

FORM 51-102F3
Material Change Report

Item 1. Name and Address of Company

Neural Therapeutics Inc. (the "**Company**" or "**Neural**")
130 Adelaide Street West, Suite 3002
Toronto, ON M5H 3P5

Item 2. Date of Material Change

March 7, 2025.

Item 3. News Release

A news release disclosing the information contained in this material change report was issued by the Company on March 13, 2024 via Newsfile and subsequently filed on SEDAR+ by Neural.

Item 4. Summary of Material Change

Neural Therapeutics Announces Closing of the Financing, CSE Listing Approval and Completion of Previously Announced Transactions.

Item 5. Full Description of Material Change

See attached press release.

Item 6. Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable

Item 7. Omitted Information

Not applicable

Item 8. Executive Officer

Ian Campbell, Chief Executive Officer
(647) 697-6875
icampbell@neuraltherapeutics.ca

Item 9. Date of Report

March 13, 2025



Neural Therapeutics Announces Closing of Financing, CSE Listing Approval, Completion of Previously Announced Transactions and Corporate Updates

Toronto, Ontario – March 13, 2025 – Neural Therapeutics Inc. ("**Neural**" or the "**Company**"), an ethnobotanical drug discovery company dedicated to developing therapeutic drugs for mental illnesses related to substance use disorders, is pleased to announce that it has completed the final tranche of its previously announced private placement ("**Series A Financing**") and has received conditional approval ("**Conditional Approval**") to list its common shares ("**Neural Shares**") on the Canadian Securities Exchange ("**CSE**") under the ticker symbol "**NURL**". Neural also announces the completion of previously disclosed transactions described in the Company's press release dated November 25, 2025, extension of its letter of intent with CWE European Holdings Inc. ("**CWE**") and a number of corporate updates.

Ian Campbell, CEO of Neural commented: "*We are pleased to announce these key milestones and are grateful for the support of our shareholders and the dedication of our team. As Neural enters this exciting phase of development we believe that the visibility in the public markets will be the cornerstone of our long-term value creation strategy.*"

Closing of Series A Financing

Neural is pleased to announce that on March 7, 2025 (the "**Closing Date**"), it closed the final tranche of the Series A Financing, raising \$518,500.00 through the issuance of 17,283,329 Neural Shares at a price of \$0.03 per Neural Share. In connection with the closing of the final tranche of the Series A Financing, Neural paid cash finder's fees of \$38,480 and issued 1,282,666 finder's warrants ("**Finder Warrants**"). Each Finders' Warrant is exercisable into Neural Shares at a price of \$0.05 per Neural Share until March 7, 2027. Securities issued in the final tranche of the Series A Financing are subject to a statutory hold period of four months plus one day from the date of issuance, in accordance with applicable securities legislation.

CSE Listing Approval and Commencement of Trading

Neural is pleased to announce that the CSE has conditionally approved the listing ("**Listing**") of Neural Shares, which is expected to occur shortly, subject to Neural fulfilling all listing requirements of the CSE. A Form 2A Listing Statement dated March 7, 2025 (the "**Listing Statement**"), has been filed with the CSE and is available under Neural's profile on www.sedarplus.ca and on the CSE website.

Neural Shares are expected to commence trading on the CSE under the ticker symbol "**NURL**". Neural will provide an update once the CSE issues a bulletin confirming the date on which trading on the CSE will commence.

Extension of Letter of Intent with "Hanf.com"

By mutual agreement, Neural and CWE (dba Hanf.com) have extended the term of their letter of intent and the deadline to enter into a definitive agreement to March 31, 2025. All other terms and conditions of the letter of intent (as further described in Neural's press release dated October 3, 2024) remain unchanged.

Warrant Extension

The Neural Board approved an amendment of the expiry date of 4,999,993 common share purchase warrants ("**Neural Seed Warrants**") and 575,800 broker warrants ("**Neural Seed Broker Warrants**") from February 3, 2025 to February 3, 2026. The Neural Seed Warrants and Neural Seed Broker Warrants were issued to subscribers in the first tranche of the Neural Seed Financing, which closed on February 3, 2022. All other terms of the Neural Seed Warrants and Neural Seed Broker Warrants will remain unchanged.



Issuance of Neural Share Purchase Warrants

As further described in a press release dated November 25, 2024, Neural has issued 21,467,163 common share purchase warrants (each a "**Warrant**"), as follows: (a) 1,381,426 Warrants to Ian Campbell, CEO and Director of Neural; (b) 6,715,967 Warrants to John Durfy, Chairman of Neural; and (c) the balance, 13,369,770 Warrants, in connection with consulting agreements and debt settlements with other parties (please see the Listing Statement for further details). Each Warrant is exercisable into one Neural Share at a price of \$0.05 per Neural Share until March 7, 2028, subject to acceleration by the Company, provided that the Neural Shares trade at a volume-weighted average price of \$0.15 or higher for a period of at least 10 consecutive trading days. If this condition is met, Neural may accelerate the expiry date by giving at least 30 days' notice. The Warrants were issued on March 7, 2025 and are subject to a statutory hold period of four months plus one day from the date of issuance in accordance with applicable securities legislation.

Stock Success Fee Issuance

Concurrently and in connection with the Listing, Neural issued 4,223,835 Neural Shares at a price of \$0.03 per Neural Share to FMI Capital Advisory Inc. ("**FMICA**"), representing the stock success fee payable to FMICA under the financial advisory agreement entered into by Neural and FMICA on December 17, 2021. The Neural Shares issued to FMICA representing the stock success fee are subject to a statutory hold period of four months plus one day from the date of issuance, in accordance with applicable securities legislation.

Share Transfers and Early Warning Disclosure

As further described in Neural's press release dated November 25, 2024 and the Listing Statement available under Neural's SEDAR+ profile, Northern Star Capital Inc. ("**NSCI**"), a company 100% owned by Alex Storcheus, a director of Neural, effective as of March 7, 2025 acquired an aggregate of 8,858,881 Neural Shares ("**Transferred Shares**") from various parties, including 2,614,050 Neural Shares from Humber Capital Advisors Inc., a company 100% owned by John Durfy, Chairman of Neural.

NSCI also participated in the Series A Financing by subscribing for 833,333 Neural Shares. As a result of these transactions, in addition to Neural Shares acquired in past financings, Alex Storcheus, a director of Neural acquired control or direction over an additional 9,692,214 Neural Shares and became an indirect beneficial owner of, and exercises control or direction over, an aggregate of 12,712,950 Neural Shares, representing approximately 14.33% of the issued and outstanding Neural Shares as calculated in accordance with National Instrument 62-104 *Take-Over Bids and Insider Bids* ("**NI 62-104**"). This was an increase from 3,020,736 Neural Shares held prior to the completion of these transactions (which at the time represented 4.5% of the issued and outstanding Neural Shares). Mr. Storcheus has a long-term view of his investment in the Company. Mr. Storcheus' view of the Company and investment therein may change, depending on market and other conditions, or as future circumstances may dictate, from time to time. Mr. Storcheus may increase or dispose of some or all of his ownership in the Company or may continue to hold his current position. The head office of NSCI is located at 3002-130 Adelaide Street West, Toronto, ON M5H 3P5. The aggregate consideration for the 9,692,214 Neural Shares acquired was \$48,895.72, or approximately \$0.005 per Neural Share.

Included in the transfer were 8,089,321 Neural Shares ("**Transferred Escrow Shares**") which remain subject to the provisions of an escrow agreement entered into pursuant to National Policy 46-201 - *Escrow for Initial Public Offerings* ("**NP46-201**") on May 23, 2023 ("**First Escrow Agreement**") entered in connection with the plan of arrangement between Neural and Vertical Peak Holdings Inc.

Effective on the Listing Date, the First Escrow Agreement was terminated and replaced by the a second escrow agreement (the "**Second Escrow Agreement**"), which was entered in connection with the Listing. The Second Escrow Agreement imposes more restrictive escrow provisions, aligning with Neural's



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obligations as a newly listed issuer. All of Neural Shares which are currently subject to escrow under the First Escrow Agreement (which was set to conclude on May 23, 2026) are now subject to the Second Escrow Agreement and will be released according to its new schedule, which concludes three years from the Listing Date. The Transferred Escrow Shares were transferred to NSCI in reliance on Section 6.3(1)(a) of NP 46-201. Please see the Listing Statement for further details. All of the 12,712,950 Neural Shares that Mr. Storcheus is indirect beneficial owner of, and exercises control or direction over, or is deemed to exercise control or direction over are subject to the Second Escrow Agreement entered into in connection with the Listing.

These transactions constitute "related party transactions" under the meaning of *Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"), as NSCI is a private company that is 100% owned by Alex Storcheus, a director of Neural. Neural relied on exemptions from the formal valuation and minority approval requirements of MI 61-101 (pursuant to subsections 5.5(a) and 5.7(a)), as the fair market value of the securities transferred to, and the consideration received from, the related parties did not exceed 25% of Neural's market capitalization. The transfer of Transferred Shares and NSCI's participation in the Series A Financing were approved by all of the independent directors of Neural. Neural did not file a material change report 21 days before the completion of these transactions as NSCI's acceptance had not been confirmed at that time as all of the transactions are contingent on Neural completing the Listing, among other things.

A copy of the Early Warning Report with additional information in respect of the foregoing matters has been filed on www.sedarplus.ca under Neural's profile. For further information, including a copy of the early warning report required under applicable Canadian securities laws filed by NSCI in connection with the transactions described in this press release, please contact Ian Campbell at +1 (647) 697-NURL (6875).

Neural currently has 88,700,524 Neural Shares issued and outstanding. Further information is accessible on the Neural's CSE profile and under the Company's profile on www.sedarplus.ca. Investment in securities of Neural shall be considered highly speculative and anyone considering purchasing such securities should consult their financial advisors and review Neural's SEDAR+ profile.

About Neural Therapeutics

Neural Therapeutics is an ethnobotanical drug discovery company, focusing on the development of therapeutic drugs for mental illnesses related to substance use disorders, including alcohol and opioid dependence. The Company's innovative approach to drug development involves the strategic use of sub-hallucinogenic doses of mescaline extract, enhancing safety and scalability while maintaining therapeutic efficacy.

For further inquiries, please contact:

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CAUTIONARY DISCLAIMER STATEMENT

*No securities regulatory authority has reviewed or accepted responsibility for the adequacy or accuracy of the content of this news release. This news release contains forward-looking statements ("**FLS**") relating to the timing of the Company's listing on the CSE, outlook for psychedelic markets and related industries, the achievement, and the timing of certain development milestones and the successful execution of Neural's business strategy.*



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FLS also include statements concerning the anticipated entry of entry into a definitive agreement with CWE and completion of any related transactions, and statements related to the continued overall advancement of Neural's business and other statements that are not historical facts. FLS are often identified by terms such as "will", "may", "should", "anticipate", "expect", "plan" and similar expressions. These statements are not statements of historical fact, but rather predictions about future events, which are inherently subject to risks and uncertainties. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Key factors that could cause actual results to differ materially from the Company's expectations include the inability to raise sufficient funds to execute Neural's business plan; failure to satisfy the conditions imposed by relevant regulators, regulatory restrictions and approvals related to psychedelic-based drug research and development, unforeseen delays in securing intellectual property protections, changes in government regulations and policies impacting Neural's operations; and general economic, market, or industry conditions. Readers are cautioned that assumptions used in preparing any forward-looking information may prove to be incorrect. Future events or circumstances could cause actual results to differ materially from those projected due to numerous known and unknown risks, uncertainties, and other factors, many of which are beyond Neural's control. Readers should not place undue reliance on any forward-looking information. Although management considers such information to be reasonable at the time of preparation, it may prove to be incorrect and actual outcomes may differ significantly. FLS contained in this news release are expressly qualified by this cautionary statement. The forward-looking information contained in this press release represents the expectations of the Company as of the date hereof and is subject to change. The Company expressly disclaims any intention or obligation to update or revise such statements. A description of additional risk factors that may cause actual results to differ materially from FLS in Neural's disclosure documents posted on www.sedarplus.ca.

The securities of Neural have not been registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or applicable state securities laws. The securities may not be offered or sold to, or for the account or benefit of, persons in the United States or "U.S. Persons" (as defined in Regulation S under the U.S. Securities Act), unless registered or exempt from registration under the U.S. Securities Act and applicable state securities laws. This press release does not constitute an offer to sell or the solicitation of an offer to buy Neural's securities in the United States or any other jurisdiction where such an offer or sale would be unlawful.

Neither the CSE nor its Regulation Services Provider (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release.