

Mindbio Therapeutics Corp

Consolidated Financial Statements

For the six months ending 31 December, 2024

Amended and Restated
(In Australian dollars)

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General information

The financial statements cover the combined entities described in Note 1 to the financial statements (together, the group) and are presented in Australian dollars.,

The financial statements were authorised for issue, in accordance with a resolution of the directors of each of the combined entities, on March 2025. The directors have the power to amend and reissue the financial statements.

Mindbio Therapeutics Corp
Statements of profit or loss and other comprehensive income
For the six months ended 31 December 2024

Amended & Restated

	Three month period ended 31 December 2024	Six month period ended 31 December 2024	Three month period ended 31 December 2023	Six month period ended 31 December 2023
	\$	\$	\$	\$
Revenue				
Other revenue		-	197,424	197,424
Total Revenue			197,424	197,424
Expenses				
Amortisation expense	(88,647)	(88,647)	(48,401)	(48,401)
Director fees				
Audit fees				
Clinical Trials				
Research and development				
Legal fees	(16,698)	(25,394)	(2,523)	(65,480)
Consulting and advisory fees	(39,090)	(55,454)	(80,000)	(80,000)
Consulting and accounting fees	(16,807)	(31,202)	(19,176)	(42,967)
Investor relations	-	(2,808)		(9,244)
Marketing	(6,216)	(10,178)	(16,729)	(35,118)
Dilutive transaction cost				
Administration	(39,119)	(65,633)	(5,185)	(53,539)
Foreign exchange gain (loss)	(6,577)	94,448	34,102	65,272
Non controlling interests	4,277	3,738		
Trust fees	-	(3,663)	(9,002)	(9,002)
Listing fees	(6,598)	(6,599)	(11,367)	(11,367)
Finance costs	(163,861)	(233,767)	(79,262)	(135,470)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Mindbio Therapeutics Corp
Statement of profit or loss and other comprehensive income
For the six months ended 31 December 2024

Amended & Restated

	Three month period ended 31 December 2024	Six month period ended 31 December 2024	Three month period ended 31 December 2023	Six month period ended 31 December 2023
Loss before income tax expense	(379,336)	(425,159)	(40,119)	(227,892)
Income tax expense		-	-	-
Loss after income tax expense for the half-year	(379,336)	(425,159)	(40,119)	(227,892)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive income for the half-year	<u>(379,336)</u>	<u>(425,159)</u>	<u>(40,119)</u>	<u>(227,892)</u>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Mindbio Therapeutics Corp
Statement of financial position
As at 31 December, 2024

Amended & Restated

	Note	31 December 2024 \$	30 June 2024 \$
Assets			
Current assets			
Cash and cash equivalents		75,135	138,703
Goods and services tax input credits		67,913	55,469
SAFE investment	3		-
Receivables			-
Prepaid interest			-
Total current assets		<u>143,048</u>	<u>194,172</u>
Total assets		<u>143,048</u>	<u>194,172</u>
Liabilities			
Current liabilities			
Trade and other payables	3	744,689	607,660
Investor Loans	4	4,992,464	5,020,834
Total current liabilities		<u>5,737,153</u>	<u>5,628,494</u>
Non-current liabilities			
Long term accruals	3	310,476	310,476
Investor loans	4		
Total non-current liabilities		<u>310,476</u>	<u>310,476</u>
Total liabilities		<u>6,047,629</u>	<u>5,938,970</u>
Net liabilities		<u>5,904,581</u>	<u>5,744,798</u>
Equity			
Issued capital	5	5,759,162	5,484,526
Options Reserve		1,398,199	1,398,199
Warrants		75,845	75,845
Accumulated other comprehensive income		100,427	105,950
Accumulated losses		(13,180,957)	(12,755,798)
Deficit attributable to the Group		(5,847,324)	(5,691,278)
Non-controlling interests		(57,257)	(53,520)
Total deficit		<u>(5,904,581)</u>	<u>(5,744,798)</u>
Total liabilities and deficit		<u>143,048</u>	<u>194,172</u>

The above statement of financial position should be read in conjunction with the accompanying notes

Mindbio Therapeutics Corp
Statement of changes in equity
For the Six months ended 31 December 2024

Amended & Restated

	Shares	Issued Capital	Option reserve	Accumulated losses	FX Reserve	Warrants	Attributable to group	Outside Equity Int	Total
		\$		\$	\$	\$		\$	\$
As at June 30, 2023	133,047,305	5,372,815	1,398,199	(12,379,679)	175,174	75,845	(5,357,646)	(62,046)	(5,419,692)
Loss for the period				(415,642)			(415,642)	8,526	(407,116)
Outside Equity Interest							-		-
FX Reserve					(69,224)		(69,224)		(69,224)
Shareholder contribution				39,523			39,523		39,523
Share conversion	2,000,000	111,711					111,711		111,711
							-		-
as at 30 June, 2024	135,047,305	5,484,526	1,398,199	(12,755,798)	105,950	75,845	(5,691,278)	(53,520)	(5,744,798)
Loss for period				(425,159)			(425,159)	(3,737)	(428,896)
Placement	6,909,906	219,823					219,823		219,823
FX reserve					(5,523)		(5,523)		(5,523)
Share Conversion	1,000,000	54,813					54,813		54,813
as at 31 December, 2024	142,957,211	5,759,162	1,398,199	(13,180,957)	100,427	75,845	(5,847,324)	(57,257)	(5,904,581)

The above statement of changes in equity should be read in conjunction with the accompanying notes

Mindbio Therapeutics Corp
Statement of cash flows
For the Six months ended 31 December 2024

Amended & Restated

Note	6 months ending	
	31 Dec 2024	31 Dec 2023
	\$	\$
Cash flows from operating activities		
Loss for period	(425,159)	(227,892)
Finance costs and unrealised foreign exchange loss and amortisation of borrowings	(99,253)	(16,871)
Amortisation	88,648	-
Revenue in advance		(116,143)
Movement in prepayments		-
Movement in trade and other receivables	(12,444)	22,695
Movement in trade and other payables	137,308	(163,933)
Accretion of debt	94,042	-
Non controlling interests	(3,737)	-
Net cash used in operating activities	<u>(220,595)</u>	<u>(502,144)</u>
Cash flows from financing activities		
Proceeds from (repayment of) borrowings	(8,000)	
Trust funds		284,832
Proceeds from share issue	165,027	-
Net cash from financing activities	<u>157,027</u>	<u>284,832</u>
Net increase/(decrease) in cash and cash equivalents	(63,568)	(217,312)
Cash and cash equivalents at the beginning of the financial half-year	<u>138,703</u>	<u>319,175</u>
Cash and cash equivalents at the end of the financial half-year	<u><u>75,135</u></u>	<u><u>101,863</u></u>

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Incorporation and Nature of operations.

MindBio Therapeutics Corp (formally 1286409 B.C. Ltd) ("MindBio Corp") is a Canadian based company that is listed on the Canadian Securities Exchange ("CSE"), trading under the symbol of "MBIO". MindBio Corp. was incorporated on 21 January 2021. MindBio Corp. has 2 subsidiary companies (and one sub subsidiary company) which operate in Australia and New Zealand. Together, these companies form the MindBio Group ("Group"). The Group's core business is researching, developing, and testing psychedelic substances as a potential treatment for the management of a broad range of mental health conditions. MindBio Corp has its head office at 1055 West Georgia Street, Vancouver, BC, Canada.

Going concern

These combined consolidated financial statements have been prepared on a going concern basis, which contemplates that the Group will be able to realize its assets and discharge its liabilities in the normal course of business.

For the six months ended 31 December 2024 the Group incurred a loss from operations of \$425,159 (31 December 2023 – \$227,892) and incurred cash outflows from operations of \$220,595 (31 December 2023 – \$502,144).

As 31 December 2024, it has negative working capital of approximately \$5,648,901 (31 December 2023 – \$1,409,567);

The directors also have the ability to scale back expenditures relating to the research and development program, together with corporate and administrative overheads. It has largely completed the majority of its expenditure commitments with the University of Auckland, and;

The counterparties to the non-current payables set out in note 4 have written to the Group stating the intention and ability to not call upon amounts payable and owing to them in the event that this payment would jeopardize the Group's ability to pay its debts as and when they fall due and payable.

While management has been historically successful in raising the necessary capital, it cannot provide assurance that it will be able to execute on its business strategy or be successful in future financing activities. These events represent material uncertainties which may cast significant doubt on the Group's ability to continue as a going concern

Statement of compliance

These general-purpose financial statements for the interim Six-month period ending 31 December 2024 have been prepared in accordance with International Accounting Standard IAS 34 'Interim Financial Reporting', as appropriate for for-profit orientated entities.

These general-purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the financial statements for the year ended 30 June 2024 of the Group and any public announcements made by the Group during the interim reporting period.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the group. Losses incurred by the group are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Note 2. Significant accounting policies

These general-purpose financial statements for the interim six-month period ending December 31, 2024 have been prepared in accordance with International Accounting Standard IAS 134 'Interim Financial Reporting', as appropriate for for-profit orientated entities.

These general-purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the financial statements for the year ended June 30, 2024 of the Group and any public announcements made by the Group during the interim reporting period.

Note 3. Trade and other payables

	31 Dec 2024	30 June 2024
	\$	\$
<i>Current</i>		
Accounts payable and accruals - third parties	664,689	527,660
Accrued directors' fees		
Accrued fees - audit	80,000	80,000
Accrued fees - consulting and advisory		
Total current	<u>744,689</u>	<u>607,660</u>
<i>Non-current</i>		
Accrued fees - 958 consulting*	<u>301,476</u>	<u>310,476</u>
Total current and non-current	<u><u>1,046,165</u></u>	<u><u>918,136</u></u>

*958 Consulting is a wholly controlled entity of a director of the Group companies. The consulting and advisory amounts are payable in-respect of successfully completing contractually agreed performance and transactional milestones. In December 2021 some of the amounts which were payable at call under the terms of the original agreement were deferred for payment in December 31, 2024.

Note 4. Investor loans

During March to May 2022, MindBio Aust 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 MindBio 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;
The loan therefore became due and payable on 5 November 2024; 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 unsecured and non-recourse loan became due and payable on 5 November 2024, continues to accrue interest and the Company will need to raise capital in order to repay the loans. To date the Company has not been able to raise the required capital to repay the loans. The Company is in the process of working on and assessing the merits of various options including a larger stock exchange listing to obtain access to larger investors, an M&A transaction and or conversion of the loans into securities of the Company. The Company is in regular contact with its lenders, who are supportive of the Company and understand the current market dynamics and low market capitalisation of the Company which is making it difficult to raise the required sum of money to repay the loans. Management is currently working on a solution and will update the market in due course.

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 MindBio 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 MindBio Corp. as MindBio Aust's designated listed company vehicle in accordance with the loan agreement. MindBio Corp. issued a total of 3,135,509 shares. .

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 six months ended 31 December 2024, the Group recognized a total of \$77,627 (2023 - \$nil) of accretion expense and a total of \$70,322 of interest expense (2023 - \$70,322) on the loan which has been included in finance costs in the combined consolidated financial statements of loss and other comprehensive loss.

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;
- 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 unsecured and non-recourse loan became due and payable on 1 August 2024, continues to accrue interest and the Company will need to raise capital in order to repay the loans. To date the Company has not been able to raise the required capital to repay the loans. The Company is in the process of working on and assessing the merits of various options including a larger stock exchange listing to obtain access to larger investors, an M&A transaction and or conversion of the loans into securities of the Company. The Company is in regular contact with its lenders, who are supportive of the Company and understand the current market dynamics and low market capitalisation of the Company which is making it difficult to raise the required sum of money to repay the loans. Management is currently working on a solution and will update the market in due course.

The loan has been classified as amortized cost. The Group 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.

Note 4. Investor loans (continued)

During the six months ended 31 December 2024, the Group recognized a total of \$16,414 (2023 - \$nil) of accretion expense and a total of \$71,852 of interest expense (2023 - \$65,147) on the loan which has been included in finance costs in the combined consolidated financial statements of loss and other comprehensive loss.

During the same period, the Company made a repayment of \$8,000 to one investor.

Mind NZ loan

The Company has a loan outstanding with Riverfort Global Opportunities PCC Ltd. As at 30 June 30 2024, the loan totalled CAD 1,800,000. In December 2024, CAD 50,000 of this loan was converted into shares at 5 cents per share. 1,000,000 ordinary shares were issued.

Riverfort subscribed CAD 100,000 to the December share placement. Of the total, CAD 50,000 was subscribed in cash and CAD 50,000 was subscribed via a debt reduction. As at December 31, 2024, the total outstanding on this loan is CAD 1,700,000.

As this loan is of a convertible nature and the Company will issue a number of common shares upon the exercise of the conversion option, this loan has been classified as a FVTPL liability.

The loan was fair valued at \$1,912,159 as at December 31, 2024, and in the 6 months to December 31, 2024, the company recognised an FX loss of \$7,575 attributable to this loan.

5. ISSUED CAPITAL

The following table summarizes the issuances of the Group's common shares as at 31 December 2024:

	Date	Share capital		
		Shares ⁽¹⁾	Cents ⁽¹⁾	\$
Balance as at 30 June 2023		133,047,305		5,372,815
Conversion by Riverfort of CAD100,000 debt to equity	11/04/2024	2,000,000	CAD 0.05	111,711
Balance as at 30 June 2024		135,047,305		5,484,526
Conversion by Riverfort of CAD50,000 debt to equity	9/12/2024	1,000,000	CAD 0.05	54,813
Placement of ordinary shares	9/12/2024	6,909,906	AUD 2.4	165,027
Balance as at 31 December 2024		142,957,211		5,704,366

Options issued

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 December 2024, there were a total of 26,593,250 options exercisable. The weighted average remaining life for the options is 1.33 years. The weighted average exercise price of the options is \$0.10 CAD.

Note 4. Investor loans (continued)

Warrants issued

Options outstanding	Number of warrants	Exercise price	Expiry date
Granted on 5 May 2023	17,398,422	\$0.5 CAD	5 May 2025

As at 31 December 2024, there were a total of 17,398,422 warrants (17,398,422 warrants on a post share split basis) exercisable. The weight average remaining life of the warrants is 0.34 years. The weighted average exercise price of the warrants is \$0.14 CAD.

6. RELATED PARTY TRANSACTIONS

Key management personnel are those individuals having authority and responsibility for planning, directing and controlling the activities of the Company including the Company's Board of Directors. The Company considers key management to be the members of the Board of Directors and the Chief Executive Officer.

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

Related Party	Consulting	Director fee	Total
	\$	\$	\$
Accelerative Investments	40,000	-	40,000
Zena Burgess	-	-	-
Gavin Upiter	-	-	-
John Dinan	10,000	-	10,000
Total	50,000	-	50,000

Justin Hanka (CEO) owns Accelerative Investments Pty Ltd

John Dinan (CFO) part owns Square Financial Pty Ltd

7. SUBSEQUENT EVENTS

The Company completed the acquisition of Life AI Corp Pty Ltd on March 26, 2025 as announced to the Canadian Securities Exchange on March 26, 2025.

7. Segment Note

The Group creates novel and emerging treatments for mental health conditions. It has developed a multi-disciplinary platform for developing treatments and is involved in psychedelic medicine development, has completed Phase1 and Phase 2A trials. The Company has two Phase 2B clinical trials currently dosing and underway and is also developing technology solutions to collect and analyse biometric data in mental health patients taking psychedelic medicines to optimize diagnosis and treatment. It also invests in research that forms the basis for developing novel and clinically proven treatments for debilitating health conditions such as depression, anxiety, PTSD and chronic pain.

During the period all activity of the Group took place in the Australasia geographic region.

In the directors' opinion:

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- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards as described in note 1 to the financial statements, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the group's financial position as at 31 December 2023 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to the Corporations Act 2001.

On behalf of the directors



April 14, 2025

