



JLS Fund Report

A Psytech Venture Fund

September
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Could Psychedelics Become the Most Effective Smoking Cessation Treatment on the Market?

Last month, Pfizer recalled its smoking cessation drug Chantix.

The drug was a sort of superstar in the smoking cessation market, boasting 2020 sales in excess of \$1 billion.

But after it was found to pose increased cancer risks due to high levels of nitrosamine, the company pulled it.

According to FDA documents, long-term ingestion of N-nitroso-varenicline may be associated with increased cancer risk in humans. This is a class of medications that works by blocking the pleasant effects of nicotine on the brain.

The drug has been one of the most popular smoking cessation drugs on the market, boasting a 33% success rate—if you want to call that a “success.” Especially when you consider the success rate of psilocybin therapy.

A 2014 Johns Hopkins smoking cessation study, which used psilocybin therapy, showed an 80% success rate (abstinence from smoking) after six months. Considerably higher than those taking the now-recalled Chantix.

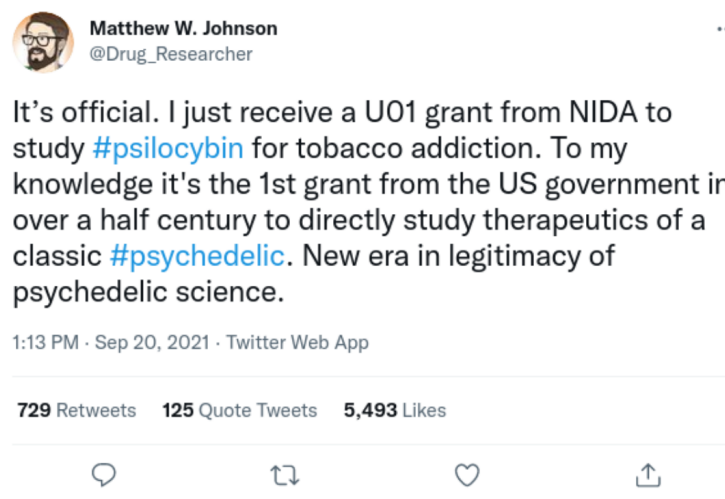
Of course, this was an early pilot study with a small sample size, but there was enough evidence to facilitate more research into using psychedelic medicines to treat smoking addiction. And unlike Chantix, the psilocybin medicine used by Johns Hopkins researchers didn't contain added nitrosamine, which was reported to be carcinogenic as far back as 1956, according to the Journal of Organic Chemistry.

Coincidentally, in the same month Pfizer was forced to pull Chantix off the market, Mydecine Innovations Group announced that it had partnered with Johns Hopkins University on a study evaluating the administration of its psilocybin drug MYCO-001 as part of a structured smoking cessations treatment program for nicotine-dependent people.

This study is projected to launch in Q1, 2022 and could be completed as early as Q4, 2022.

Meanwhile, the National Institute on Drug Abuse (NIDA) approved a grant for researchers at Johns Hopkins University, New York University, and the University of Alabama at Birmingham to explore additional psilocybin treatments for smoking addiction.

Matthew Johnson, the lead investigator in the study, and a professor at Johns Hopkins, posted this tweet after the news was released...



7.7 million people die from smoking every year, so a more effective smoking cessation treatment is certainly something we would expect the FDA to get behind. Particularly these days, with new research published by Thorax showing that smokers are up to 80% more likely to be admitted to the hospital after getting COVID-19, and are significantly more likely to die after becoming infected.

Smoking addiction has long been a serious public health crisis, and it would be quite spectacular if the most effective smoking cessation treatment on the market became psilocybin. Although it should be understood that it's not just a matter of just taking the medicine, but instead combining the medicine with cognitive behavioral therapy.

Either way, if psilocybin therapy can show even a ten percent increase in smoking abstinence, it could ultimately become one of the biggest disruptions in the smoking cessation and nicotine de-addiction market—a market, by the way, that's expected to be valued at nearly \$22 billion by 2024.

JLS Fund: Investments and Advisories



TRIPP's Relationships with Its Billion-Dollar Friends Bear Fruit

Back in August, TRIPP made waves when it acquired PsyAssist in an effort to support psychiatric clinics and researchers working with psychedelics.

It is hoped that the acquisition will allow psychotherapists and patients to use TRIPP's VR, AR, and mobile experiences for ketamine-assisted therapy, clinical trials of MDMA, and psilocybin treatments.

One of the nice things about TRIPP, though, is that, while the company has been very aggressive in carving out its own niche within the psychedelics space, it's not a new operation. TRIPP has long been providing wellness solutions (unrelated to psychedelics) to hospitals, clinics, and Fortune 500 companies. This is a revenue-generating operation that has the cash and the connections to take the lead in providing these types of platforms for psychedelics research.

Who is JLS?

JLS was formed to invest in the exciting intersection of science, technology and neurology, leveraging the enormous potential of plant-based and psychedelic medicines to heal illness and enhance wellness. We focus on the development of drugs for intractable mental and physical conditions and enabling technology and tools that can accelerate and enhance the delivery of those therapies.

That being the case, we'll not only report on the company's progress in the psychedelics space, but on its progress in all sectors in which it operates. This is why we wanted to share with you today that the company recently announced it has launched Nreal's mixed reality glasses in Japan, Korea, Hong Kong, Germany and Spain. It was also selected as one of six companies to join T-Mobile's Wellness Accelerator Program, which works directly with T-Mobile to build other 5G-powered experiences that promote wellness and improve quality of life.

Nreal is a consumer-facing Mixed Reality company boasting a valuation of more than \$700 million. T-Mobile did \$68.3 billion in revenue last year. TRIPP is actively working with the big dogs now, giving it the credibility and relationships to further support its move into the psychedelics space.



Psilera Featured in the Wall Street Journal

In early September, Psilera co-founder Dr. Jackie von Salm was featured in the Wall Street Journal in a piece about how researchers are using virtual reality to view the inside of the molecules they're studying.

While Psilera wasn't its sole focus, the article did discuss the research Dr. von Salm has been doing with Psilera, specifically highlighting the company's work using psychedelics to treat addiction, neurodegenerative diseases, and mood disorders. This is not something you see very often in the Wall Street Journal.

Other companies mentioned in the article include Novartis and C4X Discovery Holdings. To have Psilera, a relatively small but well-funded leader in the psychedelics space, featured in the Wall Street journal, alongside companies like Novartis, is the kind of exposure that few companies in this space get.

Given the significant value of Psilera's research and IP, this is not surprising, and we expect the company to become a common name in financial media pieces focused on psychedelics.

Wesana and MAPS Join Forces



Wesana announced this month that it had committed \$1.5 million to assess the viability of Multidisciplinary Association for Psychedelic Studies (MAPS) MDMA-assisted therapy to treat traumatic brain injury.

Under the terms of the deal, Wesana's financial commitment enables MAPS to activate a team that will evaluate the scope of unmet need for Traumatic Brain Injury (TBI) treatment and help to define the terms of a desired joint venture between MAPS and Wesana.

This first-of-its-kind research collaboration between MAPS and Wesana will accelerate MAPS PBC's research timelines and provide additional support for further research, advocacy, education, and equitable access to MDMA-assisted therapy treatments. Under the terms of the relationship, Wesana is expected to:

- Gain expertise and information to design psychedelic-assisted therapy programs for TBI and improve the Wesana timeline and path to market for its treatments;
- Explore obtaining an exclusive commercial license to use MDMA for the treatment of TBI;
- Evaluate the viability of revenue share agreements between the organizations;
- Adapt MAPS' equitable access research projects to develop a meaningful patient access program; and,
- Fund associated research, administered by MAPS PBC, with additional capital.

Partnering up with MAPS is a very big deal, and if the relationship is successful, Wesana should be able to shrink its time to market for MDMA therapy for TBI. We're extremely happy about this, as it enables the company to solidify its lead position when it comes to treating TBI with psychedelics.

Research Highlights

Dose effect of psilocybin on primary and secondary depression: a preliminary systematic review and meta-analysis:

<https://www.sciencedirect.com/science/article/abs/pii/S0165032721010004>

Safety pharmacology of acute LSD administration in healthy subjects:

<https://link.springer.com/article/10.1007/s00213-021-05978-6>

The Role of Psilocybin-Assisted Psychotherapy to Support Patients With Cancer: A Critical Scoping Review of the Research:

<https://journals.sagepub.com/doi/abs/10.1177/08980101211039086#.YT9rhlu5PsA.twitter>

Final Note

In a few weeks, we plan to start sending you weekly emails to keep you updated on everything that's happening in the world of psychedelics. From new deals and new research to policy moves and even celebrity endorsements, we want to make sure that as we continue to capitalize on the early development of this amazingly impactful and disruptive industry, you are kept in the loop regarding all the important developments that are happening in the space.

In gratitude ...

JLS Team

CONTACT US

If you have any questions or would like to set up a call to discuss our progress, learn more about any of these companies or increase your investment into the fund, feel free to contact us at news@jls.fund.

For those of you who have not invested with us yet, you can reach us by filling out our [inquiry form](#).