quality Commission’s (CQC) formal approval to begin treatments. The news [stated](#): “The clinic will begin delivering ketamine-assisted psychotherapy treatments in October.”

There is also now an [Awakn Clinics Oslo](#), in Norway.

A summary of Awakn’s business plan



Source: [Awakn Life Sciences company presentation](#)

Closing remarks

Awakn is developing a revolutionary new approach for treating substance and behavioral addictions. Awakn’s latest alcohol study results will also soon be followed with their gambling addiction study results (some details on the study [here](#)), also conducted by the University of Exeter.

Alcohol addiction is just one of many addictions that Awakn is working on to deliver effective and safe treatment. All of this means that Awakn is beginning to tap into a truly massive untapped sector where for years treatments either didn’t exist or were often ineffective. Awakn is now commercializing their products with their new Awakn clinics in Bristol in the UK and Oslo in Norway, as well as plans for further expansion.

Awakn Life Sciences trades on a market cap of just C\$71 million. One to watch as the stock has been on the rise in 2021 and the Company looks to be making some serious progress.

Further reading

- [“This Is Something That Changed My Life”: A Qualitative Study of Patients’ Experiences in a Clinical Trial of Ketamine Treatment for Alcohol Use Disorders](#)
-

Awakn announces first-ever study investigating ketamine in gambling addiction treatment

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When we think about addiction many people think about drugs, tobacco, and alcohol addiction; but often forget about gambling addiction. Here are some sobering statistics on gambling and substance addiction:

- As many as 10 million Americans live with a [gambling addiction](#). 1% of Americans have a [severe gambling addiction](#). An estimated 0.5% of UK adults are [problem gamblers](#).
- An estimated [23 million](#) Americans go into debt because of gambling and the average loss is around US\$55,000.
- US citizens spend around [US\\$500 billion](#) on gambling every year.

- [15-20%](#) of the global adult population suffer from substance addiction.

Statistics on gambling and substance addiction



Source: [Awakn company presentation](#)

Now a company is working on researching and developing a medicine to help individuals overcome gambling addiction. The Company is [Awakn Life Sciences Corp.](#) (NEO: AWKN | OTCQB: AWKNF) ("Awakn").

Awakn is a biotechnology company with clinical operations that researches, develops, and delivers psychedelic and other medicines **to treat all types of addiction** as well as some other mental health disorders. Some examples of the conditions treated by Awakn include anxiety, depression, PTSD, eating disorders, and various types of addiction.

On August 24 Awakn [announced](#) that it received ethical committee approval and initiated recruitment for the first-ever study investigating ketamine in gambling addiction. The news [states](#): "The study will be led by Celia Morgan, Ph.D., Professor of Psychopharmacology at the University of Exeter, U.K., Awakn's Head of Ketamine-Assisted Psychotherapy for Addiction and an internationally respected expert in the therapeutic use of ketamine.....**The study will explore whether ketamine administration can modify the reward memories associated with gambling.**"

Professor Morgan [commented](#): "This study is an exciting first step toward a new treatment for gambling disorder, and one which will give new insights into the neurobiology of this damaging and often overlooked addiction, we are delighted that Awakn is able to take the lead in developing solutions to address this

growing unmet treatment need.”

The study forms part of Awakn’s strategy to develop and deliver proprietary psychedelic therapeutics (both medicine and therapy) to better treat both substance addiction, which affects [15% to 20%](#) of global adult population and behavioral addiction.

These are huge markets ripe for disruption!

Awakn has brought together a research team that consists of world-leading experts in the fields of drug development, clinical research, psychiatry, and psychotherapy. The team is building a pipeline of new therapies and drug candidates. You can read more on the extensive team [here](#).

Awakn Life Sciences [three key areas](#) of addiction medicines development include:

- Ketamine-assisted Psychotherapy for substance and behavioral addictions.
- MDMA-assisted Psychotherapy for alcohol use disorder
- New Chemical Entities – For alcohol, behavioural, opioid, and tobacco addictions

Awakn Clinics rollout plan has begun

Awakn’s target is [20 clinics](#) by end 2024 focused primarily on addiction treatment. Awakn says that each clinic will generate between GBP£1.75 million and GBP£3.5 million in revenue. The UK clinic opening lead time is 6 months and the EU is 6 to 12 months depending on the jurisdiction. You can read the [recent news](#) on the Awakn Clinics London clinic launch. The summary is that Awakn will open a 5,000 square-foot, 8 treatment room clinic, to deliver psychedelic-assisted psychotherapy treatments, such as ketamine-assisted therapies.



Source: [Awakn company presentation](#)

Closing remarks

The global substance addiction treatment industry is valued at [USD17.5 billion pa](#) and is forecast to increase to USD31.5 billion pa by 2027. The global gambling addiction treatment industry is still at an early stage with no FDA approved medications for the treatment of pathological gambling in the USA.

Awakn is now targeting both the substance and gambling addiction sectors, as they believe that psychedelics have the potential to radically change addiction treatment and deliver significantly better patient outcomes.

Awakn Life Sciences trades on a market cap of only C\$45 million which is very small compared to the USD17.5 billion pa global addiction treatment industry. Clearly, there is a huge potential market ahead for Awakn should their products and services prove to be successful at scale.



[Source](#)

XPhyto Therapeutics is looking to hit a home run with their

innovative medical products and therapies

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New therapies and diagnostics in the pharmaceutical and medical industries can be a very lucrative area. To be successful a company has to outmaneuver the large established drug companies, or focus on niche areas. Today's company is working on doing just that with their focus on disruptive and innovative solutions in the medical and pharmaceutical space. Two areas they are progressing rapidly are rapid COVID-19 PCR testing and psychedelics therapies for neurodegenerative and other diseases.

[XPhyto Therapeutics Corp.](#) (CSE: XPHY | OTCQB: XPHYF | FSE: 4XT) ('XPhyto') is a bioscience accelerator focused on next-generation drug delivery, diagnostic, and new active pharmaceutical ingredient investment opportunities. XPhyto is on the cusp of two major commercial milestones related to their rapid point-of-care COVID-19 PCR test system, with expected ISO certification and CE-IVD approval pending.

XPhyto's Covid-ID Lab 25 minute COVID-19 PCR Test

On February 24, 2021 XPhyto [announced](#) their first order for their 25-minute COVID-19 RT-PCR tests, from their exclusive diagnostic development partner, 3a-diagnostics GmbH ('3a'). The order was for 9,600 individual tests with delivery of the first order expected by mid-March 2021. These tests will be primarily used to supply prospective distribution partners and licensees and their respective government regulators with test samples for review and evaluation. XPhyto's PCR test advantage over others is its rapid speed (25 minute results) and portability, as well as ease of use. They are ideal to be used for pop-up testing sites in any location. They can be done as either a nasal swab

test or an oral swab test making it easy to administer.

XPhyto CEO Hugh Rogers [stated](#):

“We are confident that Covid-ID Lab, as a 25-minute PCR test with minimal technical and personnel requirements, will be a stand-out product in the COVID-19 test market.”

If this proves to be correct we could potentially expect large product orders to start rolling in during 2021. Subject to the various regulatory approvals being successful, XPhyto expects to hold a European sales launch in April 2021. XPhyto is also currently in discussions with potential distribution and wholesale partners in Europe and the Middle East.

Assuming success in the above steps, XPhyto should be looking at potential revenues beginning in 2021.

- [XPhyto Therapeutics Hugh Rogers on the fastest and most portable PCR test available \(video\)](#)

XPhyto's Point-of-Care rapid and portable diagnostic PCR test for COVID-19



[Source](#)

XPhyto's psychedelics therapies for neurodegenerative diseases

On February 3, 2021 XPhyto [announced](#) a Psychedelic Pharmaceutical Production Agreement with Applied Pharmaceutical Innovation ('Applied') for the synthesis of pharmaceutical grade psychedelic compounds and the parallel development of the standard operating procedures necessary to obtain regulatory approval for the respective commercial production process. Applied is a not-for-profit institution at the University of

Alberta created to support translational drug development for industry and innovators. This adds to XPhyto's 2020 development agreement for the industrial production of psilocybin with a leading German university, as well as the [addition of mescaline production](#). XPhyto plans to expand its psychedelic programs in 2021, including scalable production of pharmaceutical grade compounds, drug formulations, and clinical evaluation.

XPhyto [state](#): "Psychedelic compounds are a highly promising new class of drugs with strong potential for the treatment of mental health related medical conditions such as depression, anxiety, addiction, and trauma-related stress disorder." They are also said to be useful for pain management and palliative care. Psychedelics are legal in the Netherlands and recently [Canada approved](#) 17 healthcare professionals to possess and use the psychedelic active ingredient psilocybin to conduct professional training in psilocybin therapy. Data Bridge Market Research forecasts that the global psychedelics market will grow [from USD 2.077B in 2019 to USD 6.859B by 2027](#).

Other areas for XPhyto

Also of interest is that XPhyto and 3a are developing a portfolio of oral biosensor screening tests for detection of bacterial and viral infectious diseases. Additional pandemic-focused biosensors are in development. XPhyto is planning the commercial launch of its first biosensor product in the second half of 2021. This looks to be a very exciting area with huge potential.

The other area XPhyto is active in is innovative drug delivery methods such as transdermal patches and oral dissolvable films designed for efficient and affordable delivery of approved neurological medications. Again another innovative area where there is a significant need.

Closing remarks

Innovation in the medical world can have an exponential impact on smaller companies if they have a big success. XPhyto has a reasonable chance to hit a home run – Perhaps from their leading portable 25 minute COVID-19 PCR test, from psychedelics therapies, from their oral biosensor products or from their innovative drug delivery products.

XPhyto Therapeutics Corp. certainly has a lot going on and trades on a market cap of C\$171M.

Red Light Holland rides the wave of growth in the relatively new psychedelics industry

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The psychedelics industry is just starting to grow now from a small base and looks quite likely to follow in the footsteps of the cannabis industry's recent success story. Data Bridge Market Research forecasts that the global psychedelics market will grow [from USD 2.077B in 2019 to USD 6.859B by 2027](#). Looking at these numbers that's a 3.3 times increase in just 7 years. Growing acceptance of psychedelic drugs for treating depression and mental disorders are key factors for the forecast growth.

Psychedelics are the class of hallucinogenic drugs that may be used recreationally or for medical purposes. Their main benefits

are in enhancing the sensory perception, elevating mood, and promoting spiritual experiences. Psychedelic drugs can be used in a medical setting to help depression, psychological treatments, palliative care and as an aid to help control the mind to be calm and peaceful.

Psychedelics are legal in the Netherlands, where there are an estimated 100 Smart Shops operating, generating over [US\\$100 million](#) in sales annually. The price for 10 grams of truffles (the maximum amount for a beginner) is between [10 to 15 Euros](#) in Amsterdam. Just recently [Canada approved](#) 17 healthcare professionals to possess and use the psychedelic active ingredient psilocybin to conduct professional training in psilocybin therapy. The focus is mainly for patients dealing with end-of-life distress, but marks the first step towards legal medicinal psychedelics use in Canada.

[Red Light Holland Corp.](#) (CSE: TRIP) is a leader in this market and is well advanced to benefit from the forecast very strong growth. They recently began selling their premium 'magic truffles' products (psychedelics) in the Netherlands. The Netherlands has a long-standing, established legal magic truffles market. Red Light Holland is currently setting up to further grow, distribute and market a premium brand of magic truffles to the legal recreational market within the Netherlands. They are also focusing on the medicinal side of the psychedelics industry as well as expanding their global sales to legal destinations.

Red Light Holland's business plan is to produce and sell recreational and medical grade truffle products (psychedelics) in legal markets starting in the Netherlands



Source: [Company website](#)

Red Light Holland has recently raised over C\$20M, providing the Company with over C\$30M in the bank, this includes the latest [C\\$11.6M bought deal financing](#). The funds intend to be used for working capital and general corporate purposes, essentially to grow the business. Red Light Holland has already grown and pre-sold their first batch of magic truffles from their production facility in Horst, Netherlands. They are now [growing a further 1,000,000 grams](#) of magic truffles. CEO Todd Shapiro [stated](#): “Red Light Holland is ecstatic to announce that we have started to grow our second batch of magic truffles, expected to be 10X the original batch’s size.”

Global and product expansion potential for Red Light Holland

On February 25, 2021, Red Light Holland [announced](#): “iMicrodose pack receives authorization for the first legal import and sale of psilocybin truffles to Brazil....for prescribed medical patient use.” The iMicrodose pack contains 15g of psilocybin truffles made by Red Light Holland. This marks a significant milestone for Red Light Holland with their “first prescribed by a physician for medical use” of their truffles product, as well as an advancement in opening up the legal and medically approved market for psilocybin in Brazil.

On December 30, 2020, Red Light Holland [announced](#) they intend to make a groundbreaking investment in the St. Vincent and the Grenadines’ plant-based wellness and psychedelics industry, via a purchase of 100% of Mera Life Sciences LLC (‘Mera’). St. Vincent and the Grenadines are islands in the Caribbean Sea. Mera is developing a modern medicinal industry in St Vincent and the Grenadines with their issued psychedelic licenses. Todd Shapiro, CEO and Director of Red Light Holland, stated: “The acquisition of Mera and its coveted licenses would allow Red Light Holland to perform high quality psychedelic product research and development, cultivate, extract and process, and

export, not just Psilocybin, but with compounds such as Ayahuasca, MDMA, DMT, Peyote, Ketamine and many other natural based plants as well....”

On December 20, 2020, Red Light Holland [announced](#) it has entered into a non-binding letter of intent to acquire 51% of Psychedelic Insights in Amsterdam, the Netherlands. Psychedelic Insights currently provides psychedelic assistance to clients from all over the world, who are in need and want to try a safe and psychological guided experience. This includes psychedelic palliative care, re-connecting veterans and global mental health screening. A condition in the agreement includes an exclusive supply agreement with Red Light Holland’s truffles, grown from Red Light Holland’s facility in Horst, Netherlands.

Closing remarks

Red Light Holland continues to ride a wave of success with their magic truffles psychedelics. A 10x increase in their truffle production following the first batch being 100% pre-sold in advance, an overseas expansion potential via 100% acquisition with Mera, a potential 51% Psychedelic Insights acquisition (global client base), and finally, some initial success selling into Brazil. Added to all this it appears the medicinal use of psychedelics is making progress in Canada.

It certainly looks like Red Light Holland will continue to rapidly grow, especially after their successful capital raises and now C\$30M in the bank. Red Light Holland’s market cap has dramatically increased as a result of all this good news and now sits at C\$134M. Exciting times ahead, both for the Company and the industry.

Can Psychedelics Follow Cannabis' Lead?

written by InvestorNews | January 27, 2022

Greenlight for Red Light Holland as Distribution Agreements Grow

[Red Light Holland Corp.](#) (CSE: TRIP) ("RLH") engages in the production, growth, and sale of a premium brand of magic/hallucinogenic truffles to the recreational market in the Netherlands.

The Company is pre-revenue, with lots of potential, as it builds out a custom, 3000 square foot growing facility in Horst, the Netherlands.

To generate some immediate revenue and build its brand, the Company procured 10,000 units of psychedelic truffles for re-sale and started selling its Microdosing Packs of magic truffles in September through existing Smart Shop operators and its e-commerce platform. Its Microdosing Pack contains a small amount of magic truffle promoting responsible use, with the drug benefits but without the intensity of a full psychoactive experience.

Distributions Deals

In September, RLH signed a distribution agreement for its Microdosing Packs with Super Smart's location in Tiel, the Netherlands.

Then in October, the Company reached a distribution arrangement with Smartshop Oss, in Oss, the Netherlands.

Finally, RLH completed a distribution arrangement with 3 House of Smart locations in the Netherlands, located in the cities of Rotterdam, Eindhoven and Den Bosch.

Todd Shapiro, CEO of RLH, commented, “clearly we are excited for a broad and diverse adult demographic, within all of these beautiful areas, to soon have the opportunity to see our brand and potentially purchase our responsible-use product.”

Psychedelics Industry

The psychedelics industry is similar to where the cannabis industry was 10 years ago as it fights for legalization in various countries. The use of psychedelic products is currently illegal in most jurisdictions, however countries such as the Netherlands and Jamaica have legalized some forms of psychedelics.

Psilocybin is the chemical alkaloid that induces psychedelic effects, often found in psilocybin mushrooms (“magic mushrooms”) or psilocybin truffles (“magic truffles”).

RLH is currently growing 3 different strains of magic truffles: *Psilocybe Mexicana*, *Psilocybe Galindoi*, and *Psilocybe Tampanensis*, and expects to have an initial batch of 100,000 grams of magic truffles available this quarter.

Retail establishments in the Netherlands that specializes in the sale of psychoactive substances, such as magic truffles, are called Smart Shops. There are an estimated 100 Smart Shops operating in the Netherlands, generating over US\$100 million in sales annually.

New Clinical Market

The psychedelics industry has since gained some traction with pharmaceutical companies starting to research the effects of psychedelics on a range of medical ailments from mental health to cancer.

In September, RLH announced that its science division, Scarlett Lillie Science and Innovation, entered into a relationship with Jinfiniti Precision Medicine in order to explore the potential roles that psilocybin and magic truffles can play for age-related and psychiatric disorders.

Jinfiniti has created a blood test that can detect key factors that drive aging and other genetic instabilities. Jinfiniti's fast and low cost test allows for scientists from both companies to clearly evaluate the potential for psilocybin treatments that go beyond what is currently being explored.

The relationship with Jinfiniti opens up a whole new clinical market that goes beyond the recreational market.

High Profile Management Team

RLH has several prominent management executives and celebrities to help drive its growth and brand recognition, including: Ann Barnes, co-founder of Peace Naturals; Bruce Linton, founder and former CEO of Canopy Growth; Tony Clement, the former Health Minister of Canada (2006-2008); and, Russell Peters, a comedian with international brand recognition and over 5.5 million people on his social media platforms.

Funded for Growth

The Company had \$6.6 million in cash as of June 30, 2020, after raising over \$4 million in private placement in June.

RLH is currently trading at \$0.08 with a market cap of only \$17.2 million has plenty of room for upside gains.



[Source](#)

Red Light Holland enters the market of legal magic truffles

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Exploring the recreational and potential medical use of psychedelics

Most people have heard of ‘magic mushrooms’, but they may be unfamiliar with their fungi cousin magic truffles. Magic truffles are legal and very popular in the Netherlands and are well known for their hallucinogenic properties that result in psychedelic effects. What is less well known is that truffles have a number of potential health benefits related to reducing anxiety and depression, lifting mood, and freeing the mind. The price for 10 grams of truffles (the maximum recommended dose for a beginner) is between [10 to 15 Euro](#) in Amsterdam.

Red Light Holland Corp. (CSE: TRIP | FSE:4YX) (“RLH”) is in the ‘magic truffle’ business. The Company aims to engage in the production, growth and sale of a premium brand of magic truffles to the legal, recreational market within the Netherlands. Their business revolves around a premium brand of magic truffles. Sales are conducted through existing Dutch Smartshops storefront

operators and an advanced e-commerce platform. The Netherlands is a country with a long-standing, established, legal magic truffles market.

Red Light Holland is now starting to commercialize their premium magic truffles in the Netherlands for both recreational and eventual medicinal use



Source: [Company presentation](#)

In some surprising news in August, RLH [announced](#) that it had commenced its “magic truffles growth operation in the Netherlands, months ahead of schedule...” Red Light Holland has “expedited the build out of its approximately 3,000 square feet, custom built, indoor growing, production and distribution facility of the Company, in Horst, the Netherlands (the “Facility”) and has commenced growing its first crop of magic truffles.”

RLH has also ordered [10,000](#) units of Psychedelic Truffles Microdosing Packs from McSmart (one of the Netherlands’ prominent truffle growers, distributors and Smart Shop owners), to launch the Microdosing Packs within the Netherlands as early as September 2020. RLH plans to sell these via three Smart Shops operated by McSmart, as well as through Red Light Holland’s proposed e-commerce platform and McSmart’s existing e-commerce platform.

Red Light Holland has also been on a hiring spree adding [7 new high-level members](#) to their team with a wide variety of both business and medical (psychedelics) knowledge and experience. One of the new hires, Sarah Hashkes from RadixMotion, will focus on developing an innovative virtual reality shopping experience (VR Module, due by Q4 2020) for Dutch Smart Shops and e-commerce

platforms. Sarah Hashkes is the CEO of RadixMotion and a scientific researcher with knowledge on microdosing and is RLH's new Scientific Advisor. Part of her mandate is to educate the public about psilocybin, the active ingredient in magic truffles.

The project also includes having a "VR Avatar", expected to be online by Q3 2020. The VR Avatar is expected to assist Red Light Holland's larger efforts towards reducing the stigma associated with magic truffles and other psychedelic substances. The Avatar, [RLH explains](#), is to help the novice: "Now imagine shopping for something new – but wanting to truly experience it before purchasing? Pretty cool idea, right? What we are aiming to create here is a virtual reality experience that potential consumers can use before buying our Microdose Packs. This way, they can experience what the effects of microdosing magic truffles would be like, to help with their personal comfort and understanding before actually purchasing our product."

Sounds rather cool to me. I think it will be quite popular for the curious to try this out. What do readers think?

Red Light Holland is currently growing three different strains of magic truffles and expects to have an initial batch of approximately 100,000 grams of magic truffles available in late October, 2020.

Red Light Holland carves out a unique market niche



Source: [Company presentation](#)

Closing remarks

Red Light Holland is moving surprisingly fast to commercialize and promote their product range of premium magic truffles.

Considering the Company only listed in Canada this year in late May, then in Germany [in June](#), it is quite amazing that operations have already begun and they are already producing their own magic truffles.

Red Light Holland trades on a market cap of just C\$19m as investors are yet to learn about the Company, and their large potential to rapidly expand and create revenues in the lucrative magic truffles market in the Netherlands. Exciting times are ahead for Red Light Holland with a new innovative VR Avatar virtual reality shopping experience, with sales and revenues all not that far away in Q3 and Q4 of this year.