Clearmind Medicine Inc. scores milestone patent issuance to expedite and protect psychedelic-based treatment for AUD ($CMND)

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Clearmind Medicine Inc. (NASDAQ: CMND) (CSE: CMND) has taken a giant step forward in its mission to deliver a first-to-market psychedelic-based treatment targeting Alcohol Use Disorder (AUD). Last Wednesday, CMND announced being granted a patent from the United States Patent and Trademark Office (USPTO) to use its proprietary MEAI as an alcoholic beverage substitute. This allowance strengthens an already robust IP portfolio by adding to similar patents earned for its MEAI-based alcohol substitute in Europe and India.

Shares rallied 5% on the news. While a significant move, this innovative, low-float pharmaceutical company still presents a compelling value opportunity. In fact, with only about 2.7 million shares outstanding and just 1.17 million in the float, targeting its 52-week high of $6.10 is certainly in play. Considering the newest patent can expedite the monetization of its flagship initiative, that potential 57% move higher may happen sooner than later.

In fact, there are several factors supporting that upward momentum.

Video Link: https://www.youtube.com/embed/kzuLCNBGXUE

New Patent Further Protects Lucrative Opportunity

In no uncertain terms, the awarded patent is a major milestone, providing a pathway for CMND to target sales from a surging non-alcoholic wine, beer, and spirits market. NielsenIQ recently published data showing the market increased to a $395 million revenue-generating opportunity, which is expected to strengthen further from an estimated 20% annual growth rate. While the market itself is a potentially lucrative one, the better news for CMND and its investors is that they are better positioned than anyone to capitalize upon that opportunity with an industry-changing approach to treating AUD, a condition that claims more than 3 million lives worldwide each year.

Keep in mind sales of alcohol substitutes are rising for different reasons. Those who simply enjoy the taste may like the option to limit alcohol intake. But others, especially those with AUD, don't enjoy a similar choice, noting that AUD fosters the vicious cycle of binge drinking by circumventing specific neural pathways that lead to sensible behavioral decisions. CMND

believes it can change that dynamic.

Its MEAI treatment candidate is showing it can potentially innervate those neural pathways, such as 5-HT1A, which they believe is linked to facilitating better decisions, especially those caused by addictions. Supporting that belief are anecdotal reports and pre-clinical in-vivo results indicating the self-limiting property of MEAI, an important distinction compared to traditional "treat the symptoms, not the conditions" treatments. Data already shows that 5-HT1A receptors can be controlled, which could be excellent news for those with AUD and other addictions.

A Game-Changing Psychedelic-Based Treatment

Thus, MEAI 5-Methoxy-2-aminoindane can be more than a treatment; it can be a lifesaver. Importantly, unlike many traditional pharmaceuticals, the psychedelic-based formulation shows no signs of adverse reactions or side effects. Along with demonstrating a compellingly favorable safety profile, pre-clinical data indicates that CMND's psychoactive molecule effectively treats AUD by exerting a euphoric alcohol-like experience and a reduced desire to consume alcoholic beverages.

In its own non-human pre-clinical trials, CMND trained groups of mice to consume alcohol for five weeks. The groups were then given a daily dose of MEAI with intermittent access to alcohol and water. After two weeks, researchers found a significant reduction in alcohol consumption in mice receiving MEAI, and the untreated control group showed no significant decrease in alcohol consumption. Furthermore, no adverse side effects or treatment-related histological changes were observed among all MEAI treatment groups compared to control naive and vehicle animals in all the examined organs.

In its guiding commentary, Clearmind noted that it hopes to achieve specific treatment characteristics and metrics in further studies, including the ability for self-administration to provide trauma therapy time to work, support of reduction or abstinence goals, an immediate reduction in alcohol use, and no expected conflicts with other drugs. By the way, although MEAI is created utilizing psychedelics, it is non-hallucinogenic and shows no indications of worsening existing health issues.

But here's the potentially best news: with the preliminary work completed, CMND is closer than ever to clearing MEAI's path to market.

Milestones Reached Put Catalysts In The Crosshairs

That's a result of significant development milestones being reached. In the last year, CMND achieved several validating accomplishments that are helping expedite MEAI's mission toward FDA approval. Those include a series of world-class innovations and partnerships that have done more than differentiate CMND from the competitive landscape; they have made them a leading biotech company in the psychedelic space. Better still, when it comes to its initial targeted indication of AUD, no other company appears close to being a serious competitive threat.

That's excellent news from a marketing perspective, considering that, once approved, its proprietary CMND-100, 5-methoxy-2-aminoindane-based treatment (MEAI) could provide relief to the millions worldwide suffering from AUD. Vital to that proposition is that resistance to using MEAI may be mitigated since it could provide effective relief and, at the same time, be a go-to option to replace traditional pharmaceuticals and treatments that are sometimes more

debilitating than the condition itself. There's more good news.

CMND is currently nearing the clinical stage after completing the non-clinical studies required by the FDA. That includes completing a constructive pre-IND meeting, having supportive pre-clinical data, and, most importantly, having the capital to accelerate its clinical ambitions. While no timeline has been provided for a first in-human trial, with those preliminaries completed and risks of treatment expected to be uneventful, dosing trials could likely occur in the near term.

Partnerships And Expert Management

Fueling that speculation, CMND announced the appointment of a special advisor, Nicholas Kadysh, to support the regulatory aspect of the development of MEAI as an alcohol substitute. This program is expected to strengthen the company's prospects of securing a significant treatment market opportunity and maximize its chances of generating near-term revenues. There's more empowering CMND's path to market.

Clearmind is also leveraging the strength of strategic partnerships, including those with leading research and medical centers like Yissum, the technology transfer company of the Hebrew University of Jerusalem, and the Gonda Multidisciplinary Brain Research Center located at Bar Ilan University (Israel) through BIRAD (the Bar-Ilan Research and Development Company). They are also engaged with publicly-traded SciSparc Ltd. (Nasdaq: SPRC), a specialty, clinical-stage pharmaceutical company focused on the development of therapies to treat disorders of the central nervous system, with the two already generating promising results from the combination of MEAI and SciSparc's Palmitoylethanolamide (PEA), the active ingredient of its proprietary CannAmide™.

Thus, the value proposition may be too good to ignore when considering the sum of CMND's parts, especially with a pre-IND filing likely imminent. Remember, in addition to advancing toward a formal trial, CMND is also ushering in a new class of drugs utilizing psychedelic-based medicines to solve widespread health problems. What's more, those who believe the opportunity will face massive regulatory resistance should reconsider.

The marketing approvals for CBD-based treatments prove that regulatory agencies aren't prejudiced against innovative methods to treat patients better. That's proven by massive market penetration and user adoption of these compounds generating billions in sales and making a once obscure market mainstream. Remember, despite its "psychedelic-based" classification, MEAI is non-hallucinogenic and is showing favorable efficacy and tolerability in pre-clinical trials – key factors reminiscent of CBD's rise to prevalence.

Potential To Change History In 2023

Hence, don't think that psychedelic-based treatments are decades away. They are closer than many think, and for CMND, focusing on a more than $200 billion "AUD" treatment market is an excellent initial target. But that's just for starters. If all goes as planned and trials confirm what's already being shown, the path for CMND to treat other addictions is undoubtedly put into near-term play.

In fact, 2023 could be CMND's breakout year – and with the expected launch of its innovative MEAI-based drug candidate CMND-100 in human clinical trials, the potential monetization of its growing IP portfolio, and the advancement of new drug candidates for mental health disorders

with unmet medical needs, that's a more likely proposition than not.

So, maybe it's best to take CMND at its word. After all, they intend to make medical history and empower a new era of medicine by leading the emerging field of psychedelic-based treatments into the mainstream. If that's the case, CMND is more than an attractive investment proposition; it's a compelling one.