Amended and Restated Management's Discussion and Analysis
For the year ended June 30, 2024

(Expressed in Australian Dollars)

This Amended and Restated Management's Discussion and Analysis ("MD&A") of the financial condition and results of operations of MindBio Therapeutics Corp. (the "Company") is for the year ended June 30, 2024. It is supplemental to, and should be read in conjunction with, the Company's audited consolidated financial statements and the accompanying notes for the years ended June 30, 2024 and 2023. Such financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). This MD&A has been prepared by reference to the MD&A disclosure requirements established under National Instrument 51-102 - *Continuous Disclosure Obligations* ("NI 51-102") of the Canadian Securities Administrators. All dollar amounts in this MD&A are expressed in Australian dollars unless otherwise indicated.

This MD&A is the responsibility of the management. The Board of Directors carries out its responsibility for the review of this disclosure principally through its audit committee which is comprised of a majority of independent directors. The audit committee reviews and, prior to its publication and pursuant to the authority delegated to it by the Board of Directors, approves this disclosure.

NOTICE TO READER

This management's discussion and analysis for the year ended June 30, 2024 has been amended and is being refiled due to revisions included in the original management's discussion and analysis filed on October 28, 2024, and is prepared as of February 26, 2025. In particular, this MD&A contains updates related to:

- the Company's overall performance;
- selected annual information;
- discussion of operations;
- summary of quarterly results;
- liquidity and capital resources;
- related party transactions; and
- discussion and analysis on fourth quarter events or items that affected the Company's financial condition and financial performance.

The Company has provided updates on the subsequent events disclosure to the date of approval of this amended MD&A, being March 18, 2025.

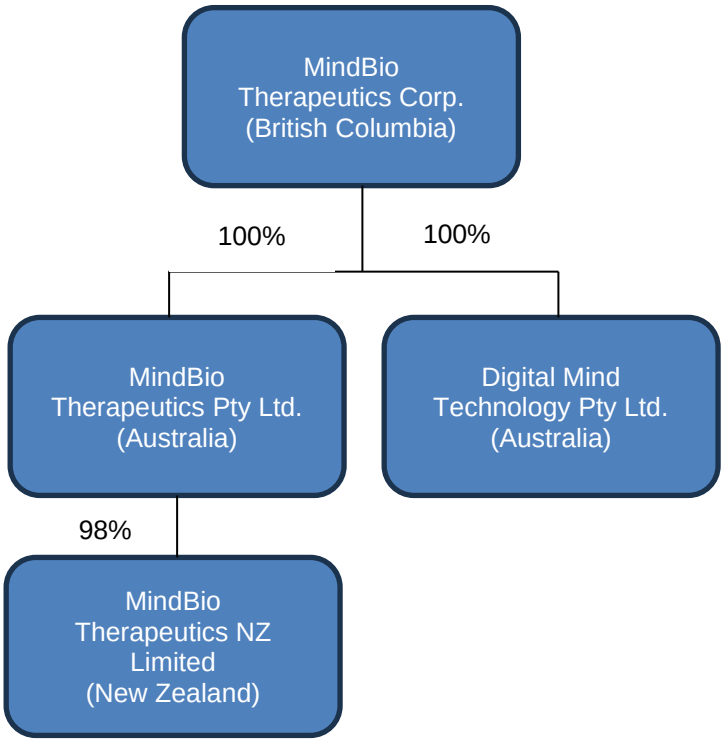
CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS AND INFORMATION

Certain statements in this MD&A are forward-looking statements or forward-looking information ("forward looking statements"), which reflect our management's expectations regarding our future growth, results of operations, performance and business prospects and opportunities including statements related to the development of existing and future property interests, availability of financing and projected costs and expenses. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits we will obtain from them. These forward-looking statements reflect management's current views and are based on certain assumptions and speak only as of the date of this report. These assumptions, which include management's current expectations, estimates and assumptions about the global economic environment, the market price and demand for products and our ability to manage our operating costs, may prove to be incorrect. A number of risks and uncertainties could cause our actual results to differ materially from those expressed or implied by the forward-looking statements, including: (1) a downturn in general economic conditions, (2) the uncertainty of government regulation and politics (3) potential negative financial impact from regulatory investigations, claims, lawsuits and other legal proceedings and challenges, (4) other factors beyond our control, and (5) the risk factors set out in the Company's Listing Statement.

There is a significant risk that such forward-looking statements will not prove to be accurate. Investors are cautioned not to place undue reliance on these forward-looking statements. No forward-looking statement is a guarantee of future results. We disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. Additional information about these and other assumptions, risks and uncertainties are set out in the section entitled "Risk Factors" below as well as in the Listing Statement.

COMPANY OVERVIEW AND DESCRIPTION OF BUSINESS

The Company was incorporated under the *Business Corporations Act* (British Columbia) on January 21, 2021, and the Company's common shares trade on the Canadian Securities Exchange ("CSE") under the symbol of "MBIO". The Company's registered and records office is located at 1055 West Georgia Street, Vancouver, BC, Canada and it has two direct subsidiaries (MindBio Therapeutics Pty Ltd. ("MindBio Aus") and Digital Mind Technology Pty Ltd. ("DMTPL")) and one indirect subsidiary (MindBio Therapeutics NZ Limited ("MindBio NZ") as noted below.



The Company's core business relates to research and development into psychedelic substances as a potential treatment for the management of a broad range of mental health conditions. The Company's current focus is on the fully funded research being conducted on behalf of MindBio NZ at the University of Aukland in Aukland, New Zealand, as more fully set out in the Company's Listing Statement dated May 3, 2023 (the "Listing Statement"). Management has no operational updates on the Company's wholly-owned subsidiary, DMTPL, other than aspects of the technology has been integrated to MindBio NZ for use in clinical trials.

OVERALL PERFORMANCE

For the year ended June 30, 2024, compared with the year ended June 30, 2023

For the year ended June 30, 2024, the Company had a net Loss and comprehensive loss of $(484,866), compared with no revenue and a net Loss and comprehensive loss of $(4,286,720) for the year ended June 30, 2023.

The activity conducted in the financial year centered around the further development and testing of MB22001, MindBio's lead candidate drug, with a view to have the next stage of testing conducted during the 2025 Calander year. Note that the costs for the product development and clinical trials (up to Phase 2B) have been paid upfront, and are not a cost to the 2024 financial year. Operational activity therefore was generally lower than the prior year.

(Expressed in Australian Dollars)

The Company has minimized its spending on all areas where it can, and its cash resources are being tightly held and are deployed on tasks that are absolutely required. The Company will be looking to conduct a financing in Q1 of 2025 in order to replenish its cash resources so that it can continue to its Phase 2B clinical trials.

Other revenue of $630,772, representing R&D receipts, was earned in the period. $0 was received in the prior financial year as an overpayment was made and was deducted from the cash payment in the current financial year.

Consulting, advisory and accounting expenses for the year ended June 30, 2024 were $255,969 (30 June 2023 $381,472). The Company's expenses related to consulting and advisory are lower due to less reliance and need for consulting and advisory services during the period.

Finance charge for the year ended June 30, 2024 were $359,000 (30 June 2023 $454,772). This reflects the interest charge on the investor loans for the year.

Marketing expense for the year ended June 30, 2024 were $60,573 (30 June 2023 $292,731). Marketing expenses are lower for the financial year reflecting less engagement in industry conferences and associated marketing related expenses.

Legal expenses for the year ended June 30, 2024 were $38,088 (30 June 2023 $539,985). The lower amount reflected minimal legal activity required for the current financial year. The prior year had material activity associated with the listing of the Company.

Other operating expenses for the year ended June 30, 2024 were $107,791 (30 June 2023 $272,443). The lower amount reflects management's efforts at reducing operational costs of the business.

The investor relation expense for the year ended June 30, 2024 $18,732 (30 June 2023 $81,433). The lower investor relations expense for the period represents reduced need for investor relations expense and IR activities in the business.

There were no adjustments to any carrying values on the balance sheet, nor were there any activity in relation to M&A activity. The focus on the year was product development and completing clinical trials.

As a result of the foregoing, the Company recorded a net loss and comprehensive loss of $484,866 ($0.002) per share) for the year ended June 30, 2024 compared with a net loss of $4,286,720 ($0.04) per share) for the year ended June 30, 2023.

Selected Annual Information

The following table sets forth selected financial information derived from the Company's audited financial statements for the three most recently completed financial years, prepared in accordance with IFRS.

	June 30, 2024 ($)	**June 30, 2023 ($)**	**June 30, 2022 ($)**
Total revenue	Nil	Nil	Nil
Profit (loss) from continuing operations, attributable to owners of the parent	(415,642)	(4,286,720)	(5,862,535)
- Per share	(0.003)	(0.04)	(0.44)
- Diluted per share	(0.003)	(0.04)	(0.44)
Profit (loss) attributable to owners of the parent	(484,866)	(4,286,720)	(5,862,535)
- Per share	(0.004)	(0.04)	(0.44)

(Expressed in Australian Dollars)

	June 30, 2024 ($)	June 30, 2023 ($)	June 30, 2022 ($)
- Diluted per share	(0.004)	(0.04)	(0.44)
Total assets	194,172	672,926	1,450,116
Total non-current financial liabilities	310,476	3,166,812	4,902,975
Distributions or dividends declared	Nil	Nil	Nil

The loss for the three years has reduced year on year which reflects the set-up costs incurred in FY 2022 amounting to $3.4m in the form of research and development ($1.5m) expenses and consulting and advisory fees ($1.9m). Most of these were to do with product development through clinical trials, which was material in FY 2022 and the consulting and advisory relating to the corporate set up and costs of listing on the CSE.

In FY 2023, these categories were much lower ($630k and $255k respectively), however, share based payments of $1.4m were incurred associated with the issue of the option plan. The 2023 year also had an amount of $374k associated with the carrying value of the investor loans, and whilst this is non cash, it does affect the result. There were also $539k of legal expenses incurred in the 2023 year associated with the listing of the entity.

The reduction in assets over the three years reflects the reduction in cash reserves, as other assets are steady in carrying value. Costs associated with clinical trials and R&D expenses have been expensed rather than capitalized and therefore the intellectual property created is not carried on the balance sheet. The reason for this accounting treatment of the costs of R&D and clinical trials of the Company is to obtain access to the R&D tax credits available to clinical stage companies in Australasia.

The non-current liabilities in 2022 represent the investor loans of $4.5m plus a long-term accrual of $350k in FY 2023, $2.1 of the investor loans were current and in FY 2024, $5,020 were current which reflects the reduction in the non current liabilities.

The presentation and functional currency is Australian Dollars (AUD). Please refer to the financial statements for the year ended June 30, 2024 for the accounting policies used in the financial statements.

DISCUSSION OF OPERATIONS

The current operations of the Company are centered on clinical trials and research being conducted at the University of Auckland (the "University") led by Dr Suresh Muthukumaraswamy. These clinical trials are being conducted pursuant to a funding agreement between the Company and the University dated December 21, 2021 and amended on October 25, 2022 (the "Funding Agreement"). Through the Funding Agreement, the Company has fully funded the studies at the University as set out below (the "MB22001 Studies") at the cost of $2.5 million. These costs were fully paid upfront by the Company to the University in 2021. As a result, the Company has no exposure to inflationary, price changes or similar risks with the costs of operating clinical trials.

(Expressed in Australian Dollars)

MB22001

Trial Type	Target Condition	No. of Participants	Trial Status
Phase 1 RCT	Healthy Adults	80	Completed (with positive top line data)
Phase 2A: Open Label	Major Depressive Disorder	20	Completed (with positive top line data)
Phase 2B RCT	Major Depressive Disorder	90	Phase 2B: RCT Trial underway
Phase 2B RCT	Cancer: Existential Distress/Depression	40	Phase 2B: RCT Trial underway
Phase 1: Open Label	Healthy Menstruating Persons	21	Ethics Approved: In Development
Phase 2B: RCT	Menstruating Persons with Premenstrual Syndrome	100	Ethics Approved: In Development
Phase 2B: RCT	Menstruating Persons with Premenstrual Dysphoric Disorder		Combined PMS/PMDD

MindBio NZ also entered into a commercialization agreement dated December 21, 2021 with Aukland UniServices Limited pursuant to which MindBio NZ has licensed the medicinal intellectual property derived from the MB22001 Studies, the details of which are more fully described in the Company's Listing Statement.

Phase 2A Trial – Major Depressive Disorder

During the year ended June 30, 2024, the completed its Phase 2A clinical trial of MB22001 (as described below) in patients with Major Depressive Disorder (the "Phase 2A MDD Trial"). The Phase 2A MDD Trial received regulatory approvals for take-home use and handling of a psychedelic medicine by trial patients, specifically a proprietary titratable form of Lysergic Acid Diethylamide ("LSD") in microdoses called MB22001, which is specifically designed for take home use. The Phase 2A MDD Trial was an open label trial that looked for clinically significant changes in depression rating scores using a global standard for measuring the severity of depression, the MADRS (Montgomery Asberg Depression Rating Scale). The Phase 2A MDD Trial results are confirmatory for the Company for progression to Phase 2B Major Depressive Disorder clinical trials (the "Phase 2B MDD Trial"). This trial is fully funded with all obligations of the Company paid upfront and in advance.

The completion of the Phase 2A trial follows the completion of the Company's phase 1 trial in 2022 which studied 80 healthy individuals microdosing MB22001, and which yielded positive safety and tolerance data as well as statistically significant improvements in mood marked by increases in "energy", "wellness" "happiness", "creativity" "social connectivity" and a reduction in "anger" and "irritability".

The Company will continue to monitor patients that have exited the Phase 2A MDD Trial to assess efficacy and durability of the anti-depressant response post treatment.

Phase 2B Trial – Major Depressive Disorder

Management's focus during the year ended June 30, 2024 was on preparing MB22001 for the Stage 2B Trial, which is expected to be completed late in 2025. This trial is fully funded with all obligations of the Company paid upfront and in advance.

Phase 2B Trial – Existential Distress/Depression in Cancer Patients

The Company's phase 2b trial in patients with advanced stage cancer ("Phase 2B Cancer Trial") is a randomized double-blind placebo-controlled trial in patients with advanced stage cancer experiencing depression, anxiety and existential distress. Recruitment for the Phase 2B Cancer Trial is underway and is due for completion by the end of 2025. This trial is fully funded with all obligations of the Company paid upfront and in advance.

Phase 3 Clinical Trials

If the Phase 2B MDD Trial meets its primary and secondary endpoints convincingly, the Company intends to progress to a Phase 3 clinical trial for MDD. Phase 3 clinical trials are much larger, usually geographically dispersed across continents and will require additional funding. To enable this to occur, the Company will need to raise the necessary support to finance the cost of Phase 3 trials.

MindBio's Investment Thesis

The data collected by the Company has evidenced the effectiveness and safety of MB22001 in treating depressive disorders at scale through take-home use. MindBio's investment thesis is that small, sub-hallucinogenic doses of MB22001 is the most scalable way to use a psychedelic medicine to treat depressive disorders globally. The methodology contrasts the major focus of pharmaceutical companies using large doses and lengthy expensive in-clinic hallucinogenic experiences coupled with extensive psychotherapy to treat these conditions. While those methods are proving to be effective in clinical trials, it is disruptive to a patient's routine, requires time off work and the treatment is expensive potentially making it inaccessible at scale.

MindBio continues to advance and develop intellectual property in drug formulation and design for practical and safe take-home titratable use of MB22001. The Company is also working to develop precise treatment regimens based on an individual's unique medical presentation. The Company currently has extensive psychometric testing, mRNA, DNA, PK, PD, Biometric Markers, Activity Data and Sleep Data collected in the real world and approved by regulators for take home microdosing. While the top line statistical reporting of data and the clinical trial protocols are shared openly and trial results published in peer reviewed scientific journals, the extensive data sets are proprietary and not visible or available for use by the Company's competitors. Management is therefore working to build a defensive moat around its intellectual property including extensive data collection and analytics related to microdosing, with the ultimate view on competitively commercializing MB22001 directly against antidepressants.

MindBio's goal is to commercialize MB22001 as an affordable, accessible replacement to first line medications such as anti-depressants with low side effects resulting in greater adherence. MindBio is able to sublicense its IP under the Commercialization Agreement, which provides an opportunity to access the capabilities of third parties who may have for example, more advanced distribution and production and manufacturing capabilities for better scale and commercialization of medicines and technology.

The Company's future performance is largely tied to its intellectual property rights, the results of its clinical R&D programs and clinical trials, regulatory changes impacting the psychedelics category, and the overall financial markets. Financial markets are likely to be volatile, reflecting ongoing concerns about the stability of the global economy. The Company and management also closely monitor ongoing political changes in key markets, as these may represent both risks and opportunities to grow in these markets, including risks related to a shift towards Conservative governments, which have historically not been as open to research into drugs such as psychedelics. Management regularly monitors economic conditions and estimates their impact on the Company's operations and incorporates these estimates in both short-term operating and longer-term strategic decisions.

OPERATIONAL HIGHLIGHTS

On June 19, 2023, the Company began pre-screening for participant entry into Phase 2 LSD-Microdosing clinical trials, which included approval for take home use of MindBio's LSD-Microdosing treatment. The Phase 2A open label trial set out to assess the treatment in patients with Major Depressive Disorder for 8 weeks.

On August 24, 2023, the Company announced the first doses of MB22001 had been administered to patients in its Phase 2A open label trial to study microdosing of LSD in depressed patients.

On October 29, 2023, the Company announced that first doses had been administered in its Phase 2B clinical trial in patients with late-stage cancer. The Phase 2B randomized double-blind and placebo controlled clinical trial in advanced stage cancer patients using MB22001 and Meaning Centred Psychotherapy with take home approvals in cancer patients involved a total of 40 participants.

On February 14, 2024, the Company announced the completion of its landmark Phase 2A clinical trial in patients with Major Depressive Disorder, and that the analysis of results were underway.

On February 26, 2024, the Company announced positive topline data from its Phase 2A clinical trial, which was a major inflection point for the Company as it moves to late-stage pharma drug development. Results indicated that MB22001 showed rapid and statistically significant improvements with 60% reduction in depressive symptoms and 53% of patients experiencing complete remission from depression. The treatment resulted in a mean 14.1 point drop in Montgomery-Asberg Depression Rating Scale.

On March 4, 2024, the Company announced that it had received final regulatory approvals for its Phase 2B randomized controlled take home clinical trial microdosing MB22001 in patients with Major Depressive Disorder. The trial received Ethics approval and approval by the Clinical Trials Registry, as well as final ministerial approval to begin dosing. In the Phase 2B randomized, triple blind and active placebo-controlled trial, patients with major depressive disorder (MDD) would undertake an eight week regimen of MB22001.

On April 16, 2024, the Company announced that Riverfort Global Opportunities PCC Ltd. requested to convert CAD$100,000 of its loan to 2,000,000 common shares of the Company at $0.05 per share, with all shares will be subject to a hold period of four-months and one day from the date of issuance under applicable securities laws.

On April 30, 2024, the Company announced that an open-label trials to test menstrual cycle effects and tolerance to MB22001 microdosing in healthy people with a menstrual cycle (MDMENS) to serve as a pilot and control group for the second approved trial known as the MDPMD trial. The MDPMD trial is a randomised, triple-blind, placebo-controlled, parallel groups, trial of MB22001 microdosing in persons with Premenstrual Syndrome (PMS)/Premenstrual Dysphoric Disorder (PMDD), with the primary hypothesis to be tested is whether a regimen of luteal phase focussed microdoses can reduce symptomatology in persons with PMS/PMDD with superiority to placebo.

On May 14, 2024, the Company announced that it has signed a non-binding term sheet to out-license a class of Novel Psilocin Prodrugs from Enveric Biosciences, a biotechnology company dedicated to the development of novel neuroplastogenic small-molecule therapeutics for the treatment of depression, anxiety, and addiction disorders. To date, the Company has not been able to progress these plans, as the Company will need to raise sufficient capital to finance clinical trials of the Novel Psilocin Prodrugs.

On June 12, 2024, the Company reported positive secondary data from its Phase 2A clinical trial in patients with Major Depressive Disorder, with improvements in a range of secondary outcome measures following an 8-week treatment course with MB22001. This included a 52% reduction in anxiety (HAM-A), and self-reported reductions in stress (35%), anxiety (59%) and depression (40%) using the DASS questionnaire. Participant's psychological quality of life was improved by 37% as measured by the WHOQOL. Safety analysis also demonstrated a favorable adverse event profile with a low frequency of adverse events with no serious or severe adverse events recorded. No clinically significant abnormalities were seen in follow up blood tests, electrocardiograms or echocardiograms.

On June 20, 2024, the Company reported durability data its Phase 2A clinical trial in patients with Major Depressive Disorder, which showed a significant and sustained antidepressant response in patient follow up one month post treatment.

(Expressed in Australian Dollars)

APPLICATION OF FUNDS RAISED

During the year ended June 30, 2024, the Company did not raise any funds through a share issue.

SUMMARY OF QUARTERLY RESULTS

Quarter ended:	30-Jun-24 ($)	31-Mar-24 ($)	31-Dec-23 ($)	30-Sep-23 ($)	30-Jun-23 ($)	31-Mar-23 ($)	31-Dec-22 ($)	30-Sep-22 ($)
Total Revenue	Nil	433,349	197,423	Nil	Nil	Nil	Nil	Nil
Profit (loss) from continuing operations, attributable to owners of the parent	(253,454)	65,704	(40,119)	(187,773)	(3,400,283)	(300,665)	(372,502)	(213,270)
- Per share	(0.002)	0.000	(0.000)	(0.001)	(0.025)	(0.008)	(0.010)	(0.008)
- Diluted per share	(0.002)	0.001	(0.000)	(0.003)	(0.072)	(0.010)	(0.014)	(0.009)
Profit (loss) attributable to owners of the parent	(322,678)	65,704	(40,119)	(187,773)	(3,400,283)	(300,665)	(372,502)	(213,270)
- Per share	(0.002)	0.000	(0.000)	(0.001)	(0.025)	(0.008)	(0.010)	(0.008)
- Diluted per share	(0.002)	0.001	(0.000)	(0.003)	(0.072)	(0.010)	(0.014)	(0.009)

The revenue for the March 2024 and December 2023 quarters represents the R&D grant payments that were received over these two quarters. These funds were paid to the Company by the New Zealand Government. It is expected that the Company will receive an R&D payment in the March 2025 quarter.

The result for the June 2023 quarter reflects the costs associated with the listing of the Company.

The results for the other quarters are steady representing the operational G&A expenses. Bearing in mind that Phase 1, Phase 2A and Phase 2B clinical trial costs were paid upfront before the time frame above, the costs associated with this activity do not appear in the results above.

The June quarter results included the audit accrual ($70,000) which the first three quarters for the financial year did not include.

LIQUIDITY AND CAPITAL RESOURCES

For the year ended June 30, 2024 the Company had negative working capital of $5.4m and had an operational cash outflow of $383,000. The Company has cash reserves of $138,000 at June 30, 2024. The statements of financial position as of June 30, 2024, indicated a cash position of $138,703 (June 30, 2023 - $319,175), and total current assets of $194,172 (June 30, 2023 - $672,926). The change in current assets can be attributed to an inflow of cash

(Expressed in Australian Dollars)

in the financial year resulting from the Company's successful listing on the CSE and proceeds transferred from the Company lawyer's trust account to the Company of $284,832, and cash outflow from operations of $492,047. The total assets of the Company as of June 30, 2024 were $194,172 (June 30, 2023 - $672,926) and primarily consists of cash and GST receivable. The Company's total liabilities amounted to $5,938,670 (June 30, 2023 - $6,092,618 that mainly consisted of $918,136 in trade and other payable, 5,020,834 in Investor loans. At June 30, 2024, the Company had a working capital deficit of $5,434,322 (June 30, 2023 – $2,252,880). Total shareholders' equity was comprised of share capital of $5,484,526 (June 30, 2023 - $5,372,815), accumulated other comprehensive income (loss) of $105,950) (June 30, 2023 - $175,174), Warrants of $75,845 (June 30,2023 $75,845) and Option reserve of $1,398,199 (June 30, 2023 $1,398,199).

The Company does not have cash commitments in the form of contracted obligations; however, it does have finance costs associated with the investor loans. The Company requires more cash reserves in the short term to maintain the G&A commitments. Management has reduced all non-core expenditures. From a cash point of view, the Company requires the following to maintain the G&A level needed to operate in the short term:

Audit and accounting	50,000
Administration	100,000
Listing expenses	12,000
Total	162,000

The Company does not have any issues with respect to default on debts owed to it, as the counterparty is the Australian and New Zealand Governments (GST receipts). The Company has a currently obligation to its investor loans, however, it has an arrangement with the investors that the interest on the loans will be capitalized and that the loans will not be paid in the near future until the capital resources of the company allow for this to occur.

The Company believes that the current capital resources are not sufficient to pay overhead expenses for the next twelve months and is in the process of raising additional funding to fund its overhead expenses and the development of its products. The Company will continue to monitor the current economic and financial market conditions and evaluate their impact on the Company's liquidity and future prospects.

Since the Company will not be able to generate enough cash from its operations in the foreseeable future, the Company will have to rely on loans from external or related parties and the issuance of shares, to fund ongoing operations. The Company expects to raise funds by way of a private placement as well as receiving an R&D tax credit payment of $48,000 from the Government of New Zealand. It is expected that the commitments above will be able to be met through these means, and carry the Company through Phase 2B clinical trials, when a more substantial financing will be sought. The ability of the Company to raise capital will depend on market conditions and it may not be possible for the Company to issue shares on acceptable terms or at all.

The Company manages its capital structure in order to ensure sufficient resources are available to meet operational requirements and safeguard its ability to continue as a going concern. There are no externally imposed capital requirements on the Company. Management considers the items included in shareholders' equity (deficit) and working capital as capital. The Company manages the capital structure and makes adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets. The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the operation of the Company. To secure the additional capital necessary to pursue these plans, the Company intends to raise additional funds through equity or debt financing.

This MD&A has been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company was not expected

to continue operations for the foreseeable future. As at June 30, 2024, the Company has accumulated significant losses since inception and expects to incur further losses in the development of its business, all of which are material uncertainties that cast significant doubt about the Company's ability to continue as a going concern. The Company's continuation as a going concern is dependent upon its ability to attain profitable operations to generate funds and/or its ability to raise equity capital or borrowings sufficient to meet its current and future obligations.

Investor Loans

During March to May 2022, MindBio Aus issued loans to investors with gross principal amount of $1,394,984. The terms of the debt are as follows:

- The unsecured loans attract interest of 10% per annum;
- They are repayable after 18 months of Mind Aust, or its designated listed company vehicle, being listed as a public company, or after 18 months of a designated listing event not being successful; and
- The holders of the loans are subject to receive bonus shares at a price of $0.08 Canadian Dollars per share. The number of bonus shares issuable equals to 20% of the principal amount of the loan.

The Mind Aust loan is unsecured and non-recourse and will become due and payable on 5 November 2024, continues to accrue interest and the Company will need to raise capital in order to repay the loan.

As the terms of the loan will result in Mind Aust, or its designated listed company vehicle, to issue a variable number of common shares of Mind Aust or its designated listed company vehicle, the loan has been classified as a FVTPL liability.

On 20 December 2022 the bonus shares were issued by Mind Inc. as Mind Aust's designated listed company vehicle in accordance with the loan agreement. Mind Inc. issued a total of 3,135,509 shares. See Note 10.

Upon the issuance of the bonus shares, the terms of the loan have been modified to remove the bonus shares structure. The amendment has been assessed as a loan modification. The Group recognized $nil loan modification gain or loss in the combined consolidated financial statements of loss and other comprehensive loss. After the amendment, the loan has been classified as amortized cost with an effective interest rate of 11.17% per annum. The fair value of the loan on the date of the amendment has been assessed to be $1,394,503.

For the year ended 30 June 2024, the Group recognized a total of $21,538 (2023 - $84,274) of accretion expense and a total of $137,098 of interest expense (2023 - $137,098) on the loan which has been included in finance costs in the combined consolidated financial statements of loss and other comprehensive loss. The fair value of the loan as at 30 June, 2024 has been assessed at $1,637,417.

(i) DMT loan

During June to August 2021, DMT issued loans to investors with gross principal amount of $1,405,000. The terms of the debt are as follows:

- The unsecured loans attracted an upfront interest payment of 10%;
- They are repayable within 30 business days of a successful listing of the Group or in the event of the listing of the Group being unsuccessful; and

- On 10 March 2022, the terms of the loan were amended. Under the amended terms, the loans are repayable on 1 August 2024, if not repaid earlier. The DMT loan is unsecured and non-recourse and continues to accrue interest and the Company will need to raise capital in order to repay the loan.

The loan has been classified as amortized cost. The Company has assessed that the loan amendment on 10 March 2022 is classified as a loan modification and there has been $nil loan modification gain or loss.

During the year ended 30 June 2024, the Company made a repayment of $12,611, which consists of $10,000 in principal and $2,261 of interest expense on 11 April 2023. The $2,261 interest expense has been included in the finance costs in the combined consolidated statements of loss and comprehensive loss.

The Company recognized a total of $127,223 (2023 - $60,487) in interest expense and $73,141 in finance costs (2023 - $nil) which has been included in the combined consolidated statements of loss and comprehensive loss. The fair value of the loan as at June 30, 2024 has been assessed at $1,356,845.

(ii) Mind NZ loan

On 31 January 2022, Mind NZ signed a CAD 1,700,000 unsecured loan with Blackhawk. This loan has a term of 24 months and has no interest payable. An upfront facilitation fee of CAD 205,000 has been paid as per the agreement. This fee is capitalized to the loan and amortized over the term of the loan.

The loan has been classified as amortized cost.

On 25 October 2022, the loan was amended to include an option for the holder to convert the loan into equity of MindBio Therapeutics Corp. An amendment fee of $200,000 CAD was applied for this amendment. This fee has increased the principal amount of the loan to CAD $1,900,000.

On October 5, 2023 the loan was assigned by Blackhawk Growth Corp to Riverfort Global Opportunities PCC Ltd ("Riverfort"). Blackhawk irrevocably novated unto Riverfort all of its present and future rights associated with the loan. The terms of the amendment include extending the term of the loan from 31 March 2024 to 31 March 2025, with revised payment schedule being CAD $237,500 on 30 March 2024; 30 June 2024; 30 September 2024; and 31 December 2024, with the remaining balance due on 31 March 2025. In addition, the amendment provided the Group an opportunity to extend the loan term to 31 December 2025, provided that the Group pays Riverfort CAD $100,000 by 28 February 2024 by way of loan repayment and issues CAD $35,000 in common stock at the closing price the day prior to the relevant payment. Such early repayment was not made during the year.

On April 11, 2024, the Group partially settled its loan with Riverfort for CAD $100,000 through issuance of 2,000,000 common shares at a price of CAD $0.05 per share. The amount outstanding has been reduced to CAD $1,800,000. See Note 9.

The amendment to the loan has been classified as loan extinguishment of the original loan and a recognition of a new loan. Upon the amendment, the Group recognized a total of $320,950 gain on the loan extinguishment, which has been recorded in the combined consolidated financial statements of loss and other comprehensive loss.

Since the loan will result in Mind Inc. issues a variable number of common shares upon the exercise of the conversion option, the loan has been classified as a FVTPL liability. The fair value of the loan has been assessed at $2,026,570 (2023 – fair value - $2,155,661). During the year ended 30 June 2024, the Group recognized a total of $306,750 fair value loss on the loan (2023 - $392,000) and a foreign exchange translation loss of $30,386.

(Expressed in Australian Dollars)

OFF BALANCE SHEET ARRANGEMENTS

To the best of management's knowledge, there are no off-balance sheet arrangements that have, or are reasonably likely to have, an effect on the results of operations or financial condition of the Company.

TRANSACTIONS BETWEEN RELATED PARTIES

The transactions with the related parties of the financial year are summarized as follows:

Related Party	Consulting	Director fee	Total
	$	$	$
Accelerative Investments	49,000	-	49,000
John Dinan	72,833	-	72,833
Total	121,833	-	121,833

Justin Hanka (CEO) owns Accelerative Investments Pty Ltd. He is paid the consulting fee for the provision of CEO services. John Dinan is paid a fee in relation to CFO services.

Key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors and corporate officers.

The aggregate value of transactions and outstanding balances relating to key management personnel and entities over which they have control or significant influence were as follows:

A total of $30,619 was paid as a reimbursement to Justin Hanka for travel expenses. The expenses were all incurred on travel to New Zealand and North America conducting company business. There were no trade receivables from or trade payables to related parties as at the reporting date. There were no share transactions with related parties during the financial year.

FINANCING ACTIVITIES

The following table summarizes the issuances of the Group's common shares as at 30 June 2024:

		Share capital		
	Date	Shares[(1)]	Cents[(1)]	$
Balance at 30 June 2022		94,688,316		4,512,543
Placement round [(2)]		2,107,890	1.54	32,397
Issue of bonus shares as part of the Blackhawk Loan arrangement with Mind Therapeutics Pty Ltd	20/12/2022	8,183,239	3.77	308,478
Placement round	20/12/2022	12,689,128	3.89	493,974
Placement round	05/05/2023	17,397,477	3.50	609,328
Issue to acquire DMT	05/05/2023	20,586,690	3.61	743,207

(Expressed in Australian Dollars)

		Share capital		
	Date	**Shares[(1)]**	**Cents[(1)]**	**$**
Elimination of DMT upon acquisition	05/05/2023	(22,604,754)	-	(1,327,023)
Conversion of Riverfort loan	11/04/2024	2,000,000		111,711
As at 30 June 2024	135,047,305			5,484,526

Options on Issue

Options outstanding	**Number of options**	**Exercise price**	**Expiry date**
	-	-	
Granted on 1 May 2023	26,593,250	$0.10 CAD	1 May 2026

As of 31 March, 2024, there were a total of 26,593,250 options exercisable. The weighted average remaining life for the options is 1.84 years. The weighted average exercise price of the options is $0.10 CAD.

Warrants issued

Options outstanding	**Number of warrants**	**Exercise price**	**Expiry date**
Granted 5 May, 2023	17,398,422	$0.05 CAD	5 May, 2024
Total	17,398,422		

As of 30 June 2024, all the warrants outstanding expired on 5 May 2024.

As at 30 June 2023, there were a total of 17,398,422 warrants outstanding with a weight average remaining life of 0.73 years and a weighted average exercise price of $0.05 CAD.

SUBSEQUENT EVENTS

On October 29, 2024, the Company reported a significant and sustained antidepressant response in patient follow up 6 months post an 8-week treatment cycle with MB22001 in Phase 2A clinical trial in patients with Major Depressive Disorder.

On December 9, 2024, the Company completed a non-brokered private placement and raised $200,390 through the issuance of 6,909,986 common shares of the Company. These funds were used for general working capital. The Company also announced that Riverfort Global Opportunities PCC Ltd convert CAD$50,000 of its loan into 1,000,000 common shares of the Company at a price of $0.05 per share.

On December 18, 2024, the Company held its annual general meeting to, among other things, elect the directors of the Company. All resolutions put forward to the shareholders at the meeting were approved.

(Expressed in Australian Dollars)

On January 21, 2025, the Company entered into a letter of intent to acquire Life AI Corp Pty Ltd. ("Life AI"), a health-focused company with technology in health and artificial intelligence. The Company entered into a definitive share purchase agreement with Life AI and all of the shareholders of Life AI to acquire Life AI on March 24, 2025 (the "SPA"). Life AI's most advanced technology in development is a smartphone-based application (the "Booze AI App") used for alcohol intoxication detection. Pursuant to the terms of the SPA, the Company acquired all of the issued and outstanding shares of Life AI through the issuance of 35,000,000 common shares of the Company (the "Consideration Shares") to the existing shareholders of Life AI. The Consideration Shares are subject to a four-month-and-one-day statutory hold period, expiring on July 26, 2025. The acquisition of Life AI was not a fundamental change for the Company, nor did it result in a change of control of the Company, within the meaning of applicable securities laws and the policies of the Canadian Securities Exchange.

Justin Hanka, the Chief Executive Officer of the Company, was a director and shareholder of Life AI. As a result, the acquisition of Life AI was considered a "related party transaction" for the purposes of Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("MI 61-101"). The Company relied on the exemptions from the formal valuation and minority shareholder approval requirements contained in section 5.5(a) and 5.7(1)(a) of MI 61-101, as the fair market value of the issuance of the Consideration Shares to the related party will not exceed 25% of the market capitalization of the Issuer, as determined in accordance with MI 61-101.

SIGNIFICANT ACCOUNTING POLICIES

The Company's financial statements for the financial year ended June 30, 2024, were prepared using accounting policies consistent with IFRS. A summary of significant accounting policies under IFRS is presented in Note 2 of the consolidated financial statements of the Company for the financial year ended June 30, 2024.

OUTSTANDING SHARE DATA

As at the date of this report, the Company had the following securities issued and outstanding:

	June 30, 2024	**June 30, 2023**
Common shares	135,047,305	133,047,305
Warrants	17,398,422	17,398.422
Stock options	26,593,250	26,593,250
Fully diluted shares	179,038,977	177,038,977

BOARD APPROVAL

The Board of Directors of the Company approved this MD&A on April [●], 2025.

RISK FACTORS AND RISK MANAGEMENT

The following are certain risk factors relating to the business carried out by the Company which prospective investors should carefully consider before deciding whether to purchase the Company's securities. The risks presented below may not be all of the risks that the Company may face. The Company will face a number of challenges in the development of its business. Due to the nature of the Company's business and the present stage of the business, the Company may be subject to significant risks. Sometimes new risks emerge, and management may not be able to predict all of them or be able to predict how they may cause actual results to be different from those contained in any forward-looking statements. Readers should not rely upon forward-looking statements as a prediction of future results. Readers should carefully consider all such risks, including those set out in the discussion below.

Regulatory risks

Successful execution of the Company's strategy is contingent, in part, upon compliance with regulatory requirements from time to time enacted by governmental authorities and obtaining all regulatory approvals, where necessary, for the development and sale of regulated psychedelic products. The psychedelic industry is a new and emerging industry with ambiguous existing regulations and uncertainty as to future regulations; the Company cannot predict the impact of the ever-evolving compliance regime in respect of this industry. Similarly, the Company cannot predict the time required to secure all appropriate regulatory approvals for its future products, or the extent of testing and documentation that may, from time to time, be required by governmental authorities. The impact of compliance regimes, any delays in obtaining, or failure to obtain regulatory approvals may significantly delay or impact the development of markets, its business and products, and sales initiatives and could have a material adverse effect on the business, financial condition and operating results of the Company. Failure to comply with regulations may result in additional costs for corrective measures, penalties or result in restrictions on the Company's operations.

Violations of Laws and Regulations Could Result in Repercussions

Certain psychedelics, including psilocybin and psilocin, are classified as illegal substances under the CDSA other than when used for scientific or medical purposes. The Company's operations are conducted in strict compliance with the laws and regulations regarding its activities with such substances. As such, all facilities engaged with such substances by or on behalf of the Company do so under current licenses, permits and approvals, as applicable, issued by appropriate federal, provincial, territorial, and local governmental agencies. While the Company is focused on psychedelics, specifically psilocybin and psilocin, the Company does not have any direct or indirect involvement with the illegal selling, production or distribution of any substances in the jurisdictions in which it operates and does not intend to have any such involvement. If the Company's historical, current or future operations were found to be in violations of any such laws, the Company may be subject to enforcement actions in such jurisdictions including but not limited to penalties, including criminal and significant civil monetary penalties, damages, fines, imprisonment, exclusion from participation in government programs, injunctions, or refusal to allow the Company to enter into certain contracts, any of which could adversely affect the Company's ability to operate its business and its results of operation. Local, provincial and federal laws and regulations governing psychedelics are broad in scope and subject to evolving interpretations, which could require the Company to incur substantial costs associated with bringing the Company's operations into compliance. In additional, violation of these laws or allegations of such violations could disrupt the Company's operations and result in a material adverse effect on its financial performance. It is beyond the Company's scope to predict the nature of any future change to existing laws, regulations, policies, interpretations or applications, nor can the Company determine what effects such changes, when and if promulgated, could have on the Company's business.

Research, Development and Manufacturing – Reliance on Third Parties

The Company does not have the required licenses to conduct its own research and development on LSD. Research and development by the Company has been conducted by the University with proper licensing. The early stage of the Company's research makes it particularly uncertain whether any of its product development efforts will prove to be successful and meet applicable regulatory requirements.

Commercialization of LSD

Given the early stage of product development, there can be no assurance that the Company's research and development programs into LSD will result in regulatory approval or commercially viable products. The Company currently has no products that have been approved by Health Canada or any similar regulatory authority. To obtain regulatory approvals for product candidates in the psychedelic space, clinical trials must demonstrate that the product candidates are safe for human use and that the product candidates demonstrate efficacy.

Clinical trial failure risk

Before obtaining marketing approval from regulatory authorities for the sale of any psilocybin product candidates, the Company must conduct extensive clinical trials in humans to demonstrate the safety and efficacy of the product candidates. Clinical trials are expensive. Design and implementing clinical trials is complex and presents many opportunities for failure, particularly with mental health disorders as the target indication. Clinical trials may take many years to complete and carry uncertain outcomes. The outcome of preclinical studies and early clinical trials may not predict the success of later clinical trials, and interim results of a clinical trial do not necessarily predict results. Several companies in the pharmaceutical and biotechnology industries have suffered significant setbacks in advanced clinical trials due to lack of efficacy or unacceptable safety profiles, notwithstanding promising results in earlier trials.

The Company cannot predict whether future clinical trials will demonstrate adequate efficacy and safety to result in regulatory approval to market any of the psilocybin product candidates. A product candidate may fail for safety or efficacy reasons at any stage of the testing process. A major risk to the Company is the possibility that none of its product candidates will successfully gain market approval from Health Canada or other regulatory authorities, resulting in the Company being unable to derive any commercial revenue from them after investing significant amounts of capital in their development.

Confidentiality of Personal and Health Information

The Company and its subsidiaries' employees and consultants may have access, in the course of their duties, to personal information of related to research at the University and specifically their medical histories. There can be no assurance that the Company's existing policies, procedures and systems will be sufficient to address the privacy concerns of existing and future patients whether or not such a breach of privacy were to have occurred as a result of the Company's employees or arm's length third parties. If a patient's privacy is violated, or if the Company is found to have violated any law or regulation, it could be liable for damages or for criminal fines and/or penalties.

Reliance on third parties to conduct clinical trials

The Company relies on the University to conduct clinical trial on MB22001. Clinical development activities include trial design, regulatory submissions, clinical patient recruitment, clinical trial monitoring, clinical data management and analysis, safety monitoring and project management. If there is any dispute or disruption in its relationship with third parties, or if it is unable to provide quality services in a timely manner and at a feasible cost, the Company will face delays. Further, if the University fails to perform as the Company expects or if their work fails to meet regulatory requirements, the Company's studies could be delayed, cancelled or rendered ineffective.

Risks related to the regulatory environment

The production, labeling and distribution of the product that the Company plans to develop are regulated by various federal, state and local agencies. These governmental authorities may commence regulatory or legal proceedings, which could restrict the permissible scope of the Company's product claims or the ability to sell its products in the future.

Controlled Substance Legislations

Most countries are parties to the Single Convention on Narcotic Drugs of 1961 as amended by the 1972 Protocol, 30 March 1961 (as amended by the 1972 Protocol), 976 UNTS 14152 (entered into force 13 December 1964), the Convention on Psychotropic Substances, 21 February 1971, 1019 UNTS 14956 (entered into force 8 August 1975)

and the United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, 20 December 1988, 1582 UNTS 27627 (entered into force 11 November 1990). Together, these conventions govern international trade and domestic control of narcotic substances, including cannabis and psychotropic substances, such as psilocybin. Countries may interpret or implement their treaty obligations in a way that creates a legal obstacle to our obtaining marketing approval for the Company's product candidates in those countries. These countries may not be willing or able to amend or otherwise modify their laws and regulations to permit the Company's product candidates to be marketed, or achieving such amendments to the laws and regulations may take a prolonged period of time.

Regulatory approval risks

From time to time, studies or clinical trials on various aspects of biopharmaceutical products are conducted by academic researchers, competitors or others. The results of these studies or trials, when published, may have a significant effect on the market for the biopharmaceutical product that is the subject of the study. The publication of negative results of studies or clinical trials or adverse safety events related to product candidates, or the therapeutic areas in which product candidates compete, could adversely affect the Company's share price and ability to finance future development of product candidates, and the Company's business and financial results could be materially and adversely affected.

The Company is a holding company and depends upon its subsidiaries for its cash flows

The Company is a holding company. All of the Company's operations are conducted, and almost all of its assets are owned, by its subsidiaries. Consequently, the Company's cash flows and its ability to meet its obligations depend upon the cash flows of its subsidiaries and the payment of funds by these subsidiaries to the Company in the form of dividends, distributions or otherwise. The ability of the Company's subsidiaries to make any payments to the Company depends on the subsidiaries' earnings, the terms of their indebtedness, including the terms of any credit facilities and legal restrictions. Any failure to receive dividends or distributions from the Company's subsidiaries when needed could have a material adverse effect on the Company's business, results of operations or financial condition.

Future acquisitions or dispositions

Material acquisitions, dispositions and other strategic transactions involve a number of risks, including: (i) potential disruption of the Company's ongoing business, (ii) distraction of management, (iii) the Company may become more financially leveraged, (iv) the anticipated benefits and cost savings of those transactions may not be realized fully or at all or may take longer to realize than expected, (v) increasing the scope and complexity of the Company's operations, and (vi) loss or reduction of control over certain of the Company's assets. Additionally, the Company may issue additional equity interests in connection with such transactions, which would dilute a shareholder's holdings in the Company.

The presence of one or more material liabilities of an acquired company that are unknown to the Company at the time of acquisition could have a material adverse effect on the business, results of operations, prospects and financial condition of the Company. A strategic transaction may result in a significant change in the nature of the Company's business, operations and strategy. In addition, the Company may encounter unforeseen obstacles or costs in implementing a strategic transaction or integrating any acquired business into the Company's operations.

Currency fluctuations

The Company is exposed to fluctuations in the value of the currencies of Australia, New Zealand, Canada and the United States. The Company does not use currency derivatives to hedge against adverse currency fluctuations. The Company may, in the future, establish a program to hedge a portion of its foreign currency exposure with the objective of minimizing the impact of adverse foreign currency exchange movements. However, even if the Company develops a hedging program, there can be no assurance that it will effectively mitigate currency risks. Failure to adequately manage foreign exchange risk could therefore have a material adverse effect on the business, financial condition or results of operations of the Company.

Investments may be pre-revenue

The Company may make investments in companies with no significant sources of operating cash flow and no revenue from operations. The Company's investments in such companies will be subject to risks and uncertainties that new companies with no operating history may face. In particular, there is a risk that the Company's investment in these pre-revenue companies will not be able to meet anticipated revenue targets or generate no revenue at all. The risk is that underperforming pre-revenue companies may lead to these businesses failing which could have a material adverse effect on the business, financial condition or results of operations of the Company.

Fraudulent or illegal activity by employees, contractors and consultants

The Company will be exposed to the risk that any of their employees, independent contractors and consultants may engage in fraudulent or other illegal activity. Misconduct by these parties could include intentional, reckless and/or negligent conduct or disclosure of unauthorized activities to the Company that violates, (a) government regulations, (ii) manufacturing standards, (iii) laws and regulations, or (iv) laws that require the true, complete and accurate reporting of financial information or data. It may not always be possible for the Company to identify and deter misconduct by its employees and other third parties, and the precautions taken by the Company to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting the Company from governmental investigations or other actions or lawsuits stemming from a failure to be in compliance with such laws or regulations. If any such actions are instituted against the Company, and it is not successful in defending itself or asserting its rights, those actions could have a significant impact on the business of the Company, including the imposition of civil, criminal and administrative penalties, damages, monetary fines, contractual damages, reputational harm, diminished profits and future earnings, and curtailment of the operations of the Company, any of which could have a material adverse effect on the business, financial condition or results of operations of the Company.

Lack of operating history

The Company has only recently started to carry on its business and is therefore subject to many of the risks common to early-stage enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial, and other resources and lack of revenues. The failure by the Company to meet any of these conditions could have a material adverse effect on the Company and may force it to reduce, curtail, or discontinue operations. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of the early stage of operations. The Company may not successfully address all of the risks and uncertainties or successfully implement its existing and new products and services. If the Company fails to do so, it could materially harm its business and impair the value of its common stock, resulting in a loss to shareholders. Even if the Company accomplishes these objectives, the Company may not generate the anticipated positive cash flows or profits. No assurance can be given that the Company can or will ever be successful in its operations and operate profitably.

Reliance on management and key personnel

The success of the Company is dependent upon the ability, expertise, judgment, discretion, and good faith of its senior management. While employment agreements are customarily used as a primary method of retaining the services of key employees, these agreements cannot assure the continued services of such employees. The Company attempts to enhance its management and technical expertise by recruiting qualified individuals who possess the desired skills and experience in certain targeted areas. The Company's inability to retain employees and attract and retain sufficient additional employees as well as information technology, engineering, and technical support resources could have a material adverse impact on the Company's financial condition and results of operation. Any loss of the services of such individuals could have a material adverse effect on the Company's business, operating results or financial condition.

Additional financing

The Company's future capital requirements depend on many factors, including its ability to successfully market its

products, cash flows from operations, locating and retaining talent, and competing for market developments. The Company's business model requires spending money (primarily on raw material, human capital, advertising, and marketing) in order to generate revenue. If additional funds are raised through further issuances of equity or convertible debt securities, existing shareholders could suffer significant dilution, and any new equity securities issued could have rights, preferences, and privileges superior to those of current holders of the common shares. Any debt financing secured in the future could involve restrictive covenants relating to capital raising activities and other financial and operational matters, which may make it more difficult for the Company to obtain additional capital or to pursue business opportunities, including potential acquisitions. If adequate funds are not obtained, the Company may be required to reduce, curtail, or discontinue operations. There is no assurance that the Company's existing cash flow will be adequate to satisfy its existing operating expenses and capital requirements.

Competition

There is potential that the Company and its affiliates will face intense competition from numerous other companies, some of which can be expected to have longer operating histories and more financial resources and manufacturing and marketing experience than the Company. Increased competition by larger and better financed competitors could materially and adversely affect the business, financial condition, and results of operations of the Company.

Growth and consolidation in the industry

The psychedelic industry is undergoing substantial change, which may result in increased consolidation and formation of strategic relationships. Acquisitions or other consolidating transactions could have adverse effects on the Company and its affiliates. The Company could lose strategic relationships if its partners are acquired by or enter into agreements with a competitor, causing the Company to lose access to distribution, content, and other resources. The relationships between the Company and its strategic partners may deteriorate and cause an adverse effect on the business. The Company could lose customers if competitors or users of competing technologies consolidate with the Company's current or potential customers and affiliates. Furthermore, the Company's current competitors could become larger players in the market, or new competitors could form from consolidations. Any of the foregoing events could put the Company at a competitive disadvantage, which could cause the Company to lose customers, revenue, and market share. Consolidation in the industry could also force the Company to divert greater resources to meet new or additional competitive threats, which could harm the Company's operating results.

Intellectual property risks

The Company`s ability to compete largely depends on the superiority, uniqueness, and value of its intellectual property and technology, including both internally-developed technology and the ability to acquire patent protection and/or trademark protection. To protect its proprietary rights, the Company will rely on a combination of trademark, copyright, and trade secret laws, trademark and patent applications, confidentiality agreements with its employees and third parties, and protective contractual provisions. Despite these efforts, certain risks may reduce the value of the Company's intellectual property. The Company's applications for trademarks and copyrights relating to its business may not be granted, and if granted, may be challenged or invalidated. There is no guarantee that issued trademarks, and registered copyrights will provide the Company with any competitive advantages. The Company's efforts to protect its intellectual property rights may not be effective in preventing misappropriation of its technology and may not prevent the development and design by others of products or technology similar to, competitive with, or superior to those the Company develops. There is a risk that another party may obtain a blocking patent and the Company would need to either obtain a license or design around the patent in order to continue to offer the contested feature or service in its products.

The Company may be exposed to infringement or misappropriation claims by third parties, which, if determined adversely to the Company, could subject the Company to significant liabilities and other costs

The Company's success may likely depend on its ability to use and develop new technologies, know-how and biosynthetic production of psychedelic compounds without infringing the intellectual property rights of third parties. The Company cannot assure that third parties will not assert intellectual property claims against it. The Company is subject to additional risks if entities licensing to it intellectual property does not have adequate rights in any such licensed materials. If third parties assert copyright or patent infringement or violation of other intellectual property

rights against the Company, it will be required to defend itself in litigation or administrative proceedings, which can be both costly and time consuming and may significantly divert the efforts and resources of management personnel. An adverse determination in any such litigation or proceedings to which the Company may become a party could subject it to significant liability to third parties, require it to seek licenses from third parties, to pay ongoing royalties or subject the Company to injunctions prohibiting the development and operation of its applications.

If the Company is unable to continually innovate and increase efficiencies, its ability to attract new customers may be adversely affected

In the area of innovation, the Company must be able to develop new technologies and products that appeal to its customers. This depends, in part, on the technological and creative skills of its personnel and on its ability to protect its intellectual property rights. The Company may not be successful in the development, introduction, marketing, and sourcing of new technologies or innovations, that satisfy customer needs, achieve market acceptance, or generate satisfactory financial returns.

Constraints on marketing products

The development of the Company's business and operating results may be hindered by applicable restrictions on sales and marketing activities imposed by government regulatory bodies. The regulatory environment in the United States limits the Company's ability to compete for market share in a manner similar to other industries. If the Company is unable to effectively market its products and compete for market share, or if the costs of compliance with government legislation and regulation cannot be absorbed through increased selling prices for its products, the Company's sales and operating results could be adversely affected.

Difficulty to forecast

The Company will have to rely largely on its own market research to forecast sales as detailed forecasts are not generally obtainable from other sources at this early stage of the psychedelic industry. A failure in demand for its products to materialize as a result of competition, technological change or other factors could have a material adverse effect on the business, results of operations and financial condition of the Company.

Operating risk and insurance coverage

The Company maintains insurance to protect its assets, operations, and employees. Due to the nature of the Company's business, insurance such as workers compensation, general liability, directors and officer's insurance, even though available, is more costly. There are no guarantees that the Company will be able to renew current insurance policies or that the cost will be affordable to the Company. While the Company believes its insurance coverage is adequate to protect it from the material risks to which it is exposed as of the date of this MD&A, no assurance can be given that such insurance will be adequate to cover the Company's future liabilities or will be generally available in the future or, if available, that premiums will be commercially justifiable. If the Company were to incur substantial liability and such damages were not covered by insurance or were in excess of policy limits, or if the Company were to incur such liability at a time when it is not able to obtain liability insurance, its business, results of operations and financial condition could be materially adversely affected.

Growth management

The Company and its affiliates have, and may in the future, experience rapid growth and development in a relatively short period of time by aggressively marketing its technology and services. The Company and its affiliates may be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls. The ability of the Company and its affiliates to manage growth effectively will require them to continue to implement and improve the operational and financial systems and to expand, train and manage their employee base. The inability of the Company and its affiliates to deal with this growth may have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

Conflicts of interest

Certain directors and officers of the Company are also directors and officers of other companies, and conflicts of interest may arise between their duties as officers and directors of the Company and as officers and directors of such other companies.

Litigation

The Company may be forced to litigate, enforce, or defend its intellectual property rights, protect its trade secrets, or determine the validity and scope of other parties' proprietary rights. Such litigation would be a drain on the financial and management resources of the Company which may affect the operations and business of the Company. Furthermore, because the content of most of the Company's intellectual property concerns psychedelics and other activities that are not legal in some state jurisdictions, the Company may face additional difficulties in defending its intellectual property rights.

The Company may become a party to litigation from time to time in the ordinary course of business which could adversely affect its business. Should any litigation in which the Company becomes involved be determined against the Company such a decision could adversely affect the Company's ability to continue its operations, the market price for common shares, and could significantly drain the Company's resources. Even if the Company is involved in litigation and wins, litigation can redirect significant company resources.

The Market Price of the common shares may be Subject to Wide Price Fluctuations

The market price of the Company shares may be subject to wide fluctuations in response to many factors, including variations in the operating results of the Company, divergence in financial results from analysts' expectations, changes in earnings estimates by stock market analysts, changes in the business prospects for the Company, general economic conditions, legislative changes, and other events and factors outside of the Company's control. In addition, stock markets have from time to time experienced extreme price and volume fluctuations, which, as well as general economic and political conditions, could adversely affect the market price for Company shares.

Trading on the Frankfurt Borse is volatile and sporadic, which could depress the market price of the Company's common shares and make it difficult for the Company's security holders to resell their common shares

The common shares are quoted on the Frankfurt Borse. Trading in securities quoted on the Frankfurt Borse is often thin and characterized by wide fluctuations in trading prices, due to many factors, some of which may have little to do with the Company's operations or business prospects. This volatility could depress the market price of common shares for reasons unrelated to operating performance. Moreover, the Frankfurt Borse is not a stock exchange, and trading of securities on the Frankfurt Borse is often more sporadic than the trading of securities listed on a quotation system like Nasdaq or a stock exchange like the NYSE. These factors may result in investors having difficulty reselling common shares.

Price volatility of publicly traded securities
The market price for the common shares may be volatile and subject to wide fluctuations in response to numerous factors, many of which will be beyond the Company's control, including, but not limited to the following:

- actual or anticipated fluctuations in the Company's quarterly results of operations;
- recommendations by securities research analysts;
- changes in the economic performance or market valuations of companies in the industry in which the Company will operate;
- addition or departure of the Company's executive officers and other key personnel;
- release or expiration of transfer restrictions on outstanding common shares;
- sales or perceived sales of additional common shares;

- operating and financial performance that vary from the expectations of management, securities analysts and investors;
- regulatory changes affecting the Company's industry generally and its business and operations both domestically and abroad;
- announcements of developments and other material events by the Company or its competitors;
- fluctuations to the costs of vital production materials and services;
- changes in global financial markets and global economies and general market conditions, such as interest rates and pharmaceutical product price volatility;
- significant acquisitions or business combinations, strategic partnerships, joint ventures or capital commitments by or involving the Company or its competitors;
- operating and share price performance of other companies that investors deem comparable to the Company or from a lack of market comparable companies; and
- news reports relating to trends, concerns, technological or competitive developments, regulatory changes and other related issues in the Company's industry or target markets.

In recent years, the securities markets in the U.S. and Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that fluctuations in price of the common shares will not occur. The market price of the common shares could be subject to significant fluctuations in response to variations in quarterly and annual operating results, the results of any public announcements the Company makes, general economic conditions, and other factors. Increased levels of volatility and resulting market turmoil may adversely impact the price of the common shares.

Liquidity

Although the common shares are quoted on the Borse Frankfurt Exchange, OTCQX and CSE, the Company cannot predict at what prices the common shares of the Company will trade and there can be no assurance that an active trading market will be sustained. There is a significant liquidity risk associated with an investment in the Company.

Shareholders will have little or no rights to participate in the Company's affairs

With the exception of the limited rights of shareholders under applicable laws, the day-to-day decisions regarding the management of the Company's affairs will be made exclusively by the Board of Directors and its officers. Shareholders will have little or no control over the Company's future business and investment decisions, its business, and its affairs. The Company may also retain other officers and agents to provide various services to the Company, over which the shareholders will have no control. There can be no assurance that the Board of Directors, officers or its other agents will effectively manage and direct the affairs of the Company.

Dividends

Holders of the common shares will not have a right to dividends on such shares unless declared by the Board of Directors. The Company has not paid dividends in the past, and it is not anticipated that the Company will pay any dividends in the foreseeable future. Dividends paid by the Company would be subject to tax and, potentially, withholdings. The declaration of dividends is at the discretion of the Board of Directors, even if the Company has sufficient funds, net of its liabilities, to pay such dividends, and the declaration of any dividend will depend on the Company's financial results, cash requirements, future prospects and other factors deemed relevant by the Board of Directors.

Costs of maintaining a public listing

As a public company, there are costs associated with legal, accounting and other expenses related to regulatory compliance. Securities legislation and the rules and policies of the CSE require listed companies to, among other things, adopt corporate governance and related practices, and to continuously prepare and disclose material information, all of which add to a company's legal and financial compliance costs. The Company may also elect to devote greater resources than it otherwise would have on communication and other activities typically considered important by publicly traded companies.

The Company's business, financial condition, results of operations, and cash flow may in the future be negatively impacted by challenging global economic conditions

Future disruptions and volatility in global financial markets and declining consumer and business confidence could lead to decreased levels of consumer spending. The Company's operations could be affected by the economic context should the unemployment level, interest rates or inflation reach levels that influence consumer trends and spending and, consequently, impact the Company's sales and profitability. These macroeconomic developments could negatively impact the Company's business, which depends on the general economic environment and levels of consumer spending. As a result, the Company may not be able to maintain its existing customers or attract new customers, or the Company may be forced to reduce the price of its products. The Company is unable to predict the likelihood of the occurrence, duration, or severity of such disruptions in the credit and financial markets and adverse global economic conditions. Any general or market- specific economic downturn could have a material adverse effect

Liquidity and Negative Cash Flows

The Company's cash on hand, cash equivalents as June 30, 2024 was $ 138,703. This amount should be adequate to continue to fund the Company's operations for the foreseeable future. If the Company had to raise capital to fund its operations or to make further investments in its businesses, it would have to sell assets or raise funds through the sale of additional equity or a combination of those two things. There may not be a ready market for the sale of its assets, and it may not be possible to issue additional shares or other securities, or the issue of additional shares or other securities if it were to be possible may result in significant dilution to the interests of existing shareholders.
The Company's principal asset is its investment in the ownership of Digital Mind Technologies Pty Ltd (DMT) and Mindbio Therapeutics NZ Limited (Mind NZ). These Companies are at an early stage of development and will likely require additional funding to continue operations or to develop their business plans until they become self-funding. The Companies may experience negative cash flow from operating activities. If that is the case, MindBio would have to fund its operations with its cash on hand, cash equivalents or other sources.

Limited Diversification of Investments

Due to the small size of the Company and the fact that it has only a limited number of investments, the Company is subject to a greater risk of a downturn in one or more of its investments. A concentration of the Company's invested funds in a limited number of companies–in particular in the psychedelic micro-dosing research - means that in the event that any such business or industry or investment is unsuccessful or experiences a downturn, this will likely have a material adverse effect on the Company's business, results from operations, and financial condition. It also means that the Company is more exposed to business cycles than it would be if it owned a larger number of investments, which were diversified over various industries with differing business cycles in different geographic areas.

Industry Risks

The industry is at its early stages and psychedelic medicines are not yet proven to the appropriate standard for safety and efficacy in medical treatment of patients to be broadly marketed as medicines around the world. The University has received a license from the Ministry of Health, New Zealand to import LSD, under the *Misuse of Drugs Act, 1975* (New Zealand) and *International Treaties on Controlled Substances* subject to certain conditions including the usage of LSD for scientific purposes. Additionally, the University has also received an authorization to distribute LSD for the purposes of clinical trial. The University has executed arrangements with certain manufacturers for supply of drug

substances required for the clinical trials.

Internal controls over financial reporting

Management of the Company is responsible for designing internal controls over financial reporting for the Company as defined under National Instrument 52-109 issued by the Canadian Securities Administrators. The Company as a venture issuer is not required to certify the design and evaluation of the issuer's disclosure controls and procedures.

OTHER INFORMATION

Additional information related to the Company may be found on SEDAR+ at www.sedarplus.ca.