



Blackhawk Growth Corp.

**NOTICE OF SPECIAL MEETING OF SHAREHOLDERS
AND
MANAGEMENT INFORMATION CIRCULAR**

Dated: November 30, 2022

Meeting Details

Date: December 22, 2022
Time: 10:00 a.m. (Pacific Time)
Place: Suite 303, 750 West Pender Street
Vancouver, British Columbia, V6C 2T7

BLACKHAWK GROWTH CORP.

November 30, 2022

Dear Shareholders:

You are invited to attend a special meeting (the “**Meeting**”) of the holders (the “**Blackhawk Shareholders**”) of common shares (each, a “**Blackhawk Share**”) of Blackhawk Growth Corp. (“**Blackhawk**”) to be held at Suite 303, 750 West Pender Street, Vancouver, British Columbia, Canada and virtually via live teleconference on December 22, 2022 at 10:00 a.m. (Pacific time). Blackhawk Shareholders may attend the Meeting via live teleconference, by dialing:

Canada toll free: 1.866.651.2727

Access code: 6355630

Blackhawk Shareholders will not be able to vote their Blackhawk Shares by attending the Meeting virtually via live teleconference. If you are a registered Blackhawk Shareholder, you may only vote by attending the Meeting in person or by completing the enclosed form of proxy.

At the Meeting, you will be asked to consider and vote upon a proposed plan of arrangement (the “**Arrangement**”) involving Blackhawk and 1286409 B.C. Ltd. (“**SpinCo**” or “**MindBio Holdco**”), a wholly-owned subsidiary of Blackhawk existing under the laws of the Province of British Columbia, whereby the shares of its wholly owned subsidiaries, MindBio Therapeutics Pty. Ltd. (“**MindBio**”) and Digital Mind Technology Pty Ltd. (“**Digital**” and together with MindBio, the “**Spin-out Subsidiaries**”) will form an independent company to focus on the psychedelics and mental health technologies business. Among other things, the Arrangement will include the transfer of Digital to SpinCo and the transfer of all of the issued and outstanding common shares of SpinCo (each, a “**SpinCo Share**”) to Blackhawk Shareholders. As part of the Arrangement, SpinCo will become the parent company of the Spin-out Subsidiaries. SpinCo is to be renamed “MindBio Therapeutics Corp.”.

The Arrangement is primarily being conducted in order for Blackhawk to organize its business so that SpinCo can focus on the psychedelics and mental health technologies business.

Under the Arrangement, Blackhawk Shareholders will be entitled to receive one common share of Blackhawk (a “**New Blackhawk Share**”) and one SpinCo Share for each Blackhawk Share held.

As a result of the Arrangement, Blackhawk will separate into two companies, with Blackhawk to continue trading on the Canadian Securities Exchange (the “**CSE**”) and SpinCo shall apply to have its shares listed on the CSE.

Blackhawk Shareholders will also be asked to approve a new stock option plan for SpinCo (the “**SpinCo Option Plan**”).

Upon completion of the Arrangement, each Blackhawk Shareholder will retain its respective interest in Blackhawk and will hold a similar proportional interest in SpinCo.

In order to become effective, the Arrangement must be approved by a resolution passed by at least two-thirds of the votes cast in respect of the Arrangement Resolution (as defined herein) by Blackhawk Shareholders present in person or represented by proxy at the Meeting, on the basis of one vote per Blackhawk Share. In addition to the approvals of the Blackhawk Shareholders, completion of the Arrangement is subject to receipt of required regulatory approvals, including the approval of the CSE and the Supreme Court of British Columbia (the “**Court**”), and other customary closing conditions, all of which are described in more detail in the accompanying management information circular (the “**Circular**”).

The Blackhawk Board (as defined herein) has unanimously concluded that the Arrangement is in the best interests of Blackhawk and is fair to the Blackhawk Shareholders and has approved the Arrangement and authorized its submission to the Blackhawk Shareholders and to the Court for approval. **Accordingly, the Blackhawk Board unanimously recommends that the Blackhawk Shareholders vote FOR the Arrangement.**

The accompanying notice of meeting and Circular contain a detailed description of the Arrangement and include certain other information to assist you in considering the matters to be voted upon. You are urged to carefully consider all of the information in the accompanying Circular, including the documents incorporated by reference. If you require assistance, you should consult your financial, legal, or other professional advisor.

Your vote is important regardless of the number of Blackhawk Shares you own.

Voting

If you are a registered Blackhawk Shareholder, and are unable to be present in person at the Meeting, we encourage you to vote by completing the enclosed form of proxy. A proxy will not be valid unless it is duly completed, signed and deposited with Blackhawk's registrar and transfer agent, Odyssey Trust Company ("Odyssey") by hand or mail at Traders Bank Building, 702, 67 Yonge Street Toronto, Ontario M5E 1J8, attn: Proxy Department, or by internet at <https://login.odysseytrust.com/pxlogin>, or by fax within North America at 1-800-517-4553 or via email to proxy@odysseytrust.com, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting or any adjournment thereof. A proxy must be signed by the Blackhawk Shareholder or by his attorney in writing, or, if the Blackhawk Shareholder is a corporation, it must either be under its common seal or signed by a duly authorized officer. Please do this as soon as possible. Voting by proxy will not prevent you from voting in person if you attend the Meeting and revoke your proxy, but will ensure that your vote will be counted if you are unable to attend.

If you are not registered as the holder of your Blackhawk Shares but hold your Blackhawk Shares through a broker or other intermediary, you should follow the instructions provided by your broker or other intermediary in order to vote your Blackhawk Shares. See the section in the Circular entitled "*General Proxy Information — Voting by Blackhawk Shareholders*" for further information on how to vote your Blackhawk Shares.

Letter of Transmittal

If you are a registered Blackhawk Shareholder, you will be required to complete and return a letter of transmittal ("**Letter of Transmittal**") that will be mailed to all registered Blackhawk Shareholders at a future date, and any other required documents and instruments in order to receive your New Blackhawk Shares and SpinCo Shares, to Odyssey, in accordance with the instructions set out in the Letter of Transmittal so that, if the Arrangement is completed, New Blackhawk Shares and SpinCo Shares can be sent to you as soon as possible after the Arrangement becomes effective. The Letter of Transmittal contains other procedural information related to the Arrangement and should be reviewed carefully.

If you hold your Blackhawk Shares through a broker or other intermediary please contact that broker or other intermediary for instructions and assistance in receiving New Blackhawk Shares and SpinCo Shares in exchange for your Blackhawk Shares.

Registered Blackhawk Shareholders who were issued Blackhawk Shares in non-certificated form or registered Blackhawk Shareholders who received direct registration system advice statements evidencing such Blackhawk Shares do not need to take any further actions, provided that there are no certificates outstanding evidencing such Blackhawk Shares.

* * * * *

While certain matters, such as the timing of the receipt of Court approval and receipt of all applicable approvals are beyond the control of Blackhawk, if the resolution approving the Arrangement is passed by the requisite number of

Blackhawk Shareholders at the Meeting, and the other conditions to closing are satisfied, it is anticipated that the Arrangement will be completed and become effective in the first quarter of 2023.

If you have any questions or require more information with regard to the procedures for voting, please contact Odyssey by telephone at 1-888-290-1175 or by email to proxy@odysseytrust.com.

On behalf of Blackhawk, we would like to thank you for your continued support as we proceed with this important transaction.

By order of the Board of Directors

BLACKHAWK GROWTH CORP.

/s/ "Frederick Pels"

Frederick Pels
President and Chief Executive Officer

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that a special meeting (the “**Meeting**”) of the holders (“**Blackhawk Shareholders**”) of common shares (the “**Blackhawk Shares**”) of Blackhawk Growth Corp. (“**Blackhawk**”) will be held at Suite 303, 750 West Pender Street, Vancouver, British Columbia, Canada and virtually via live teleconference on December 22, 2022 at 10:00 a.m. (Pacific time). Shareholders may attend the Meeting via live teleconference, by dialing:

Canada toll free: 1.866.651.2727

Access code: 6355630

Blackhawk Shareholders will not be able to vote their Blackhawk Shares by attending the Meeting virtually via live teleconference. If you are a registered Blackhawk Shareholder, you may only vote by attending the Meeting in person or by completing the enclosed form of proxy.

The Meeting is being held for the following purposes:

1. to consider, pursuant to an interim order of the Supreme Court of British Columbia dated November 30, 2022 (the “**Interim Order**”) and, if thought advisable, to pass, with or without amendment, a special resolution (the “**Arrangement Resolution**”) approving an arrangement (the “**Arrangement**”) under Section 288 of the *Business Corporations Act* (British Columbia) (the “**Business Corporations Act**”), involving, among others, Blackhawk and 1286409 B.C. Ltd. (“**SpinCo**”), the full text of which is set forth in Appendix A to the accompanying management information circular (the “**Circular**”);
2. to consider and, if deemed advisable, pass an ordinary resolution approving a stock option plan for SpinCo in the form set forth in 1)a)i)(1)(a)(i)1. Appendix F to the Circular, subject to the completion of the Arrangement; and
3. to transact such further or other business as may properly come before the Meeting or any adjournment or postponement thereof.

The Circular contains the full text of the Arrangement Resolution and provides additional information relating to the subject matter of the Meeting, including the Arrangement, and is deemed to form part of this Notice of Meeting.

Blackhawk Shareholders are entitled to vote at the Meeting either in person or by proxy. Registered Blackhawk Shareholders who are unable to attend the Meeting in person are encouraged to read, complete, sign, date and return the enclosed form of proxy in accordance with the instructions set out in the proxy and in the Circular. In order to be valid for use at the Meeting, proxies must be received by hand or mail at Traders Bank Building, 702, 67 Yonge Street Toronto, Ontario M5E 1J8, attn: Proxy Department, or by internet at <https://login.odysseytrust.com/pxlogin>, or by fax within North America at 1-800-517-4553 or via email to proxy@odysseytrust.com, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting or any adjournment thereof. Please advise Blackhawk or Odyssey of any change in your mailing address.

If you are a non-registered Blackhawk Shareholder, please refer to the section in the Circular entitled “*General Proxy Information - Voting by Blackhawk Shareholders*” for information on how to vote your Blackhawk Shares.

Pursuant to the Interim Order, each Blackhawk Shareholder has been granted the right to dissent in respect of the Arrangement Resolution and, if the Arrangement becomes effective, to be paid the fair value of the Blackhawk Shares, in respect of which such Blackhawk Shareholder dissents, in accordance with the dissent procedures contained in the Interim Order. To exercise such right: (a) a written notice of dissent with respect to the Arrangement Resolution from the registered Blackhawk Shareholder must be received by Blackhawk at Suite 303, 750 West Pender Street, Vancouver, British Columbia, Canada, by no later than 10:00 a.m. (Vancouver time) on the date that is two (2) Business Days before the Meeting date or two (2) Business Days before any adjournment or postponement of the Meeting; and (b) the Blackhawk Shareholder must have otherwise complied with the dissent procedures in the Interim

Order and the Business Corporations Act. The right to dissent is described in the Circular and the text of the Interim Order, which is attached as 1)a)i)(1)(a)(i)1.Appendix D to the Circular. The Board may decide to withdraw the Arrangement Resolution and not proceed with the Arrangement if it determines, in its sole discretion, that Blackhawk has received too many dissent notices from Blackhawk Shareholders. Failure to strictly comply with the requirements set forth in the Interim Order and the Business Corporations Act may result in the loss of any right of dissent.

DATED this 30th day of November, 2022.

By order of the Board of Directors

BLACKHAWK GROWTH CORP.

/s/ "Frederick Pels"

Frederick Pels
President and Chief Executive Officer

TABLE OF CONTENTS

| | Page |
|---|-----------|
| INFORMATION CONTAINED IN THIS INFORMATION CIRCULAR | I |
| CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS | I |
| NOTICE TO UNITED STATES SECURITYHOLDERS | II |
| CURRENCY AND EXCHANGE RATES..... | II |
| GLOSSARY OF TERMS..... | II |
| SUMMARY..... | 1 |
| THE MEETING..... | 1 |
| RECORD DATE..... | 1 |
| PURPOSE OF THE MEETING | 1 |
| THE ARRANGEMENT..... | 1 |
| BACKGROUND TO THE ARRANGEMENT | 2 |
| REASONS FOR THE ARRANGEMENT | 3 |
| RECOMMENDATION OF THE BLACKHAWK BOARD..... | 3 |
| NEW BLACKHAWK (BLACKHAWK AFTER THE ARRANGEMENT)..... | 3 |
| SPINCo..... | 3 |
| CONDITIONS TO THE ARRANGEMENT | 4 |
| AMENDMENT AND TERMINATION OF THE ARRANGEMENT AGREEMENT AND PLAN OF ARRANGEMENT..... | 4 |
| PROCEDURE FOR EXCHANGE OF BLACKHAWK SHARES | 5 |
| RIGHT TO NEW BLACKHAWK SHARES AND SPINCo SHARES..... | 5 |
| DISSENT RIGHTS..... | 5 |
| SUMMARY OF CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS | 6 |
| COURT APPROVAL..... | 6 |
| REGULATORY LAW MATTERS AND SECURITIES LAW MATTERS | 6 |
| CANADIAN SECURITIES LAWS MATTERS..... | 7 |
| UNITED STATES SECURITIES LAWS MATTERS | 7 |
| GENERAL PROXY INFORMATION..... | 8 |
| SOLICITATION OF PROXIES | 8 |
| HOW A VOTE IS PASSED | 8 |
| WHO CAN VOTE? | 8 |
| WHAT IS A PROXY? | 9 |
| APPOINTING A PROXYHOLDER..... | 9 |
| INSTRUCTING YOUR PROXY AND EXERCISE OF DISCRETION BY YOUR PROXY..... | 9 |
| REVOCABILITY OF PROXY | 10 |
| VOTING BY BLACKHAWK SHAREHOLDERS..... | 10 |
| VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES | 11 |
| THE MEETING – THE ARRANGEMENT | 12 |
| PRINCIPAL STEPS OF THE ARRANGEMENT | 12 |
| BACKGROUND TO THE ARRANGEMENT | 14 |
| REASONS FOR THE ARRANGEMENT | 14 |
| RECOMMENDATION OF THE BLACKHAWK BOARD..... | 14 |
| APPROVAL OF THE ARRANGEMENT RESOLUTION | 15 |
| COMPLETION OF THE ARRANGEMENT..... | 15 |
| PROCEDURE FOR EXCHANGE OF BLACKHAWK SHARES..... | 15 |
| PROCEDURE FOR EXCHANGE OF BLACKHAWK OPTIONS AND BLACKHAWK WARRANTS... ERROR! BOOKMARK NOT DEFINED. | 15 |

| | |
|--|-------------------------------------|
| TREATMENT OF DIVIDENDS | 16 |
| EFFECTS OF THE ARRANGEMENT ON BLACKHAWK SHAREHOLDERS' RIGHTS | 17 |
| COURT APPROVAL OF THE ARRANGEMENT | 17 |
| REGULATORY APPROVALS | 18 |
| CSE REQUIREMENTS, REGULATORY LAW AND SECURITIES LAW MATTERS | 18 |
| CANADIAN SECURITIES LAWS MATTERS | 18 |
| UNITED STATES SECURITIES LAWS MATTERS | ERROR! BOOKMARK NOT DEFINED. |
| INTEREST OF CERTAIN PERSONS IN THE ARRANGEMENT | 19 |
| THE ARRANGEMENT AGREEMENT | 19 |
| RISKS ASSOCIATED WITH THE ARRANGEMENT | 21 |
| DISSSENT RIGHTS | 22 |
| THE MEETING – ADOPTION OF INCENTIVE PLANS | 24 |
| SPINCo OPTION PLAN | 24 |
| CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS | 25 |
| HOLDERS RESIDENT IN CANADA | 25 |
| BLACKHAWK SHAREHOLDERS NOT RESIDENT IN CANADA | 28 |
| ELIGIBILITY FOR INVESTMENT | 30 |
| INFORMATION CONCERNING SPINCO | 31 |
| INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON | 31 |
| INTERESTS OF EXPERTS | 31 |
| AUDITOR, REGISTRAR AND TRANSFER AGENT | 31 |
| OTHER MATTERS | 31 |
| ADDITIONAL INFORMATION | 31 |
| QUESTIONS AND FURTHER ASSISTANCE | 32 |
| APPROVAL OF DIRECTORS | 33 |

APPENDICES

| | |
|--|------------|
| APPENDIX A ARRANGEMENT RESOLUTION | A-1 |
| APPENDIX B PLAN OF ARRANGEMENT | B-1 |
| APPENDIX C EXCERPTED STATUTORY PROVISIONS RELATING TO DISSSENT RIGHTS | C-1 |
| APPENDIX D COURT MATERIALS | D-1 |
| APPENDIX E INFORMATION CONCERNING SPINCO AFTER THE ARRANGEMENT | E-1 |
| APPENDIX F SPINCO OPTION PLAN | F-2 |

INFORMATION CONTAINED IN THIS INFORMATION CIRCULAR

The information contained in this Circular, unless otherwise indicated, is given as of November 30, 2022.

No Person (as defined herein) has been authorized to give any information or to make any representation in connection with the matters being considered herein other than those contained in this Circular and, if given or made, such information or representation should not be considered or relied upon as having been authorized. This Circular does not constitute an offer to sell, or a solicitation of an offer to acquire, any securities, or the solicitation of a proxy, by any Person in any jurisdiction in which such an offer or solicitation is not authorized or permitted or in which the Person making such offer or solicitation is not qualified to do so or to any Person to whom it is unlawful to make such an offer or proxy solicitation. Neither the delivery of this Circular nor any distribution of securities referred to herein should, under any circumstances, create any implication that there has been no change in the information set forth herein since the date of this Circular.

Information contained in this Circular should not be construed as legal, tax or financial advice and Blackhawk Shareholders are urged to consult their own professional advisors in connection with the matters considered in this Circular.

THE ARRANGEMENT AND THE RELATED SECURITIES DESCRIBED HEREIN HAVE NOT BEEN REGISTERED WITH, RECOMMENDED BY, OR APPROVED OR DISAPPROVED BY THE SEC OR THE SECURITIES REGULATORY AUTHORITY OF ANY U.S. STATE OR CANADIAN PROVINCE OR TERRITORY NOR HAVE ANY OF THEM PASSED UPON THE FAIRNESS OR MERITS OF THE ARRANGEMENT OR THE ACCURACY OR ADEQUACY OF THIS CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Circular and contains “forward-looking information” within the meaning of Canadian securities legislation and “forward-looking statements” within the meaning of applicable securities legislation (collectively, “**forward-looking statements**”). These forward-looking statements are made as of the date of this Circular or as of the date of the applicable document from which they are incorporated by reference.

Forward-looking statements relate to future events or future performance and reflect the expectations or beliefs of management of Blackhawk regarding future events, and include, but are not limited to, statements with respect to the timing and implementation of the proposed Arrangement and any transactions associated therewith (including its completion in the first quarter of 2023, and the CSE listing of SpinCo), the anticipated benefits of the Arrangement, and the proposed transaction not generally giving rise to incremental Canadian federal income tax liabilities for most Blackhawk Shareholders.

Material factors and assumptions upon which such forward-looking statements are based include, without limitation: that the required approvals to the Arrangement will be obtained from the Blackhawk Shareholders and all other required third parties, Court, regulatory and governmental bodies; that all other conditions to the completion of the Arrangement will be satisfied or waived; that the future business operations and prospects of Blackhawk and SpinCo will be consistent with the current expectations of Blackhawk; that the expected benefits of the Arrangement will be realized; and that projections are accurate. These assumptions are based on factors and events that are not within the control of Blackhawk and there is no assurance they will prove to be correct.

In certain cases, forward-looking statements can be identified by the use of words such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “potential”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or statements that certain actions, events or results “will”, “may”, “could”, “would”, “might” or “will be taken”, “occur” or “be achieved” or the negative of these terms or comparable terminology. By their very nature, forward-looking statements require Blackhawk to make assumptions and are subject to known and unknown risks, uncertainties and other factors which may cause the actual

results, performance or achievements of New Blackhawk and SpinCo to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. A variety of material factors include, among others: credit risks, market risks (including those related to equity, commodity, foreign exchange and interest rate markets), liquidity risks, operational risks (including those related to technology and infrastructure), and risks relating to reputation, insurance, strategy, regulatory matters, legal matters, environmental matters and capital adequacy. Examples of such risk factors include failure to complete the Arrangement could negatively impact the market price of Blackhawk Shares and future business and financial results; New Blackhawk and SpinCo may be subject to significant capital requirements and operating risks; changes in law, the ability to implement business strategies and pursue business opportunities; state of the capital markets; the availability of funds and resources to pursue operations; dependence on key suppliers; granting of permits and licenses; disruptions in or attacks (including cyber-attacks) on information technology, internet, network access or other voice or data communications systems or services; the evolution of various types of fraud or other criminal behaviour; the failure of third parties to comply with their obligations; the impact of new and changes to, or application of, current laws and regulations; the overall difficult litigation environment, including in the U.S.; increased competition; changes in foreign currency rates; increased funding costs and market volatility due to market illiquidity and competition for funding; the availability of funds and resources to pursue operations; critical accounting estimates and changes to accounting standards, policies, and methods; and the occurrence of natural and unnatural catastrophic events and claims resulting from such events, as well as other general economic, market and business conditions, amongst others, as well as those risks described under the headings “Risk Factors” in 1)a)i)(1)(a)(i)1. Appendix E – “*Information Concerning SpinCo After the Arrangement*”, as well as any other risk factors detailed from time to time in Blackhawk’s audited annual financial statements and management’s discussion and analysis (“**MD&A**”). Blackhawk’s audited annual financials and MD&A are filed and available for review on its SEDAR profile at www.sedar.com while SpinCo’s audited annual financial statements are included in this Circular as Schedule A to Appendix E. Although Blackhawk has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Blackhawk provides no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Blackhawk and SpinCo do not intend, and do not assume any obligation, to update any forward-looking statements, other than as required by applicable Laws. Accordingly, readers should not place undue reliance on forward-looking statements.

NOTICE TO UNITED STATES SECURITYHOLDERS

THE ARRANGEMENT AND THE SECURITIES TO BE ISSUED IN CONNECTION WITH THE ARRANGEMENT HAVE NOT BEEN REGISTERED WITH, RECOMMENDED BY, OR APPROVED OR DISAPPROVED BY THE SEC OR THE SECURITIES REGULATORY AUTHORITIES IN ANY U.S. STATE; NOR HAS THE SEC OR THE SECURITIES REGULATORY AUTHORITIES OF ANY U.S. STATE PASSED UPON THE FAIRNESS OR MERITS OF THE ARRANGEMENT OR UPON THE ADEQUACY OR ACCURACY OF THIS CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

CURRENCY AND EXCHANGE RATES

Unless otherwise indicated herein, references to “\$”, “C\$” or “Canadian dollars” are to Canadian dollars.

GLOSSARY OF TERMS

In this Circular, unless otherwise defined herein or unless there is something in the subject matter inconsistent therewith, the following terms have the respective meanings set out below, words importing the singular number include the plural and vice versa and words importing any gender include all genders.

“Affiliate” means, with respect to any Person, following completion of the Arrangement, any other Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, the first-specified Person, except that, from and after the Effective Time and for purposes of the Arrangement Agreement, SpinCo shall not be deemed to be an Affiliate of any

| | |
|---|---|
| | member of the Blackhawk Group and no member of the Blackhawk Group shall be deemed to be an Affiliate of SpinCo. |
| “Arrangement” | means the arrangement under section 288 of the Business Corporations Act contemplated by the Plan of Arrangement. |
| “Arrangement Agreement” | means the Arrangement Agreement dated November 25, 2022, between Blackhawk and SpinCo. |
| “Arrangement Resolution” | means the special resolution to be considered and voted on by Blackhawk Shareholders at the Meeting approving the Arrangement, to be in substantially the form attached as Appendix A to this Circular. |
| “Blackhawk” | means Blackhawk Growth Corp., a corporation incorporated under the Laws of the Province of British Columbia. |
| “Blackhawk Board” | means the board of directors of Blackhawk, as may be constituted from time to time. |
| “Blackhawk Group” | means Blackhawk, each subsidiary of Blackhawk and any other Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with Blackhawk, in each case immediately after the Effective Time. |
| “Blackhawk Optionholder” | means a holder of Blackhawk Options. |
| “Blackhawk Options” | means the options to acquire Blackhawk Shares pursuant to Blackhawk’s stock option plan. |
| “Blackhawk Shareholder” | means a holder of Blackhawk Shares. |
| “Blackhawk Shares” | means the common shares in the authorized share structure of Blackhawk as constituted prior to the Effective Time. |
| “Blackhawk Warrantholder” | means the holder of Blackhawk Warrants. |
| “Blackhawk Warrants” | means the common share purchase warrants of Blackhawk to acquire Blackhawk Shares. |
| “Business Corporations Act” | means the <i>Business Corporations Act</i> (British Columbia), as amended. |
| “Business Day” | means a day, other than a Saturday, Sunday or statutory holiday, when banks are generally open in Vancouver, British Columbia for the transaction of banking business. |
| “Canadian Securities Administrators” | means the voluntary umbrella organization of Canada’s provincial and territorial securities regulators. |
| “Circular” | means collectively, the Notice of Meeting and this management information circular, including all appendices, sent to Blackhawk Shareholders in connection with the Meeting. |
| “company” | means, unless specifically indicated otherwise, a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual. |

| | |
|--|---|
| “Confidential Information” | means all information that concerns the business or affairs of Blackhawk or its Affiliates or SpinCo or its Affiliates, as applicable, including but not limited to, records, reports, results, maps, charts, strategic plans and related information and other data used in such party’s business and any materials evidencing the same and all copies of thereof; provided, however, Confidential Information shall not include information to the extent: (a) such information becomes generally available to and known by the public other than as a result of unauthorized disclosure by Blackhawk, SpinCo or any of their Affiliates or any of their respective representatives, or (b) has been approved for release by written authorization by Blackhawk or SpinCo, as applicable. |
| “Court” | means the Supreme Court of British Columbia. |
| “CSE” | means the Canadian Securities Exchange. |
| “Digital” | means Digital Mind Technology Pty Ltd., a company incorporated under the laws of Australia. |
| “Digital Shares” | means the ordinary shares of Digital. |
| “Dissent Notice” | means a written objection to the Arrangement Resolution by a Dissenting Shareholder in accordance with the dissent procedures set out in the Interim Order and the Business Corporations Act. |
| “Dissent Rights” | means the rights of dissent in respect of the Arrangement described in Section 3.1 of the Plan of Arrangement. |
| “Dissent Shares” | means the Blackhawk Shares held by a Dissenting Shareholder in respect of which the Dissenting Shareholder has duly and validly exercised Dissent Rights. |
| “Dissenting Shareholder” | means a Blackhawk Shareholder who duly and validly exercised Dissent Rights. |
| “DRS Advice Statement” | means written evidence of the book entry issuance or holding of shares issued to the holder prepared by Odyssey pursuant to its direct registration system. |
| “Effective Date” | means the date selected by Blackhawk as being the date upon which the Arrangement first becomes effective. |
| “Effective Time” | means 12:01 a.m. (Pacific Time) on the Effective Date, or such other time on the Effective Date as determined by Blackhawk. |
| “Eligible Transaction Expenses” | means any legal, accounting, investment banking, filing and other reasonable and customary expenses incurred in connection with the Arrangement and the transactions under this Agreement and the Plan of Arrangement. |
| “encumbrance” | includes, with respect to any property or asset, any mortgage, pledge, assignment, hypothec, charge, lien, security interest, adverse right or claim, other third party interest or encumbrance of any kind, whether contingent or absolute, and any agreement, option, right or privilege (whether by law, contract or otherwise) capable of becoming any of the foregoing. |
| “Final Order” | means the final order of the Court approving the Arrangement, as such order may be amended at any time before the Effective Date or, if appealed, then, unless such appeal is abandoned or denied, as affirmed. |

| | |
|---------------------------------------|--|
| “Former Blackhawk Shareholder” | means a Blackhawk Shareholder immediately before the Effective Time. |
| “Governmental Entity” | means any: (i) multinational, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank or Tribunal; (ii) subdivision, agent, commission, board, or authority of any of the foregoing; or (iii) quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing. |
| “IFRS” | means International Financial Reporting Standards. |
| “Interim Order” | means the interim order of the Court in respect of the Arrangement providing for, among other things, the calling and holding of the Meeting, as the same may be amended, supplemented or varied by the Court. |
| “Intermediary” | means an intermediary with which a Non-Registered Holder may deal, including banks, trust companies, securities dealers or brokers and trustees or administrators of self-directed trusts governed by registered retirement savings plans, registered retirement income funds, registered education savings plans and similar plans, and their nominees. |
| “Laws” | means any and all laws (statutory, common or otherwise), statutes, regulations, statutory rules, regulatory instruments, principles of law, orders, injunctions, judgments, published policies and guidelines (to the extent that they have the force of law), and terms and conditions of any grant of approval, permission, authority or license of any Governmental Entity, statutory body or self-regulatory authority, and the term “applicable” with respect to such laws and in the context that refers to one or more Persons means that such laws apply to such Person or Persons or its or their business, undertaking, property or securities and emanate from a Person having jurisdiction over the Person or Persons or its or their business, undertaking, property or securities. |
| “Letter of Transmittal” | means the letter of transmittal delivered to the Registered Blackhawk Shareholders by Blackhawk with this Circular providing for the delivery to Odyssey of certificates in respect of Blackhawk Shares and all other documents and instruments as Odyssey or Blackhawk may reasonably require. |
| “Meeting” | means the annual and special meeting of the Blackhawk Shareholders (including any adjournment or postponement thereof) to be called and held in accordance with the Interim Order to consider, among other things, the Arrangement Resolution. |
| “Meeting Materials” | means this Circular and: <ul style="list-style-type: none"> (i) in the case of Registered Blackhawk Shareholders, the accompanying form of proxy for use by Registered Blackhawk Shareholders and the Letter of Transmittal; or (ii) in the case of Non-Registered Holders who are NOBOs, the accompanying VIF. |
| “misrepresentation” | has the meaning given to it in the Securities Act. |
| “New Blackhawk” | means Blackhawk following completion of the Arrangement. |

| | |
|---|---|
| “New Blackhawk Shareholder” | means a holder of New Blackhawk Shares. |
| “New Blackhawk Shares” | means the new class of common shares without par value which Blackhawk will create pursuant to the Plan of Arrangement and which, immediately after the Effective Date, will be identical in every relevant respect to the Blackhawk Shares. |
| “NI 45-102” | means National Instrument 45-102 - <i>Resale of Securities</i> . |
| “NI 52-110” | means National Instrument 52-110 - <i>Audit Committees</i> . |
| “NI 54-101” | means National Instrument 54-101 - <i>Communication with Beneficial Owners of Securities of a Reporting Issuer</i> . |
| “NOBO” | means non-objecting beneficial owner. |
| “Non-Registered Holder” | means a Blackhawk Shareholder who is not a Registered Blackhawk Shareholder. |
| “Odyssey” | means Odyssey Trust Company. |
| “Person” | means any individual, partnership, firm, trust, body corporate, government, governmental body, agency or instrumentality, unincorporated body of persons or association. |
| “Plan of Arrangement” | means the plan of arrangement attached as Appendix B hereto. |
| “Record Date” | means November 17, 2022, being the date for determining Blackhawk Shareholders entitled to receive notice of and vote at the Meeting. |
| “Registered Blackhawk Shareholder” | means a registered holder of Blackhawk Shares. |
| “SEC” | means the United States Securities and Exchange Commission. |
| “Section 3(a)(10) Exemption” | means the exemption from the registration requirements of the <i>U.S. Securities Act</i> provided under Section 3(a)(10) thereof. |
| “Securities Act” | means the <i>Securities Act</i> (British Columbia) and the rules, regulations and published policies made thereunder, as now in effect and as they may be promulgated or amended from time to time. |
| “Securities Laws” | means all applicable securities laws of Canada and the United States, including the <i>Securities Act</i> , the <i>U.S. Securities Act</i> and the <i>U.S. Exchange Act</i> , together with all other applicable provincial and state securities laws, rules and regulations and published policies thereunder, as now in effect and as they may be promulgated or amended from time to time. |
| “SpinCo” | means 1286409 B.C. Ltd., a company incorporated under the laws of British Columbia. |
| “SpinCo Business” | means the business of SpinCo described in 1)a)i)(1)(a)(i)1. Appendix E hereto. |

| | |
|----------------------------------|---|
| “SpinCo Option Plan” | means the stock option plan of SpinCo to be adopted and approved at the Meeting by Blackhawk Shareholders in connection with the Arrangement. |
| “SpinCo Shareholder” | means a holder of SpinCo Shares. |
| “SpinCo Shares” | means the common shares in the capital of SpinCo. |
| “Subsidiary” | means any corporation which is a subsidiary, as such term is defined in Subsection 1(1) of the Business Corporations Act. |
| “Tax Act” | means the <i>Income Tax Act</i> (Canada), as amended, and the regulations thereunder. |
| “Tribunal” | means: (i) any court (including a court of equity); (ii) any federal, provincial, state, county, municipal or other government or governmental department, ministry, commission, board, bureau, agency or instrumentality; (iii) any securities commission, stock exchange or other regulatory or self-regulatory body; (iv) any arbitrator or arbitration tribunal; or (v) any other tribunal. |
| “United States” or “U.S.” | Means, as the context requires, the United States of America and any territory or possession thereof, any state of the United States, and/or the District of Columbia. |
| “U.S. Exchange Act” | means the <i>United States Securities Exchange Act</i> of 1934, as amended, and the rules and regulations promulgated thereunder from time to time. |
| “U.S. Person” | means a “U.S. person”, as such term is defined in Rule 902(k) of Regulation S under the <i>U.S. Securities Act</i> , and includes but is not limited to, any natural person resident in the United States. |
| “U.S. Securities Act” | means the <i>United States Securities Act</i> of 1933, as amended, and the rules and regulations promulgated thereunder from time to time. |
| “U.S. Securities Laws” | means the <i>U.S. Securities Act</i> and the <i>U.S. Exchange Act</i> , together with the applicable securities legislation of any state of the United States. |
| “VIF” | means the voting instruction forms sent to Non-Registered Holders who are NOBOs as part of the Meeting Materials. |

SUMMARY

This summary is qualified in its entirety by the more detailed information appearing elsewhere in this Circular, including the Appendices which are incorporated into and form part of this Circular.

The Meeting

The Meeting will be held at Suite 303, 750 West Pender Street, Vancouver, British Columbia, Canada and virtually via live teleconference on December 22, 2022 at 10:00 a.m. (Vancouver time). Shareholders may attend the Meeting via live teleconference, by dialing:

Canada toll free: 1.866.651.2727

Access code: 6355630

Blackhawk Shareholders will not be able to vote their Blackhawk Shares by attending the Meeting virtually via live teleconference. If you are a Registered Blackhawk Shareholder, you may only vote by attending the Meeting in person or by completing the enclosed form of proxy.

Record Date

Only Blackhawk Shareholders of record at the close of business on November 17, 2022 will be entitled to receive notice of and vote at the Meeting.

Purpose of the Meeting

The Meeting is a special meeting of Blackhawk Shareholders. At the Meeting, Blackhawk Shareholders will be asked to consider, and if deemed advisable, to pass, the Arrangement Resolution approving the Arrangement between Blackhawk and SpinCo. The full text of the Arrangement Resolution is set out in Appendix A, attached to this Circular. In order to implement the Arrangement, the Arrangement Resolution must be approved, with or without amendment, by at least two-thirds of the votes cast in respect of the Arrangement Resolution by Blackhawk Shareholders present in person or represented by proxy at the Meeting, on the basis of one vote per Blackhawk Share. See "*The Meeting — The Arrangement — Approval of Arrangement Resolution*".

In addition, at the Meeting, Blackhawk Shareholders will be asked to consider, and, if thought advisable, to pass an ordinary resolution approving the SpinCo Option Plan (see "*The Meeting – Adoption of the Incentive Plan – SpinCo Option Plan*").

The Arrangement

Pursuant to the Plan of Arrangement, commencing at the Effective Time, except as otherwise noted therein, the following principal steps will occur and will be deemed to occur in the following order without any further act or formality:

- (a) All Dissent Shares held by Dissenting Shareholders will be deemed to have been transferred to Blackhawk and each Dissenting Shareholder will cease to have any right as a Blackhawk Shareholder other than a right to be paid by Blackhawk the fair value for such Dissent Shares.
- (b) Blackhawk shall transfer, assign and convey to SpinCo and SpinCo shall accept all of the Digital Shares in consideration for the issuance by SpinCo of that number of fully paid and non-assessable SpinCo Shares as is determined by multiplying (i) the fair market value of the Digital Shares as of the Effective Time by (ii) a fraction, the numerator of which is the number of SpinCo Shares issued and outstanding immediately after the step described at (a), and the denominator of which is the fair

market value of the issued and outstanding SpinCo Shares immediately after the step described at (a).

- (c) The authorized share capital of SpinCo shall be amended to consolidate or split, as applicable, the SpinCo Shares outstanding on the basis of an exchange of one new SpinCo Share for a particular number of issued and outstanding SpinCo Shares, such that the number of issued and outstanding SpinCo Shares after the consolidation or split, as applicable, shall equal the number of Blackhawk Shares issued and outstanding immediately after the step described at (a).
- (d) The authorized share structure of Blackhawk shall be deemed to be altered by:
 - (i) renaming and re-designating all of the issued and unissued Blackhawk Shares as Class A common shares without par value and amending the restrictions attached to those shares to provide the holders thereof with two votes in respect of each share held, being the “**Blackhawk Class A Shares**”; and
 - (ii) creating a new class consisting of an unlimited number of common shares without par value with terms and special rights and restrictions identical to those of the Blackhawk Shares immediately prior to the Effective Time, being the “**New Blackhawk Shares**”.
- (e) In the course of a reorganization of Blackhawk’s capital within the meaning of section 86 of the Tax Act, each Blackhawk Class A Share (excluding any Blackhawk Class A Shares held by Dissenting Shareholders) will be deemed to be exchanged by the Blackhawk Shareholders (free and clear of all liens, claims and encumbrances) for:
 - (i) one New Blackhawk Share; and
 - (ii) one SpinCo Share.
- (f) Simultaneously with the step at (e):
 - (i) the aggregate amount added to the capital of the New Blackhawk Shares will be equal to (a) aggregate paid-up capital (as that term is used for purposes of the Tax Act) of the Blackhawk Class A Shares (excluding Blackhawk Shares held by Dissenting Shareholders) immediately prior to the exchange effected pursuant to step (e), less (b) the fair market value of the SpinCo Shares distributed pursuant to step (e) at the time of distribution;
 - (ii) the Blackhawk Class A Shares, none of which will be issued or outstanding once the exchange in step (e) is completed, will be cancelled with the appropriate entries being made in the central securities register of Blackhawk and the authorized share structure of Blackhawk will be amended by eliminating the Blackhawk Class A Shares; and
 - (iii) the articles of Blackhawk shall be amended to reflect the alterations in step (f)(ii) above.

Background to the Arrangement

Management of Blackhawk believes that there is potentially greater value that could be recognized in Blackhawk’s interest in the business of SpinCo if that interest was held and operated separately, rather than continuing to be held solely by Blackhawk. As a result, and as announced originally by news release on December 15, 2021 and subsequently on November 7, 2022, Management has decided to proceed with the Arrangement in order to meet the objectives set out under the heading “Reasons for the Arrangement” below.

Reasons for the Arrangement

The Blackhawk Board has reviewed and considered a significant amount of information and considered a number of factors relating to the Arrangement with the benefit of advice from Blackhawk’s senior management and its financial, legal and technical advisors. The following is a summary of the principal reasons for the unanimous recommendation of the Blackhawk Board that Blackhawk Shareholders vote FOR the Arrangement Resolution:

- *Separation of Assets.* The separation of Blackhawk’s assets will enable management to advance the businesses of both New Blackhawk and SpinCo in a more focused and efficient manner.
- *Continued Participation by Blackhawk Shareholders in the SpinCo Business.* Blackhawk Shareholders, through their ownership of all of the issued and outstanding SpinCo Shares, will continue to participate in the value associated with the development, operation, and growth of the SpinCo Business.
- *Continued Participation by Blackhawk Shareholders in the New Blackhawk Business.* Blackhawk Shareholders, through their ownership of all of the issued and outstanding New Blackhawk Shares, will continue to participate in the value associated with the development, operation, and growth of the New Blackhawk business.
- *Approval of Blackhawk Shareholders and the Court are Required.* The Arrangement must be approved by at least two-thirds of the votes cast in respect of the Arrangement Resolution by Blackhawk Shareholders present in person or represented by proxy at the Meeting, on the basis of one vote per Blackhawk Share. The Arrangement must also be sanctioned by the Court, which will consider the fairness of the Arrangement to Blackhawk Shareholders.
- *Dissent Rights.* Registered Blackhawk Shareholders who oppose the Arrangement may, on strict compliance with certain conditions, exercise their Dissent Rights and receive the fair value of the Dissent Shares in accordance with the Arrangement.

See “*Cautionary Note Regarding Forward-Looking Statements*” and “*The Meeting - The Arrangement – Reasons for the Arrangement*”.

Recommendation of the Blackhawk Board

After careful consideration of, among other things, the factors described under the heading “*The Meeting - The Arrangement - Reasons for the Arrangement*”, the Blackhawk Board has unanimously determined that the Plan of Arrangement is fair to Blackhawk Shareholders and is in the best interests of Blackhawk. **Accordingly, the Blackhawk Board unanimously recommends that Blackhawk Shareholders vote FOR the Arrangement Resolution.**

New Blackhawk (Blackhawk After the Arrangement)

Upon completion of the Arrangement, Blackhawk will continue to trade on the CSE under the symbol “BLR” with its registered and records office located at Suite 2200, HSBC Building, 885 West Georgia St. Vancouver, BC V6C 3E8. The completion of the arrangement will allow Blackhawk to focus solely on the New Blackhawk business.

See **Error! Reference source not found.** – “*Information Concerning New Blackhawk (Blackhawk After the Arrangement)*”.

SpinCo

SpinCo is currently a wholly-owned subsidiary of Blackhawk that was incorporated on January 28, 2021. The registered and records office of SpinCo is located at Suite 2200, HSBC Building, 885 West Georgia St. Vancouver, BC V6C 3E8. Upon completion of the Arrangement, SpinCo will be a reporting issuer in the Provinces of British Columbia, Alberta, and Ontario. SpinCo will apply to the CSE for the listing of the SpinCo Shares on the CSE

following the completion of the Arrangement. Any listing is subject to SpinCo fulfilling all of the requirements of the CSE; however, there can be no assurance as to if or when such listing will occur. SpinCo's primary objective will be to focus on the SpinCo Business.

See Appendix E – *“Information Concerning SpinCo After the Arrangement”*.

Conditions to the Arrangement

Completion of the Arrangement is subject to a number of specified conditions being met or waived as of the Effective Time, including, but not limited to:

- (a) each of the Interim Order and Final Order having been granted by the Court in form and substance satisfactory to Blackhawk and SpinCo;
- (b) the Blackhawk Shareholders having passed the Arrangement Resolution in accordance with the Interim Order;
- (c) Blackhawk shall have obtained written consents from all the holders of the Blackhawk Options confirming that such Blackhawk Options, whether exercised or not exercised, shall not entitle the holder thereof to any securities of SpinCo or the rights to acquire any securities of SpinCo;
- (d) the voting and support agreements having been agreed to and executed by the relevant parties thereto;
- (e) the CSE having conditionally approved the transactions contemplated under the Arrangement Agreement, including the listing of the SpinCo Shares, subject to compliance with the listing requirements of the CSE;
- (f) no law being in effect that makes the consummation of the Arrangement illegal or otherwise prohibits or enjoins Blackhawk or SpinCo from consummating the Arrangement;
- (g) no action being taken under any applicable laws that results in a judgement or assessment of material damages, directly or indirectly, relating to the transactions contemplated herein, or (b) imposes or confirms material limitations on the ability of the Blackhawk Shareholders to exercise full rights of ownership of SpinCo Shares issued pursuant to the Arrangement; and
- (h) the Arrangement Agreement not having been terminated in accordance with its terms.

See *“The Meeting – The Arrangement – The Arrangement Agreement – Conditions to the Arrangement Becoming Effective”*.

Amendment and Termination of the Arrangement Agreement and Plan of Arrangement

The Arrangement Agreement may not be varied in its terms or amended by oral agreement or otherwise other than by an instrument in writing dated subsequent to the date thereof, executed by a duly authorized representative of each of SpinCo and Blackhawk.

The Arrangement Agreement may, at any time before or after the holding of the Meeting, and before or after the granting of the Final Order, be terminated and the Plan of Arrangement withdrawn by direction of the Blackhawk Board without further action on the part of the Blackhawk Shareholders, with the Blackhawk Board retaining the absolute discretion to elect to terminate the Arrangement Agreement and discontinue efforts to effect the Plan of Arrangement for whatever reason it may consider appropriate.

Blackhawk may amend, modify and supplement the Plan of Arrangement at any time, provided that any amendment or supplement must be contained in a written document which is filed with the Court and, if made following the

Meeting, approved by the Court and communicated to Blackhawk Shareholders in the manner required by the Court, if so required.

See *“The Meeting – The Arrangement – The Arrangement Agreement – Amendment and Termination”*.

Procedure for Exchange of Blackhawk Shares

Blackhawk will send to each Registered Blackhawk Shareholder the Letter of Transmittal subsequent to the mailing of this Circular and prior to the completion of the Arrangement. The Letter of Transmittal is for use by Registered Blackhawk Shareholders only and is not to be used by Non-Registered Holders. Non-Registered Holders should contact their broker or other Intermediary for instructions and assistance in receiving the New Blackhawk Shares and SpinCo Shares in respect of their Blackhawk Shares.

The Letter of Transmittal contains instructions with respect to receiving share certificate(s) or DRS Advice Statement(s) representing New Blackhawk Shares and SpinCo Shares which Blackhawk Shareholders will be entitled to receive under the Arrangement. Following the Effective Time and upon return of a properly completed Letter of Transmittal, together and such other documents as Odyssey may require, share certificate(s) or DRS Advice Statement(s) for the appropriate number of New Blackhawk Shares and SpinCo Shares to which the Former Blackhawk Shareholder is entitled under the Arrangement will be delivered.

A Registered Blackhawk Shareholder must deliver to Odyssey at the office listed in the Letter of Transmittal:

- a Letter of Transmittal, properly completed and duly executed as required by the instructions set out in the Letter of Transmittal; and
- any other documentation required by the instructions set out in the Letter of Transmittal.

Except as otherwise provided in the instructions to the Letter of Transmittal, the signature on the Letter of Transmittal must be guaranteed by an eligible institution. If a Letter of Transmittal is executed by a person other than the registered holder of the share certificate(s) (if any) deposited therewith, the share certificate(s) (if any) must be endorsed or be accompanied by an appropriate securities transfer power of attorney, duly and properly completed by the registered holder, with the signature on the endorsement panel, or securities transfer power of attorney, guaranteed by an eligible institution.

See *“The Meeting – The Arrangement – Procedure for Exchange of Blackhawk Shares”*.

Right to New Blackhawk Shares and SpinCo Shares

Only Blackhawk Shareholders immediately before the Effective Time will be entitled to receive New Blackhawk Shares and SpinCo Shares. Any holder of Blackhawk Options or Blackhawk Warrants who has not exercised his or her Blackhawk Options or Blackhawk Warrants, respectively, before the Effective Time will not be entitled to receive New Blackhawk Shares and SpinCo Shares pursuant to the Arrangement.

Dissent Rights

The Interim Order provides that each Blackhawk Shareholder who dissents from the Arrangement Resolution in accordance with sections 237 to 247 of the Business Corporations Act, as modified by the Interim Order, will be entitled, if the Arrangement becomes effective, to be paid to have his or her Blackhawk Shares cancelled in exchange for a cash payment from Blackhawk equal to the fair value of his or her Blackhawk Shares as of the day of the Meeting in accordance with the provisions of the Interim Order.

In order to validly dissent, a Blackhawk Shareholder must not vote any Blackhawk Shares in respect of which Dissent Rights have been exercised in favour of the Arrangement Resolution, must provide Blackhawk with written objection to the Arrangement by 11:00 a.m. (Vancouver time) on December 20, 2022, or two Business Days before any adjournment or postponement of the Meeting, and must otherwise comply with the dissent procedures provided in the

Interim Order. A Non-Registered Holder who wishes to exercise Dissent Rights must arrange for the Registered Blackhawk Shareholder(s) holding its Blackhawk Shares to deliver the Dissent Notice.

If a Dissenting Shareholder fails to strictly comply with the requirements of the Dissent Rights set out in the Interim Order, it will lose its Dissent Rights. The Dissent Rights are set out in their entirety in the Interim Order, the text of which is set out in Appendix C to this Circular.

See “*The Meeting - The Arrangement — Dissent Rights*”.

Summary of Certain Canadian Federal Income Tax Considerations

Blackhawk Shareholders should consult their own tax advisors about the applicable Canadian federal, provincial, territorial, local and foreign tax consequences of the Arrangement. A summary of the principal Canadian federal income tax considerations of the Arrangement is included under the heading “*Certain Canadian Federal Income Tax Considerations*” in this Circular.

Court Approval

The Arrangement requires Court approval under the Business Corporations Act. In addition to this approval, the Court will be asked for a declaration following a Court hearing that the Arrangement is fair to the Blackhawk Shareholders. Before the mailing of this Circular, Blackhawk obtained the Interim Order providing for the calling and holding of the Meeting, the Dissent Rights and certain other procedural matters. Following receipt of Blackhawk Shareholder approval, Blackhawk intends to make application to the Court for the Final Order at 10:00 a.m. (Vancouver time), or as soon thereafter as counsel may be heard, on January 5, 2023, at the Court located at, 800 Smithe Street, Vancouver, British Columbia, or at any other date and time as the Court may direct. Cassels Brock & Blackwell LLP, counsel to Blackhawk, has advised that, in deciding whether to grant the Final Order, the Court will consider, among other things, the fairness of the Arrangement to Blackhawk Shareholders.

Any Blackhawk Shareholder who wishes to appear or be represented and to present evidence or arguments at that hearing must file and serve a response to petition no later than 5:00 p.m. (Vancouver time) on January 3, 2023, along with any other documents required, all as set out in the Interim Order and Notice of Hearing of Petition, the text of which are set out in Appendix D to this Circular and, satisfy any other requirements of the Court. Such Persons should consult with their legal advisors as to the necessary requirements.

The Court may approve the Arrangement either as proposed or as amended in any manner the Court may direct, and subject to compliance with such terms and conditions, if any, as the Court sees fit.

The Court will be informed, before the hearing, that the Final Order will form the basis for an exemption from registration of the New Blackhawk Shares and the SpinCo Shares to be issued, distributed and exchanged, as applicable, in connection with the Arrangement under the *U.S. Securities Act* pursuant to Section 3(a)(10) thereof. See “*The Meeting – The Arrangement — Court Approval of the Arrangement*”.

Regulatory Law Matters and Securities Law Matters

Blackhawk is a reporting issuer in British Columbia, Alberta, and Ontario. The Blackhawk Shares currently trade on the CSE. The New Blackhawk Shares are expected to commence trading on the CSE within three Business Days of the completion of the Arrangement.

Upon completion of the Arrangement, SpinCo expects that it will be a reporting issuer in British Columbia, Alberta and Ontario. SpinCo has applied for the listing of the SpinCo Shares on the CSE. Any listing will be subject to meeting the initial listing requirements of the CSE. Subject to meeting such requirements, the SpinCo Shares are expected to commence trading on the CSE within three Business Days of the completion of the Arrangement.

Canadian Securities Laws Matters

The distribution of the New Blackhawk Shares and SpinCo Shares, pursuant to the Arrangement will constitute a distribution of securities which is exempt from the prospectus requirements of Canadian Securities Laws and is exempt from or otherwise is not subject to the registration requirements under applicable Canadian Securities Laws. The New Blackhawk Shares and SpinCo Shares received pursuant to the Arrangement will not bear any legend under Canadian Securities Laws and may be resold through registered dealers in each of the provinces of Canada provided that: (a) SpinCo and New Blackhawk are and have been a reporting issuer in a jurisdiction in Canada for the four months immediately preceding the trade; (b) the trade is not a “control distribution” as defined in NI 45-102; (c) no unusual effort is made to prepare the market or to create a demand for the New Blackhawk Shares and SpinCo Shares; (d) no extraordinary commission or consideration is paid to a Person in respect of such sale; and (e) if the selling securityholder is an insider or officer of New Blackhawk or SpinCo, the selling securityholder has no reasonable grounds to believe that New Blackhawk or SpinCo is in default of applicable Securities Laws. For the purposes of (a) above, SpinCo satisfies the four month requirement by virtue of the fact that it is a party to the Arrangement Agreement with Blackhawk, which will have been a reporting issuer in a jurisdiction in Canada for at least four months prior to the date of distribution.

Each Blackhawk Shareholder is urged to consult his, her or its professional advisors to determine the Canadian conditions and restrictions applicable to trades in New Blackhawk Shares and SpinCo Shares.

See “*The Meeting – The Arrangement – CSE Requirements, Regulatory Law and Securities Law Matters*”.

United States Securities Laws Matters

None of the New Blackhawk Shares or SpinCo Shares issued, distributed and exchanged, as applicable, pursuant to the Arrangement, have been or will be registered under the *U.S. Securities Act* or the Securities Laws of any state of the United States and will each be issued, distributed and exchanged, as applicable, in reliance upon the exemption from registration provided by Section 3(a)(10) of the *U.S. Securities Act* and similar exemptions provided under the Securities Laws of each state of the United States in which Blackhawk Shareholders reside.

The SpinCo Shares will not be a registered class of securities in the United States and will not be listed for trading on a stock exchange in the United States.

See “*The Meeting – The Arrangement – CSE Requirements, Regulatory Law and Securities Law Matters – United States Securities Laws Matters*”.

Risk Factors

Blackhawk Shareholders should carefully consider the risk factors relating to the Arrangement. Some of these risks include, but are not limited to: the Arrangement Agreement may be terminated in certain circumstances; there can be no certainty that all conditions precedent to the Arrangement will be satisfied; Blackhawk will incur costs even if the Arrangement is not completed; the market price of Blackhawk Shares may decline if the Arrangement is not completed; the issue of New Blackhawk Shares under the Arrangement may cause the market price of New Blackhawk Shares to decline; and there is currently no market for the SpinCo Shares. For more information see “*The Meeting – The Arrangement - Risks Associated with the Arrangement*”.

Additional risks and uncertainties, including those currently unknown or considered immaterial by Blackhawk may also adversely affect the Blackhawk Shares, the New Blackhawk Shares, the SpinCo Shares, the SpinCo Business or the New Blackhawk business following the Arrangement. In addition to the risk factors relating to the Arrangement set out in this Circular, Blackhawk Shareholders should also carefully consider the risk factors associated with the businesses of Blackhawk after the Arrangement and SpinCo included in this Circular, including the documents incorporated by reference therein. See “*Appendix E – Information Concerning SpinCo After the Arrangement - Risk Factors*”.

GENERAL PROXY INFORMATION

Solicitation of Proxies

This Circular is furnished in connection with the solicitation of proxies by the management of Blackhawk for use at the Meeting, to be held on December 22, 2022, at the time and place and for the purposes set forth in the accompanying Notice of Meeting. While it is expected that the solicitation will be primarily by mail, proxies may be solicited personally or by telephone by the directors, officers and regular employees of Blackhawk at nominal cost. All costs of solicitation by management will be borne by Blackhawk.

The enclosed instrument of proxy (the “**Proxy**”) is solicited by the management of the Company. The solicitation will be primarily by mail however, proxies may be solicited personally or by telephone by the regular officers and employees of the Company. The cost of solicitation will be borne by the Company.

Blackhawk Shareholders will have the opportunity to participate at the Meeting via teleconference regardless of their geographic location by calling (toll-free) 1-866-651-2727 and using conference ID 6355630.

We strongly encourage Blackhawk Shareholders to attend the Meeting via teleconference and to vote their Blackhawk Shares prior to the Meeting by proxy, prior to the proxy cut-off at 10:00 a.m. (Pacific time) on December 20, 2022 as voting will not be available via telephone on the day of the Meeting.

How a Vote is Passed

The Blackhawk Shares represented by the Proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called for and, if the Blackhawk Shareholder specifies a choice on the Proxy with respect to any matter to be acted upon, the shares will be voted accordingly. On any poll, the persons named in the Proxy (the “Proxyholders”) will vote the shares in respect of which they are appointed. Where directions are given by the Blackhawk Shareholder in respect of voting for or against any resolution, the Proxyholder will do so in accordance with such direction.

The Proxy, when properly signed, confers discretionary authority on the Proxyholder with respect to amendments or variations to the matters which may properly be brought before the Meeting. At the time of printing this Circular, Management is not aware that any such amendments, variations or other matters are to be presented for action at the Meeting. However, if any other matters which are not now known to Management should properly come before the Meeting, the proxies hereby solicited will be exercised on such matters in accordance with the best judgment of the Proxyholder.

In the absence of instructions to the contrary, the Proxyholders intend to vote the common shares represented by each Proxy, properly executed, in favour of the motions proposed to be made at the Meeting as stated under the headings in this Circular.

Who can vote?

If you are a Registered Blackhawk Shareholder as at November 17, 2022, you are entitled to attend at the Meeting and cast a vote for the Arrangement Resolution. Additionally, if you are a Registered Blackhawk Shareholder, you are entitled to attend the Meeting and cast a vote for each Blackhawk Share registered in your name on all other resolutions put before the Meeting. If the Blackhawk Shares are registered in the name of a corporation, a duly authorized officer of the corporation may attend on its behalf, but documentation indicating such officer’s authority should be presented at the Meeting. If you are a Registered Blackhawk Shareholder but do not wish to, or cannot, attend the Meeting in person you can appoint someone who will attend the Meeting and act as your proxyholder to vote in accordance with your instructions. If your Blackhawk Shares are registered in the name of a “nominee” (usually a bank, trust company, securities dealer or other financial institution) you should refer to the section entitled “Non-Registered Holders” set out below.

It is important that your Blackhawk Shares are represented at the Meeting regardless of the number of Blackhawk Shares you hold. If you will not be attending the Meeting in person, we encourage you to complete, date, sign and return your form of proxy as soon as possible so that your Blackhawk Shares will be represented.

Blackhawk Shareholders will not be able to vote their Blackhawk Shares by attending the Meeting virtually via live teleconference. If you are a Registered Blackhawk Shareholder, you may only vote by attending the Meeting in person or by completing the enclosed form of proxy.

What is a Proxy?

A form of proxy is a document that authorizes someone to attend the Meeting and cast your votes for you. We have enclosed a form of proxy with this Circular. You should use it to appoint a proxyholder, although you can also use any other legal form of proxy.

Appointing a Proxyholder

The persons named in the enclosed form of proxy are Frederick Pels and Marc Lowenstein, the Chief Executive Officer and Chief Financial Officer, respectively, of Blackhawk. **A Blackhawk Shareholder wishing to appoint some other person or entity (who need not be a Blackhawk Shareholder) to represent him or her at the Meeting has the right to do so, either by striking out the names of those persons named in the accompanying form of proxy and inserting the desired person or entity's name in the blank space provided in the form of proxy or by completing another form of proxy.** If you do not fill a name in the blank space in the enclosed form of proxy, the persons named in the form of proxy (Frederick Pels and Marc Lowenstein, the Chief Executive Officer and Chief Financial Officer, respectively) are appointed to act as your Proxyholder.

Regardless of who you appoint as your Proxyholder, you can either instruct that person or company how you want to vote or you can let him or her decide for you. You can do this by completing a form of proxy. In order to be valid, you must return the completed form of proxy forty-eight (48) hours, excluding Saturdays, Sundays and holidays, before the time of the Meeting or any adjournment or postponement thereof to our transfer agent, Odyssey by mail at its office at 702, 67 Yonge Street, Toronto, ON M5E 1J8, or by fax within North America at 1-800-517-4553 or via email to proxy@odysseytrust.com.

Instructing your Proxy and Exercise of Discretion by your Proxy

You may indicate on your form of proxy how you wish your proxyholder to vote on your Blackhawk Shares. To do this, simply mark the appropriate boxes on the form of proxy. If you do this, your proxyholder must vote your Blackhawk Shares in accordance with the instructions you have given.

If you do not give any instructions as to how to vote on a particular issue to be decided at the Meeting, your proxyholder can vote your securities as he or she thinks fit.

If you are a Blackhawk Shareholder and have appointed the persons designated in the form of proxy as your Proxyholder they will, unless you give contrary instructions, vote your Blackhawk Shares at the Meeting as follows:

✓FOR the approval of the Arrangement Resolution; and

✓FOR the adoption of the SpinCo Option Plan.

Further details about these matters are set out in this Circular. The enclosed form of proxy gives the persons named on it the authority to use their discretion in voting on amendments or variations to matters identified on the Notice of Meeting. At the time of printing this Circular, the management of Blackhawk is not aware of any other matter to be presented for action at the Meeting. If, however, other matters do properly come before the Meeting, the persons named on the enclosed form of proxy will vote on them in accordance with their best judgment, pursuant to the discretionary authority conferred by the form of proxy with respect to such matters.

Revocability of Proxy

A Registered Blackhawk Shareholder who has given a proxy may revoke it by an instrument in writing executed by such Registered Blackhawk Shareholder by his or her attorney authorized in writing or, where the Blackhawk Shareholder is a corporation, by a duly authorized officer or attorney of the corporation, and delivered to Odyssey Attn: Proxy Department, Traders Bank Building 702, 67 Yonge Street, Toronto, ON M5E 1J8, or by fax within North America at 1-800-517-4553 or via email to proxy@odysseytrust.com, at any time up to and including by the last business day preceding the day of the Meeting, or any adjournment or postponement thereof, or to the Chair of the Meeting on the day of the Meeting, or any adjournment or postponement thereof, or in any other manner provided by Law. A revocation of a proxy does not affect any matter on which a vote has been taken before the revocation.

Voting by Blackhawk Shareholders

Only Registered Blackhawk Shareholders or duly appointed proxyholders are permitted to vote in person at the Meeting. Blackhawk Shareholders will not be able to vote their Blackhawk Shares by attending the Meeting virtually via live teleconference. A holder of Blackhawk Shares may own such shares in one or both of the following ways:

1. If a Blackhawk Shareholder is in possession of a physical share certificate or DRS Advice Statement, such Blackhawk Shareholder is a Registered Blackhawk Shareholder and his, her or its name and address are maintained by Blackhawk through Odyssey.
2. If a Blackhawk Shareholder owns Blackhawk Shares through a bank, broker, nominee, or other Intermediary such Blackhawk Shareholder is a “Non-Registered Holder” or “beneficial” Blackhawk Shareholder and he, she or it will not have a physical share certificate or DRS Advice Statement. Such Blackhawk Shareholder will have an account statement from his or her Intermediary as evidence of share ownership.

If you are not sure whether you are a Registered Blackhawk Shareholder, please contact Odyssey at 1-888-290-1175.

A Registered Blackhawk Shareholder may vote a proxy in his, her, or its own name at any time by facsimile, internet or by mail in accordance with the instructions appearing on the enclosed form of proxy and/or may attend the Meeting and vote in person. Because a Registered Blackhawk Shareholder is known to Blackhawk and Odyssey, his, her, or its account can be confirmed and his, her, or its vote recorded or changed if such Registered Blackhawk Shareholder has previously voted.

Non-Registered Holders

Most Blackhawk Shareholders are Non-Registered Holders or “beneficial” Blackhawk Shareholders. Their Blackhawk Shares are registered in the name of an Intermediary, such as a securities broker, financial institution, trustee, custodian or other nominee who holds the shares on their behalf, or in the name of a clearing agency, such as The Canadian Depository for Securities Limited (CDS) or the Depository Trust & Clearing Corporation (DTC), in which the Intermediary is a participant. Intermediaries have obligations to forward meeting materials to Non-Registered Holders, unless otherwise instructed by the holder (and as required by regulation in some cases, despite instructions).

In accordance with the requirements of the Canadian Securities Administrators and NI 54-101, Blackhawk has caused its agent to distribute copies of the Meeting Materials directly to NOBOs – that is, Non-Registered Holders who have provided instructions to an Intermediary that such Non-Registered Holder does not object to the Intermediary disclosing ownership information about the beneficial owner.

The Meeting Materials distributed by Blackhawk’s agent to NOBOs include a VIF. A NOBO may vote using a VIF in his, her or its own name at any time by facsimile, internet or by mail in accordance with the instructions appearing on the enclosed VIF. Odyssey will tabulate the results of the votes received from NOBOs in accordance with the instructions appearing on the enclosed VIF and will provide appropriate instructions at the Meeting with respect to those votes. Please carefully review the instructions on the VIF for completion and deposit.

These Meeting Materials are being sent to both registered and Non-Registered Holders of Blackhawk Shares. If you are a Non-Registered Holder, and Blackhawk or its agent has sent these materials directly to you, your name and address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on your behalf.

By choosing to send the Meeting Materials to NOBOs directly, Blackhawk (and not the Intermediary holding on your behalf) has assumed responsibility for: (a) delivering these Meeting Materials to you; and (b) executing your proper voting instructions. Please return your voting instructions as specified in the VIF enclosed with mailings to NOBOs.

In addition, in accordance with the requirements of NI 54-101, Blackhawk is distributing copies of the Meeting Materials to clearing agencies and Intermediaries for onward distribution to OBOs – that is, Non-Registered Holders who have provided instructions to an Intermediary that such Non-Registered Holder objects to the Intermediary disclosing ownership information about the beneficial owner.

Intermediaries have obligations to forward meeting materials to the Non-Registered Holders, unless otherwise instructed by the holder (and as required by regulation in some cases, despite such instructions). Generally, Intermediaries will provide Non-Registered Holders with either: (a) a VIF for completion and execution by the Non-Registered Holder; or (b) a proxy form executed by the Intermediary and restricted to the number of shares owned by the Non-Registered Holder, but not otherwise completed. These are procedures to permit the Non-Registered Holders to direct the voting of the Blackhawk Shares which they beneficially own. Intermediaries that are U.S. registered broker-dealers will not be permitted to exercise discretionary voting authority and therefore if you are an OBO holding Blackhawk Shares in a customer account at a U.S. registered broker-dealer your Blackhawk Shares will not be voted or represented at the Meeting unless you execute and return a VIF.

If a Non-Registered Holder wishes to attend and vote at the Meeting in person, he or she must insert his or her own name in the space provided for the appointment of a proxyholder on the VIF or proxy form provided by the Intermediary and carefully follow the Intermediary's instructions for return of the executed form or other method of response.

Non Registered Holders may attend the Meeting as guests via live teleconference by dialing one of the following telephone numbers:

Conference Line: 1-866-651-2727

Access code: 6355630

Voting Securities and Principal Holders of Voting Securities

Blackhawk is authorized to issue an unlimited number of Blackhawk Shares, of which 77,995,593 Blackhawk Shares were issued and outstanding as at November 17, 2022. Each Blackhawk Share will entitle the holder thereof to one vote on the Arrangement Resolution and other resolutions being voted on at the Meeting.

Blackhawk Shareholders of record on the Record Date who either personally attend the Meeting or who have completed and delivered a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Blackhawk Shares voted at the Meeting.

To the knowledge of the directors and executive officers of Blackhawk, as of the date of this Circular, no person or company beneficially owns directly or indirectly, controls, or directs Blackhawk Shares carrying 10% or more of the voting rights attached to any class of outstanding Blackhawk Shares.

Notice-and-Access

Blackhawk is not relying on the notice-and-access delivery procedures outlined in NI 54-101 to distribute copies of the Circular, Proxy or VIF.

THE MEETING – THE ARRANGEMENT

At the Meeting, Blackhawk Shareholders will be asked to consider and, if thought advisable, to pass, the Arrangement Resolution to approve the Arrangement under the Business Corporations Act. The Arrangement, the Plan of Arrangement and the terms of the Arrangement Agreement are summarized below. This summary does not purport to be complete and is qualified in its entirety by reference to the Arrangement Agreement, which has been filed by Blackhawk under its profile on SEDAR at www.sedar.com, and the Plan of Arrangement, which is attached to this Circular as Appendix B.

In order to implement the Arrangement, the Arrangement Resolution must be approved by at least two-thirds of the votes cast in respect of the Arrangement Resolution by Blackhawk Shareholders present in person or represented by proxy at the Meeting, on the basis of one vote per Blackhawk Share. A copy of the Arrangement Resolution is set out in Appendix A of this Circular.

Unless otherwise directed, it is management's intention to vote FOR the Arrangement Resolution. If you do not specify how you want your Blackhawk Shares voted, the persons named as proxyholders will cast the votes represented by your proxy at the Meeting FOR the Arrangement Resolution.

If the Arrangement is approved at the Meeting and the Final Order approving the Arrangement is issued by the Court and the applicable conditions to the completion of the Arrangement are satisfied or waived, the Arrangement will take effect at the Effective Time (as determined by Blackhawk) on the Effective Date (which is expected to be in the first quarter of 2023).

Principal Steps of the Arrangement

Pursuant to the Plan of Arrangement, commencing at the Effective Time, except as otherwise noted therein, the following principal steps will occur and will be deemed to occur in the following order without any further act or formality:

- (a) All Dissent Shares held by Dissenting Shareholders will be deemed to have been transferred to Blackhawk, and:
 - (i) each Dissenting Shareholder will cease to have any rights as a Blackhawk Shareholder other than the right to be paid by Blackhawk, in accordance with the Dissent Rights, the fair value of such Dissent Share;
 - (ii) the Dissenting Shareholder's name will be removed as the holder of such Dissent Share from the central securities register of Blackhawk;
 - (iii) the Dissent Shares will be cancelled; and
 - (iv) the Dissenting Shareholder will be deemed to have executed and delivered all consents, releases, assignments and waivers, statutory or otherwise, required to transfer and assign such Dissent Shares.
- (b) Blackhawk will transfer, assign and convey to SpinCo and SpinCo shall accept all of the Digital Shares in consideration for:
 - (i) SpinCo agreeing to use its best efforts to issue one SpinCo Share to the holder of each validly exercised Blackhawk Warrant, upon receiving from Blackhawk a copy of the corresponding exercise form and confirmation that it received the exercise price in respect of such Blackhawk Warrant, subject to any approvals required by the Canadian Securities Exchange or the holders of the SpinCo Shares to effect such issuance (such SpinCo Shares to be subject to any restrictions or restrictive legends in accordance with applicable

securities laws and the policies of the Canadian Securities Exchange) (the “**Assumed Obligation**”), and

- (ii) the issuance by SpinCo of that number of fully paid and non-assessable SpinCo Shares as is equal to the product of: (A) the amount by which the fair market value of the Digital Shares exceeds the fair market value of the Assumed Obligation as of the Effective Time, multiplied by (B) a fraction, the numerator of which is the number of SpinCo Shares issued and outstanding immediately after the step described at (a), and the denominator of which is the fair market value of the issued and outstanding SpinCo Shares immediately after the step described at (a); and the aggregate amount added to the capital of the SpinCo Share will be equal to the amount by which the fair market value of the Digital Shares exceeds the fair market value of the Assumed Obligation as of the Effective Time;
- (c) The authorized share capital of SpinCo shall be amended to consolidate or split, as applicable, the SpinCo Shares outstanding on the basis of an exchange of one new SpinCo Share for a particular number of issued and outstanding SpinCo Shares, such that the number of issued and outstanding SpinCo Shares after the consolidation or split, as applicable, shall equal the number of Blackhawk Shares issued and outstanding immediately after the step described at (a).
- (d) The authorized share structure of Blackhawk shall be deemed to be altered by:
 - (i) renaming and re-designating all of the issued and unissued Blackhawk Shares as Class A common shares without par value and amending the restrictions attached to those shares to provide the holders thereof with two votes in respect of each share held, being the “Blackhawk Class A Shares”; and
 - (ii) creating a new class consisting of an unlimited number of common shares without par value with terms and special rights and restrictions identical to those of the Blackhawk Shares immediately prior to the Effective Time, being the “New Blackhawk Shares”.
- (e) In the course of a reorganization of Blackhawk’s capital within the meaning of section 86 of the Tax Act, each Blackhawk Class A Share (excluding any Blackhawk Class A Shares held by Dissenting Shareholders) will be deemed to be exchanged by the Blackhawk Shareholders (free and clear of all liens, claims and encumbrances) for:
 - (i) one New Blackhawk Share; and
 - (ii) one SpinCo Share.
- (f) Simultaneously with the step at (e):
 - (i) the aggregate amount added to the capital of the New Blackhawk Shares will be equal to (a) aggregate paid-up capital (as that term is used for purposes of the Tax Act) of the Blackhawk Class A Shares (excluding Blackhawk Shares held by Dissenting Shareholders) immediately prior to the exchange effected pursuant to step (e), less (b) the fair market value of the SpinCo Shares distributed pursuant to step (e) at the time of distribution;
 - (ii) the Blackhawk Class A Shares, none of which will be issued or outstanding once the exchange in step (e) is completed, will be cancelled with the appropriate entries being made in the central securities register of Blackhawk and the authorized share structure of Blackhawk will be amended by eliminating the Blackhawk Class A Shares; and
 - (iii) the articles of Blackhawk shall be amended to reflect the alterations in step (f)(ii) above.

Background to the Arrangement

Management of Blackhawk believes that there is potentially greater value that could be recognized in Blackhawk's interest in the business of SpinCo if that interest was held and operated separately, rather than continuing to be held solely by Blackhawk. As a result, Management has decided to proceed with the Arrangement in order to meet the objectives set out under the heading "*Reasons for the Arrangement*" below.

Reasons for the Arrangement

The Blackhawk Board has reviewed and considered a significant amount of information and considered a number of factors relating to the Arrangement with the benefit of advice from Blackhawk's senior management and its financial, legal and technical advisors. The following is a summary of the principal reasons for the unanimous recommendation of the Blackhawk Board that Blackhawk Shareholders vote FOR the Arrangement Resolution:

- *Separation of Assets.* The separation of Blackhawk's assets will enable management to advance the businesses of both New Blackhawk and SpinCo in a more focused and efficient manner.
- *Continued Participation by Blackhawk Shareholders in the SpinCo Business.* Blackhawk Shareholders, through their ownership of all of the issued and outstanding SpinCo Shares, will continue to participate in the value associated with the development, operation, and growth of the SpinCo Business.
- *Continued Participation by Blackhawk Shareholders in the New Blackhawk Business.* Blackhawk Shareholders, through their ownership of all of the issued and outstanding New Blackhawk Shares, will continue to participate in the value associated with the development, operation, and growth of the New Blackhawk business.
- *Approval of Blackhawk Shareholders and the Court are Required.* The Arrangement must be approved by at least two-thirds of the votes cast in respect of the Arrangement Resolution by Blackhawk Shareholders present in person or represented by proxy at the Meeting, on the basis of one vote per Blackhawk Share. The Arrangement must also be sanctioned by the Court, which will consider the fairness of the Arrangement to Blackhawk Shareholders.
- *Dissent Rights.* Registered Blackhawk Shareholders who oppose the Arrangement may, on strict compliance with certain conditions, exercise their Dissent Rights and receive the fair value of the Dissent Shares in accordance with the Arrangement.

In view of the wide variety of factors and information considered in connection with their evaluation of the Arrangement, the Blackhawk Board did not find it practicable to, and therefore did not, quantify or otherwise attempt to assign any relative weight to each specific factor or item of information considered in reaching their conclusions and recommendations. In addition, individual members of the Blackhawk Board may have given different weights to different factors or items of information.

Recommendation of the Blackhawk Board

After careful consideration of, among other things, the factors described above under the heading "*The Meeting - The Arrangement - Reasons for the Arrangement*", the Blackhawk Board has unanimously determined that the Plan of Arrangement is fair to Blackhawk Shareholders and is in the best interests of Blackhawk. Accordingly, the Blackhawk Board unanimously recommends that Blackhawk Shareholders vote FOR the Arrangement Resolution.

Each director of Blackhawk intends to vote all of his Blackhawk Shares in favor of the Arrangement Resolution, subject to the terms of the Arrangement Agreement.

Approval of the Arrangement Resolution

At the Meeting, the Blackhawk Shareholders will be asked to approve the Arrangement Resolution, the full text of which is set out in Appendix A to this Circular. In order for the Arrangement to become effective, as provided in the Interim Order and by the Business Corporations Act, the Arrangement Resolution must be approved by at least two-thirds of the votes cast in respect of the Arrangement Resolution by Blackhawk Shareholders present in person or represented by proxy at the Meeting, on the basis of one vote per Blackhawk Share. Should Blackhawk Shareholders fail to approve the Arrangement Resolution by the requisite threshold, the Arrangement will not be completed.

The Blackhawk Board has approved the terms of the Arrangement Agreement and the Plan of Arrangement and recommends that the Blackhawk Shareholders vote FOR the Arrangement Resolution. See “*The Meeting – The Arrangement - Recommendation of the Blackhawk Board*” above.

Completion of the Arrangement

The Arrangement is expected to become effective at 12:01 a.m. (or such other time as determined by Blackhawk) on the date following the date upon which all of the conditions to completion of the Arrangement as set out in Article 5 of the Arrangement Agreement have been satisfied or waived in accordance with the Arrangement Agreement, all documents agreed to be delivered thereunder have been delivered to the satisfaction of the recipient, acting reasonably, and the filings required under Section 292 of the Business Corporations Act have been filed with the Registrar. Completion of the Arrangement is expected to occur in the first quarter of 2023; however, it is possible that completion may be delayed beyond this date if the conditions to completion of the Arrangement cannot be met on a timely basis.

Procedure for Exchange of Blackhawk Shares

Subsequent to the mailing of this Circular, Blackhawk will also send to each Registered Blackhawk Shareholder a Letter of Transmittal. The Letter of Transmittal is for use by Registered Blackhawk Shareholders only and is not to be used by Non-Registered Holders. Non-Registered Holders should contact their broker or other intermediary for instructions and assistance in receiving the New Blackhawk Shares and SpinCo Shares in respect of their Blackhawk Shares. Non-Registered Holders must instruct their brokers or other Intermediaries promptly in order to receive the consideration to which they are entitled under the Arrangement as soon as possible after the Effective Date.

In order to receive a share certificate or DRS Advice Statement representing New Blackhawk Shares and SpinCo Shares, Registered Blackhawk Shareholders must complete, sign, date and return the enclosed Letter of Transmittal and all documents required thereby in accordance with the instructions set out therein. Registered Blackhawk Shareholders can request additional copies of the Letter of Transmittal by contacting Odyssey. The Letter of Transmittal is also available under Blackhawk’s profile on SEDAR at www.sedar.com.

The Letter of Transmittal contains procedural information relating to the Arrangement and should be reviewed carefully.

Blackhawk and SpinCo reserve the right to waive or not to waive any and all errors or other deficiencies in any Letter of Transmittal or other document and any such waiver or non-waiver will be binding upon the affected Blackhawk Shareholder. The granting of a waiver to one or more Blackhawk Shareholders does not constitute a waiver for any other Blackhawk Shareholder. Blackhawk and SpinCo reserve the right to demand strict compliance with the terms of the Letter of Transmittal and the Arrangement. The method used to deliver the Letter of Transmittal is at the option and risk of the holder surrendering them, and delivery will be deemed effective only when such documents are actually received by Odyssey. Blackhawk recommends that the necessary documentation be hand delivered to Odyssey, and a receipt obtained therefor; otherwise the use of registered mail with return receipt requested, and with proper insurance obtained, is recommended.

If you have any questions relating to the Arrangement or the deposit of Blackhawk Shares, please contact Odyssey by telephone at 1-888-290-1175.

The Letter of Transmittal is for use by Registered Blackhawk Shareholders only and is not to be used by Non-Registered Holders.

Before the Effective Date, Blackhawk and SpinCo will deposit, or cause to be deposited, with Odyssey treasury directions directing Odyssey to deliver sufficient certificates and DRS Advice Statements representing the New Blackhawk Shares and SpinCo Shares required to be issued to the Blackhawk Shareholders under the Arrangement (other than payments to Blackhawk Shareholders exercising their Dissent Rights) to be held by Odyssey as agent and nominee for such Blackhawk Shareholders.

As soon as practicable after the Effective Date, provided a Former Blackhawk Shareholder submitted to Odyssey, before the Effective Date, an effective Letter of Transmittal and such other documents as Odyssey may require, the share certificate or DRS Advice Statement representing the New Blackhawk Shares and the share certificate or DRS Advice Statement representing the SpinCo Shares to which the Registered Blackhawk Shareholder is entitled pursuant to the Arrangement will be either: (a) delivered to the address or addresses as the Registered Blackhawk Shareholder directed in their Letter of Transmittal; (b) made available for pick-up at the offices of Odyssey in accordance with the instructions of the Registered Blackhawk Shareholder in the Letter of Transmittal; or (c) if the Letter of Transmittal neither specifies an address nor contains instructions for pick-up, forwarded to the Registered Blackhawk Shareholder at the address of such holder as shown on the central securities register of Blackhawk.

A Registered Blackhawk Shareholder that does not submit an effective Letter of Transmittal before the Effective Date may take delivery of the share certificate or DRS Advice Statement representing the New Blackhawk Shares and share certificate or DRS Advice Statement representing the SpinCo Shares to which the Registered Blackhawk Shareholder is entitled pursuant to the Arrangement by delivering a duly completed Letter of Transmittal, together with such other documents as Odyssey may require. The share certificate or DRS Advice Statement representing the New Blackhawk Shares and the share certificate or DRS Advice Statement representing the SpinCo Shares to which the Registered Blackhawk Shareholder is entitled pursuant to the Arrangement will be either: (a) delivered to the address or addresses as the Registered Blackhawk Shareholder directed in their Letter of Transmittal; (b) made available for pick-up at the offices of Odyssey in accordance with the instructions of the Registered Blackhawk Shareholder in the Letter of Transmittal; or (c) if the Letter of Transmittal neither specifies an address nor contains instructions for pick-up, forwarded to the Registered Blackhawk Shareholder at the address of such holder as shown on the central securities register of Blackhawk.

Except as otherwise provided in the instructions to the Letter of Transmittal, the signature on the Letter of Transmittal must be guaranteed by an eligible institution.

Lost Certificates

If any certificate which, immediately before the Effective Time, represented one or more outstanding Blackhawk Shares has been lost, stolen or destroyed, upon the making of an affidavit or statutory declaration of that fact by the Registered Blackhawk Shareholder claiming such certificate to be lost, stolen or destroyed and who was listed immediately before the Effective Time as the registered holder thereof on the central securities register of Blackhawk, Odyssey will deliver to such Registered Blackhawk Shareholder, the certificate or DRS Advice Statement representing the New Blackhawk Shares and the certificate or DRS Advice Statement representing the SpinCo Shares to which such Registered Blackhawk Shareholder is entitled to receive in exchange for such lost, stolen or destroyed certificate. When authorizing such delivery in exchange for such lost, stolen or destroyed certificate, the Registered Blackhawk Shareholder to whom the New Blackhawk Shares and SpinCo Shares are to be issued, distributed and exchanged, as applicable, must, as a condition precedent to the delivery thereof, give a bond satisfactory to Blackhawk, SpinCo and Odyssey, in such sum as Blackhawk, SpinCo or Odyssey may direct, or otherwise indemnify Blackhawk, SpinCo and v in a manner satisfactory to Blackhawk, SpinCo and Odyssey against any claim that may be made against Blackhawk, SpinCo and Odyssey with respect to the certificate alleged to have been lost, stolen or destroyed.

Treatment of Dividends

No dividend or other distribution declared or made after the Effective Time with respect to New Blackhawk Shares or SpinCo Shares with a record date after the Effective Time will be delivered to the holder of any unsurrendered certificate (if any) that, immediately before the Effective Time, represented outstanding Blackhawk Shares unless and

until the holder of such certificate will have complied with the requirement to deliver a duly completed Letter of Transmittal, to Odyssey. Subject to applicable Law and the provisions of the Plan of Arrangement relating to the withholding of taxes where required, at the time of such compliance, there will, in addition to the delivery of the certificates or DRS Advice Statements representing New Blackhawk Shares and SpinCo Shares, be delivered to such holder, without interest, the amount of the dividend or other distribution with a record date after the Effective Time theretofore paid with respect to such New Blackhawk Shares or SpinCo Shares.

Effects of the Arrangement on Blackhawk Shareholders' Rights

Blackhawk Shareholders receiving New Blackhawk Shares and SpinCo Shares under the Arrangement will continue to be Blackhawk Shareholders after the Arrangement and will become shareholders of SpinCo. SpinCo, like Blackhawk, is a British Columbia company governed by the Business Corporations Act. Blackhawk will continue to be a British Columbia company governed by the Business Corporations Act.

Court Approval of the Arrangement

An Arrangement under the Business Corporations Act requires approval of the Court.

Interim Order

On November 30, 2022, Blackhawk obtained the Interim Order providing for the calling and holding of the Meeting, the Dissent Rights and certain other procedural matters. The text of the Interim Order is set out in Appendix D to this Circular.

Final Order

Subject to the terms of the Arrangement Agreement, and if the Arrangement Resolution is approved by Blackhawk Shareholders at the Meeting in the manner required by the Interim Order, Blackhawk intends to make an application to the Court for the Final Order.

The application for the Final Order approving the Arrangement is currently scheduled for January 5, 2023, or as soon thereafter as counsel may be heard, at the Court, located at 800 Smithe Street, Vancouver, British Columbia, or at any other date and time as the Court may direct. Any Blackhawk Shareholder who wishes to appear or be represented and to present evidence or arguments at that hearing must file and serve a response to petition no later than 5:00 p.m. (Vancouver time) on January 5, 2023, along with any other documents required, all as set out in the Interim Order and Notice of Hearing of Petition for Final Order, the texts of which are set out in Appendix D to this Circular, and satisfy any other requirements of the Court. Such Persons should consult with their legal advisors as to the necessary requirements. If the hearing is adjourned then, subject to further order of the Court, only those Persons having previously filed and served a response to petition will be given notice of the adjournment.

Blackhawk has been advised by its legal counsel, Cassels Brock & Blackwell LLP, that the Court has broad discretion under the Business Corporations Act when making orders with respect to the Arrangement and that the Court will consider, among other things, the fairness and reasonableness of the Arrangement, both from a substantive and a procedural point of view. The Court may approve the Arrangement, either as proposed or as amended, on the terms presented or substantially on those terms. Depending upon the nature of any required amendments, Blackhawk may determine not to proceed with the Arrangement.

The New Blackhawk Shares and SpinCo Shares, to be issued, distributed and exchanged to Blackhawk Shareholders, pursuant to the Arrangement have not been and will not be registered under the *U.S. Securities Act* or the applicable Securities Laws of any state of the United States, and will be issued, distributed and exchanged, as applicable, in reliance upon the Section 3(a)(10) Exemption and exemptions provided under the applicable Securities Laws of each state of the United States in which Blackhawk Shareholders reside. Section 3(a)(10) of the *U.S. Securities Act* exempts from registration a security that is issued or distributed in exchange for outstanding securities, claims or property interests, where the terms and conditions of such issuance and exchange are approved, after a hearing upon the fairness of such terms and conditions at which all Persons to whom it is proposed to issue securities in such exchange have the

right to appear, by a court or by a governmental authority expressly authorized by law to grant such approval and to hold such a hearing.

The Court will be advised at the hearing of the application for the Final Order that if the terms and conditions of the Arrangement, and the fairness thereof, are approved by the Court, the Final Order will be relied upon to constitute the basis for the Section 3(a)(10) Exemption with respect to the New Blackhawk Shares and SpinCo Shares to be issued, distributed and exchanged, as applicable, pursuant to the Arrangement. Accordingly, the Final Order of the Court will, if granted, constitute a basis for the exemption from the registration requirements of the *U.S. Securities Act* with respect to the issuance of the New Blackhawk Shares and SpinCo Shares in connection with the Arrangement. See “*The Meeting – The Arrangement – CSE Requirements, Regulatory Law and Securities Law Matters – United States Securities Laws Matters*”.

For further information regarding the Court hearing and your rights in connection with the Court hearing, see the form of Notice of Hearing of Petition attached at Appendix D to this Circular. The Notice of Hearing of Petition constitutes notice of the Court hearing of the application for the Final Order and is your only notice of the Court hearing.

Regulatory Approvals

The Blackhawk Shares are listed and posted for trading on the CSE. Prior to the Effective Time, the Blackhawk Shares will be delisted from the CSE and the New Blackhawk Shares and SpinCo Shares will be listed and posted for trading on the CSE, and are expected to commence trading on the CSE within three Business Days of the Effective Date. The Company has applied to the CSE with respect to the transactions completed in the Arrangement Agreement, including the listing of the New Blackhawk Shares and SpinCo Shares to be issued under the Arrangement.

CSE Requirements, Regulatory Law and Securities Law Matters

Other than the Final Order and the approvals of the CSE, Blackhawk is not aware of any material approval, consent or other action by any federal, provincial, state or foreign government or any administrative or regulatory agency that would be required to be obtained in order to complete the Arrangement. In the event that any such approvals or consents are determined to be required, such approvals or consents will be sought, although any such additional requirements could delay the Effective Date or prevent the completion of the Arrangement. While there can be no assurance that any regulatory consents or approvals that are determined to be required will be obtained, Blackhawk currently anticipates that any such consents and approvals that are determined to be required will have been obtained or otherwise resolved by the Effective Date, which, subject to receipt of the Blackhawk Shareholder Approval at the Meeting, receipt of the Final Order and the satisfaction or waiver of all other conditions specified in the Arrangement Agreement, is expected to be in the first quarter of 2023.

Canadian Securities Laws Matters

Each Blackhawk Shareholder is urged to consult such Blackhawk Shareholder’s professional advisors to determine the Canadian conditions and restrictions applicable to trades in the New Blackhawk Shares or SpinCo Shares.

Status Under Canadian Securities Laws

Blackhawk is a reporting issuer in British Columbia, Alberta, and Ontario. The Blackhawk Shares currently trade on the CSE. Prior to the Effective Time, the Blackhawk Shares will be delisted from the CSE and the New Blackhawk Shares issuable pursuant to and in connection with the Arrangement are expected to commence trading on the CSE within three Business Days of the Effective Date.

Upon completion of the Arrangement, SpinCo expects that it will be a reporting issuer in British Columbia, Alberta, and Ontario. Prior to the Effective Time, the Blackhawk Shares will be delisted from the CSE and the SpinCo Shares will be listed and posted for trading on the CSE, and are expected to commence trading on the CSE within three Business Days of the Effective Date.

Distribution and Resale of New Blackhawk Shares and SpinCo Shares under Canadian Securities Laws

The distribution of the New Blackhawk Shares and SpinCo Shares pursuant to the Arrangement will constitute a distribution of securities which is exempt from the prospectus requirements of Canadian securities legislation and is exempt from or otherwise is not subject to the registration requirements under applicable securities legislation. The New Blackhawk Shares and SpinCo Shares received pursuant to the Arrangement will not bear any legend under Canadian Securities Laws and may be resold through registered dealers in each of the provinces of Canada provided that: (a) SpinCo, after the Arrangement, and Blackhawk is and has been a reporting issuer in a jurisdiction in Canada for the four months immediately preceding the trade; (b) the trade is not a “control distribution” as defined in NI 45-102; (c) no unusual effort is made to prepare the market or to create a demand for the New Blackhawk Shares or SpinCo Shares; (d) no extraordinary commission or consideration is paid to a Person in respect of such sale; and (e) if the selling securityholder is an insider or officer of New Blackhawk or SpinCo, the selling securityholder has no reasonable grounds to believe that New Blackhawk or SpinCo is in default of applicable Securities Laws. For the purposes of (a) above, SpinCo will satisfy the four month requirement by virtue of the fact that it is a party to the Arrangement Agreement with Blackhawk, which will have been a reporting issuer in a jurisdiction in Canada for at least four months prior to the date of distribution.

Interest of Certain Persons in the Arrangement

In considering the recommendation of the Blackhawk Board with respect to the Arrangement, Blackhawk Shareholders should be aware that certain members of Blackhawk’s senior management and the Blackhawk Board have certain interests in connection with the Arrangement that may present them with actual or potential conflicts of interest in connection with the Arrangement. These interests include those described herein. The Blackhawk Board was aware of these interests and considered them, among other matters, when recommending approval of the Arrangement by Blackhawk Shareholders.

Directors and Officers

The directors and officers of Blackhawk hold, in the aggregate: 3,809,840 Blackhawk Shares, which represents approximately 4.9% of the voting rights attached to all of the issued and outstanding Blackhawk Shares; 184,000 Blackhawk Options currently outstanding to acquire 184,000 Blackhawk Shares; and (iii) nil Blackhawk Warrants to acquire nil Blackhawk Shares, which together with the Blackhawk Shares and Blackhawk Options, represent approximately 4.2% of the votes attached to all issued and outstanding Blackhawk Shares, Blackhawk Options and Blackhawk Warrants, aggregated as a single class, all as of the Record Date. All of the Blackhawk Shares, Blackhawk Options and Blackhawk Warrants held by Blackhawk’s directors will be treated in the same fashion under the Arrangement as Blackhawk Shares, Blackhawk Options and Blackhawk Warrants held by every other Blackhawk Shareholder, Blackhawk Optionholder or Blackhawk Warrantholder, as applicable.

The Arrangement Agreement

The description of the Arrangement Agreement, both below and elsewhere in this Circular, is a summary only, is not exhaustive and is qualified in its entirety by reference to the terms of the Arrangement Agreement, which may be found under Blackhawk’s profile on SEDAR at www.sedar.com.

Effective Date and Conditions of Arrangement

If the Arrangement Resolution is passed, the Final Order approving the Arrangement is obtained, the requirements of the Business Corporations Act relating to the Arrangement have been complied with and all other conditions disclosed under “*The Meeting – The Arrangement – The Arrangement Agreement - Conditions to the Arrangement Becoming Effective*” are met or waived, the Arrangement will become effective at 12:01 a.m. (or such other time as Blackhawk may determine) on the Effective Date. It is currently expected that the Effective Date will be in the first quarter of 2023.

Representations and Warranties

The Arrangement Agreement contains standard representations and warranties made by each of Blackhawk and SpinCo to one another. Those representations and warranties were made solely for purposes of the Arrangement Agreement and may be subject to important qualifications, limitations and exceptions agreed to by the parties in connection with negotiating its terms.

Blackhawk

The representations and warranties provided by Blackhawk in favor of SpinCo relate to, among other things: (a) the due continuance, valid subsistence and full capacity and authority of Blackhawk; (b) the due execution and delivery of the Arrangement Agreement by Blackhawk; (c) neither the execution and delivery of the Arrangement Agreement nor the performance of any of Blackhawk's covenants and obligations thereunder constituting a material default or being in any material contravention or breach of any provision of Blackhawk's constating documents, any judgment, decree, order, law, statute, rule or regulation applicable to Blackhawk or any agreement or instrument to which Blackhawk is a party or by which it is bound; and (d) the absence of any dissolution, winding-up, bankruptcy, liquidation or similar proceeding, whether commenced, pending or proposed in respect of Blackhawk.

SpinCo

The representations and warranties provided by SpinCo in favor of Blackhawk relate to, among other things: (a) the due incorporation, valid subsistence and full capacity and authority of SpinCo (b) the due execution and delivery of the Arrangement Agreement by SpinCo; (c) neither the execution and delivery of the Arrangement Agreement nor the performance of any of SpinCo's covenants and obligations thereunder constituting a material default or being in any material contravention or breach of any provision of SpinCo's constating documents, any judgment, decree, order, law, statute, rule or regulation applicable to SpinCo or any agreement or instrument to which SpinCo is a party or by which it is bound; and (d) the absence of any dissolution, winding-up, bankruptcy, liquidation or similar proceeding, whether commenced, pending or proposed in respect of SpinCo.

Conditions to the Arrangement Becoming Effective

Completion of the Arrangement is subject to a number of specified conditions being met or waived as of the Effective Time, including, but not limited to:

- (a) each of the Interim Order and Final Order having been granted by the Court in form and substance satisfactory to Blackhawk and SpinCo;
- (b) the Blackhawk Shareholders having passed the Arrangement Resolution in accordance with the Interim Order;
- (c) the voting and support agreements having been agreed to and executed by the relevant parties thereto;
- (d) Blackhawk shall have obtained written consents from all the holders of the Blackhawk Options confirming that such Blackhawk Options, whether exercised or not exercised, shall not entitle the holder thereof to any securities of SpinCo or the rights to acquire any securities of SpinCo;
- (e) the CSE having conditionally approved the transactions contemplated under the Arrangement Agreement, including the listing of the SpinCo Shares, subject to compliance with the listing requirements of the CSE;
- (f) no law being in effect that makes the consummation of the Arrangement illegal or otherwise prohibits or enjoins Blackhawk or SpinCo from consummating the Arrangement;

- (g) no action being taken under any applicable laws that results in a judgement or assessment of material damages, directly or indirectly, relating to the transactions contemplated herein, or (b) imposes or confirms material limitations on the ability of the Blackhawk Shareholders to exercise full rights of ownership of SpinCo Shares issued pursuant to the Arrangement; and
- (h) the Arrangement Agreement not having been terminated in accordance with its terms.

Covenants of Blackhawk and SpinCo

The Arrangement Agreement includes, among other things, covenants of each of Blackhawk and SpinCo to:

- (a) do and perform all such acts and things, and execute and deliver all such agreements, assurances, notices and other documents and instruments, as may reasonably be required to facilitate the carrying out of the intent and purpose of the Arrangement Agreement;
- (b) upon the valid exercise of a Blackhawk Warrant by the holder thereof, Blackhawk shall provide to SpinCo a copy of the corresponding exercise form and confirmation of payment, upon which SpinCo shall use its best efforts to issue one SpinCo Share for each Blackhawk Warrant exercised, subject to any approvals required by the CSE or the holders of the SpinCo Shares to effect such issuance; such SpinCo Shares will be subject to any restrictions or restrictive legends in accordance with Securities Laws and the policies of the CSE; and
- (c) take all reasonable steps to list the SpinCo Shares and New Blackhawk Shares for trading on the CSE prior to the Effective Time and to have the SpinCo Shares and New Blackhawk Shares commence trading as soon as possible after the Effective Time.

Amendment and Termination

The Arrangement Agreement may not be varied in its terms or amended by oral agreement or otherwise other than by an instrument in writing dated subsequent to the date thereof, executed by a duly authorized representative of each of SpinCo and Blackhawk.

The Arrangement Agreement may, at any time before or after the holding of the Meeting, and before or after the granting of the Final Order, be terminated and the Plan of Arrangement withdrawn by direction of the Blackhawk Board without further action on the part of the Blackhawk Shareholders, with the Blackhawk Board retaining the absolute discretion to elect to terminate the Arrangement Agreement and discontinue efforts to effect the Plan of Arrangement for whatever reason it may consider appropriate.

Blackhawk may amend, modify and supplement the Plan of Arrangement at any time, provided that any amendment or supplement must be contained in a written document which is filed with the Court and, if made following the Meeting, approved by the Court and communicated to Blackhawk Shareholders in the manner required by the Court (if so required). Any amendment or supplement to the Plan of Arrangement which is approved or directed by the Court following the Meeting will be effective only if it is consented to by Blackhawk and SpinCo (each acting reasonably). Any amendment or supplement to the Plan of Arrangement may be proposed by Blackhawk at any time before or at the Meeting with or without any other prior notice or communication and if so proposed and accepted by the Blackhawk Shareholders voting at the Meeting will become part of the Plan of Arrangement for all purposes.

Risks Associated with the Arrangement

In evaluating the Arrangement, Blackhawk Shareholders should carefully consider the following risk factors relating to the Arrangement. The following risk factors are not a definitive list of all risk factors associated with the Arrangement. Additional risks and uncertainties, including those currently unknown or considered immaterial by Blackhawk, may also adversely affect the Blackhawk Shares, New Blackhawk Shares, SpinCo Shares, New Blackhawk business and SpinCo Business following the Arrangement. In addition to the risk factors relating to the Arrangement set out below, Blackhawk Shareholders should also carefully consider the risk factors associated with

the businesses of New Blackhawk and SpinCo included in this Circular. If any of the risk factors materialize, the expectations, and the predictions based on them, may need to be re-evaluated.

The risks associated with the Arrangement include:

The Arrangement Agreement may be terminated at the absolute discretion of the Blackhawk Board.

The Blackhawk Board has a right to terminate the Arrangement and withdraw the Plan of Arrangement at its absolute discretion. Accordingly, there is no certainty, nor can Blackhawk provide any assurance, that the Plan of Arrangement will not be terminated by the Blackhawk Board before completion of the Arrangement.

There can be no certainty that all conditions precedent to the Arrangement will be satisfied.

The completion of the Arrangement is subject to a number of conditions precedent, certain of which are outside the control of Blackhawk, including receipt of the Final Order and final approval of the listing of the New Blackhawk Shares and the SpinCo Shares on the CSE. There can be no certainty, nor can Blackhawk provide any assurance, that these conditions will be satisfied or, if satisfied, when they will be satisfied.

Blackhawk will incur costs.

Certain costs related to the Arrangement, such as legal and accounting fees, must be paid by Blackhawk even if the Arrangement is not completed.

Blackhawk directors and executive officers may have interests in the Arrangement that are different from those of the Blackhawk Shareholders.

In considering the recommendation of the Blackhawk Board to vote in favor of the Arrangement Resolution, Blackhawk Shareholders should be aware that members of the Blackhawk Board and management team have agreements or arrangements that provide them with interests in the Arrangement that differ from, or are in addition to, those of Blackhawk Shareholders generally. See “*The Meeting - The Arrangement - Interest of Certain Persons in the Arrangement*”.

The market price for Blackhawk Shares may decline.

If the Arrangement is not approved by the Blackhawk Shareholders, the market price of the Blackhawk Shares may decline to the extent that the current market price of the Blackhawk Shares reflects a market assumption that the Arrangement will be completed.

New Blackhawk and SpinCo will incur their own expenses going forward.

As a result of the Arrangement, each of New Blackhawk and SpinCo will incur their own general and administrative costs to operate the New Blackhawk business and the SpinCo Business, respectively. These additional costs may negatively impact the financial performance of each of New Blackhawk and SpinCo.

Dissent Rights

The following description of Dissent Rights is not a comprehensive statement of the procedures to be followed by a Dissenting Shareholder who seeks payment of the fair value of its Dissent Shares from Blackhawk and is qualified in its entirety by the reference to the full text of the Interim Order, which is attached at Appendix D to this Circular, and the specific provisions of Sections 237 to 247 of the Business Corporations Act, which have been reproduced in their entirety in Appendix C to this Circular. A Dissenting Shareholder who intends to exercise Dissent Rights should carefully consider and comply with the provisions of the Interim Order and the relevant provisions of the Business Corporations Act. Failure to strictly comply with the provisions of the Interim Order and the Business Corporations Act, and to adhere to the procedures established therein, may result in the loss of all rights thereunder.

There is no mandatory statutory right of dissent and appraisal in respect of plans of arrangement under the Business Corporations Act. However, as contemplated in the Plan of Arrangement, Blackhawk has granted to Blackhawk Shareholders who object to the Arrangement Resolution the Dissent Rights which are set out in their entirety in the Interim Order, the text of which is attached at Appendix D to this Circular.

Pursuant to the Interim Order, a Blackhawk Shareholder who intends to exercise the Dissent Rights must deliver a Dissent Notice to the offices of Cassels Brock & Blackwell LLP, Attn: Sam Cole, at Suite 2200, HSBC Building, 885 West Georgia St. Vancouver, BC V6C 3E8, to be received no later than 10:00 a.m. (Vancouver time) on December 20, 2022, or two Business Days before any adjournment or postponement of the Meeting and must not vote any Blackhawk Shares in favour of the Arrangement. A Non-Registered Holder who wishes to exercise the Dissent Rights must arrange for the Registered Blackhawk Shareholder(s) holding its Blackhawk Shares to deliver the Dissent Notice. The Dissent Notice must contain all of the information specified in the Interim Order. A vote against the Arrangement Resolution does not constitute a Dissent Notice and a Blackhawk Shareholder who votes in favour of the Arrangement Resolution will not be considered a Dissenting Shareholder.

If the Arrangement Resolution is passed at the Meeting, Blackhawk must send by registered mail to every Dissenting Shareholder, before the date set for the hearing of the Final Order, a notice (the “**Notice of Intention**”) stating that, subject to receipt of the Final Order and satisfaction of the other conditions set out in the Arrangement Agreement, Blackhawk intends to complete the Arrangement, and advising the Dissenting Shareholder that if the Dissenting Shareholder intends to proceed with his, her or its exercise of Dissent Rights, he she or it must deliver to Blackhawk, within 14 days after the mailing of the Notice of Intention, a written statement containing the information specified by the Interim Order, together with the certificate(s), if any, representing the Dissent Shares.

A Dissenting Shareholder delivering such a written statement may not withdraw from his, her or its dissent and, at the Effective Time, will be deemed to have transferred to Blackhawk all of his, her or its Dissent Shares (free of any claims). Such Dissenting Shareholder will cease to have any rights as a Blackhawk Shareholder other than the right to be paid the fair value of their Dissent Shares. Blackhawk will pay to each Dissenting Shareholder for the Dissent Shares the amount agreed on by Blackhawk and the Dissenting Shareholder. Either Blackhawk or a Dissenting Shareholder may apply to the Court if no agreement on the amount to be paid for the Dissent Shares has been reached, and the Court may:

- (a) determine the fair value that the Dissent Shares had immediately before the passing of the Arrangement Resolution, excluding any appreciation or depreciation in anticipation of the Arrangement unless such exclusion would be inequitable, or order that such fair value be established by arbitration or by reference to the registrar or a referee of the Court;
- (b) join in the application each other Dissenting Shareholder who has not reached an agreement with Blackhawk as to the amount to be paid for the Dissent Shares; or
- (c) make consequential orders and give directions that it considers appropriate.

Dissenting Shareholders who are ultimately entitled to be paid fair value for their Dissent Shares will be entitled to be paid such fair value and will not be entitled to any other payment or consideration, including any payment or consideration that would be payable under the Plan of Arrangement had they not exercised their Dissent Rights. The names of such holders will be removed from Blackhawk’s securities register(s), as applicable, as of the Effective Time.

If a Blackhawk Shareholder fails to strictly comply with the requirements of the Dissent Rights set out in the Interim Order, it will lose its Dissent Rights, Blackhawk will return to the registered Blackhawk Shareholder the certificate(s), if any, representing the Dissent Shares that were delivered to Blackhawk, if any, and, if the Arrangement is completed, that Blackhawk Shareholder will be deemed to have participated in the Arrangement in respect of those Blackhawk Shares on the same terms as all other Blackhawk Shareholders who are not Dissenting Shareholders. In no case will Blackhawk, SpinCo or any other Person be required to recognize such Blackhawk Shareholder as holding Blackhawk Shares at or after the Effective Time.

Blackhawk Shareholders wishing to exercise the Dissent Rights should consult their legal advisors with respect to the legal rights available to them in relation to the Arrangement and the Dissent Rights. Blackhawk Shareholders should note that the exercise of Dissent Rights can be a complex, time-consuming and expensive procedure.

The Interim Order outlines certain events when Dissent Rights will cease to apply where such events occur before payment is made to the Dissenting Shareholder of the fair value of the Blackhawk Shares surrendered (including if the Arrangement Resolution does not pass or is otherwise not proceeded with). In such events, the Dissenting Shareholder will be entitled to the return of the applicable share certificate(s), if any, and rights as a Blackhawk Shareholder in respect of the applicable Blackhawk Shares will be regained.

THE MEETING – ADOPTION OF INCENTIVE PLANS

At the Meeting, among other things, Blackhawk Shareholders will be asked, to consider and, if thought advisable, to pass, ordinary resolutions to approve and adopt the SpinCo Option Plan for SpinCo to be effective as of the Effective Time. The terms of the SpinCo Option Plan are summarized below. This summary does not purport to be complete and is qualified in its entirety by reference to the SpinCo Option Plan, attached to this Circular as Appendix E.

SpinCo Option Plan

For a detailed summary of the SpinCo Option Plan, see section entitled “*Description of Capital Structure – Stock Option Plan*” in 1)a)i)(1)(a)(i)1. Appendix E of this Circular.

The SpinCo Option Plan must be approved by a majority of the votes cast by Blackhawk Shareholders voting in person or by proxy at the Meeting. The SpinCo Option Plan is also subject to approval of the Arrangement by SpinCo Shareholders.

Recommendation of the Blackhawk Board

The Blackhawk Board has determined that the approval of the SpinCo Option Plan is in the best interest of Blackhawk and the Blackhawk Shareholders and accordingly, the Blackhawk Board recommends that Blackhawk Shareholders vote in favor of the approval of the SpinCo Option Plan. **In the absence of contrary direction, the management designees of Blackhawk intend to vote proxies in the accompanying form of proxy IN FAVOUR of the resolutions approving the SpinCo Option Plan.**

Approval of the SpinCo Option Plan

At the Meeting, Blackhawk Shareholders will be asked to pass an ordinary resolution approving the SpinCo Option Plan in the following form:

“**BE IT RESOLVED**, as an ordinary resolution, that:

- (i) the stock option plan of 1286409 B.C. Ltd., in the form set out in 1)a)i)(1)(a)(i)1. Appendix F of the information circular of Blackhawk dated November 30, 2022, subject to acceptance and approval of the Arrangement, is authorized, approved, and confirmed;
- (ii) any one director or officer of SpinCo is authorized to amend the SpinCo Option Plan should such amendments be required by applicable regulatory authorities including, but not limited to, the Canadian Securities Exchange; and
- (iii) any one director or officer of SpinCo, signing alone, is authorized to execute and deliver all such documents and instruments and to do such further acts, as may be necessary or advisable to give full effect to these resolutions or as may be required to carry out the full intent and meaning thereof.”

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Blackhawk Shareholder. This summary is not exhaustive of all Canadian federal income tax considerations. Consequently, Blackhawk Shareholders should consult their own tax advisors for advice regarding the income tax consequences to them of disposing of their Blackhawk Securities under the Arrangement, having regard to their own particular circumstances, and any other consequences to them of such transactions under Canadian federal, provincial, local and foreign tax laws.

The following fairly summarizes the principal Canadian federal income tax considerations in respect of the Arrangement applicable to a Blackhawk Shareholder who, for purposes of the Tax Act and at all relevant times, deals at arm's length with each of Blackhawk and SpinCo, is not affiliated with either Blackhawk or SpinCo, holds Blackhawk Shares as capital property, disposes of such Blackhawk Shares under the Arrangement, and will hold any New Blackhawk Shares and SpinCo Shares received under the Arrangement as capital property (a "**Holder**").

Blackhawk Shares will generally be considered to be capital property to a Holder unless the Holder holds such securities in the course of carrying on a business or the Holder acquired such securities in a transaction or transactions considered to be an adventure or concern in the nature of trade.

This summary is based on the current provisions of the Tax Act, all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Tax Proposals**"), and the current published administrative and assessing practices of the Canada Revenue Agency (the "**CRA**"), publicly released prior to the date hereof. This summary assumes that all Tax Proposals will be enacted as proposed. However, there can be no assurance that the Tax Proposals will be enacted in their current form, or at all. This summary is not exhaustive of all possible Canadian federal income tax considerations and, except for the Tax Proposals, does not take into account or anticipate any changes in law or administrative practice, whether by legislative, regulatory, administrative or judicial decision or action, nor does it take into account or consider other federal or any provincial, territorial or foreign tax considerations, which may differ significantly from the Canadian federal income tax considerations described herein.

In this summary, an otherwise undefined term that first appears in quotation marks has the meaning ascribed to it in the Tax Act.

This summary is not applicable to a Holder: (a) that is a "financial institution" (for the purposes of the "mark-to-market" rules in the Tax Act), a "specified financial institution" or a "restricted financial institution" (b) an interest in which would be a "tax shelter investment" (c) whose "functional currency" for the purposes of the Tax Act is the currency of a country other than Canada; (d) that acquired Blackhawk Shares, or will acquire New Blackhawk Shares or SpinCo Shares, upon the exercise of employee stock options or warrants; or (e) that has or will enter into a "derivative forward agreement", "synthetic disposition arrangement", or a "dividend rental arrangement", in respect of the Blackhawk Shares, New Blackhawk Shares or SpinCo Shares. In addition, this summary does not address the tax considerations applicable to Blackhawk Warrant holders or Blackhawk Option holders. Such Holders should consult their own tax advisors.

Additional considerations not discussed herein may be applicable to a Holder that is a corporation resident in Canada and is or becomes (or does not deal at arm's length (within the meaning of the Tax Act) with a corporation resident in Canada that is or becomes) controlled by a non-resident person or group of persons not dealing at arm's length with each other for purposes of the "foreign affiliate dumping" rules in section 212.3 of the Tax Act. Such Holders should consult their own tax advisors.

Holders Resident in Canada

The following portion of this summary is generally applicable to Holders who, for purposes of the Tax Act and any applicable income tax convention, and at all relevant times, are resident or deemed to be resident solely in Canada (each, a "**Resident Holder**").

Certain Resident Holders whose Blackhawk Shares might not otherwise be considered to be capital property for the purposes of the Tax Act may, in certain circumstances, make an irrevocable election in accordance with subsection 39(4) of the Tax Act to have their Blackhawk Shares and all other “Canadian securities”, as defined in the Tax Act, owned by such Resident Holder in the taxation year in which the election is made, and in all subsequent taxation years, deemed to be capital property. Resident Holders should consult with their own tax advisors regarding the implications of making such an election.

Redesignation of Blackhawk Shares

Based on the past CRA administrative policy, the renaming of the existing Blackhawk Shares, and the amendment of the terms of the Blackhawk Shares to increase the number of votes that may be cast at meetings in respect of each existing Blackhawk Share, as contemplated by the Plan of the Arrangement, should not, in any of itself, result in Blackhawk Shareholders being deemed to have disposed of their Blackhawk Shares for the purposes of the Tax Act.

Exchange of Blackhawk Shares for New Blackhawk Shares and SpinCo Shares

Blackhawk has advised that the aggregate fair market value of all SpinCo Shares when they are distributed to Blackhawk Shareholders under the Arrangement is not expected to exceed the “paid-up capital”, in respect of all Blackhawk Shares immediately before the distribution of SpinCo Shares and the issuance of New Blackhawk Shares in exchange for Blackhawk Shares under the Arrangement (the “**Share Exchange**”). Accordingly, Blackhawk is not expected to be deemed to pay, nor is a Resident Holder expected to be deemed to receive, a dividend as a result of the distribution of SpinCo Shares on the Share Exchange under the Arrangement. If the fair market value of all SpinCo Shares at the time of their distribution under the Arrangement were to exceed the “paid-up capital” in respect of all Blackhawk Shares immediately before that time, Blackhawk would be deemed to have paid a dividend on the Blackhawk Shares equal to the amount of the excess, and each Resident Holder would be deemed to have received a *pro rata* portion of the dividend, based on the proportion of the total Blackhawk Shares held by the Resident Holder at the time. See “*Taxation of Dividends*” below for a general description of the taxation of dividends under the Tax Act.

Assuming that the fair market value of all SpinCo Shares at the time of their distribution under the Arrangement does not exceed the “paid-up capital” in respect of all Blackhawk Shares immediately before that time, a Resident Holder whose Blackhawk Shares are exchanged for New Blackhawk Shares and SpinCo Shares under the Arrangement should be considered to have disposed of the Blackhawk Shares for proceeds of disposition equal to the greater of: (i) the Resident Holder’s adjusted cost base of the Blackhawk Shares immediately before the exchange; and (ii) the fair market value, at the time of the exchange, of the SpinCo Shares received by the Resident Holder. Consequently, a Resident Holder should realize a capital gain to the extent that the fair market value of the SpinCo Shares received on the Share Exchange exceeds the adjusted cost base of the Resident Holder’s Blackhawk Shares at the time of the exchange. If the fair market value of all SpinCo Shares at the time of the Share Exchange were to exceed the “paid-up capital” in respect of all Blackhawk Shares immediately before the exchange, the proceeds of disposition of the Resident Holder’s Blackhawk Shares would be reduced by the amount of the dividend referred to in the previous paragraph that the Resident Holder would be deemed to have received. See “*Blackhawk Shareholders Resident in Canada – Taxation of Capital Gains and Capital Losses*” below for a general description of the treatment of capital gains and losses under the Tax Act.

The cost amount to a Resident Holder of New Blackhawk Shares acquired on the Share Exchange for the purposes of the Tax Act will be equal to the amount, if any, by which the adjusted cost base of the Resident Holder’s Blackhawk Shares immediately before the Share Exchange exceeds the fair market value, at the time of their distribution, of the SpinCo Shares received by the Resident Holder on the Share Exchange. The cost amount for the purposes of the Tax Act to a Resident Holder of the SpinCo Shares acquired on the Share Exchange for the purposes of the Tax Act will be equal to the fair market value of the SpinCo Shares at the time of the exchange.

Dissenting Resident Holders

A Resident Holder of Blackhawk Shares who dissents from the Arrangement (a “**Dissenting Resident Holder**”) will be deemed to have transferred the Blackhawk Shares held by the Dissenting Resident Holder to Blackhawk and will

be entitled to receive a payment from Blackhawk of an amount equal to the fair value of the Blackhawk Shares held by the Dissenting Resident Holder.

A Dissenting Resident Holder will be deemed to have received a taxable dividend equal to the amount by which the amount received from Blackhawk for such Blackhawk Shares, less an amount in respect of interest, if any, awarded by the Court, exceeds the “paid-up capital” in respect of such Blackhawk Shares (as determined under the Tax Act).

Where a Dissenting Resident Holder of Blackhawk Shares is an individual, any deemed dividend will be included in computing that Dissenting Resident Holder’s income and will be subject to the gross-up and dividend tax credit rules normally applicable to dividends (other than eligible dividends) received from taxable Canadian corporations.

In the case of a Dissenting Resident Holder of Blackhawk Shares that is a corporation, any deemed dividend will be included in income and generally will be deductible in computing the taxable income of the corporation, subject to the detailed provisions of the Tax Act. However, in some circumstances, the amount of any such deemed dividend realized by a corporation may be treated as proceeds of disposition and not as a dividend. “Private corporations” and “subject corporations” may also be liable for refundable Part IV tax on any dividends received.

A Dissenting Resident Holder of Blackhawk Shares will be considered to have disposed of the Blackhawk Shares for proceeds of disposition equal to the amount paid to such Dissenting Resident Holder in respect of the Blackhawk Shares less an amount in respect of interest, if any, awarded by the Court and the amount of any deemed dividend arising in respect of the disposition of such shares. Dissenting Resident Holders of Blackhawk Shares may realize a capital gain or sustain a capital loss in respect of such disposition. The taxation of capital gains and capital losses is discussed below under the heading “*Blackhawk Shareholders Resident in Canada – Taxation of Capital Gains and Capital Losses*”.

Any interest awarded by the Court to a Dissenting Resident Holder of Blackhawk Shares will be included in such Holder’s income for the purposes of the Tax Act.

Taxation of Dividends

A Resident Holder (other than a Dissenting Resident Holder) who is an individual will be required to include in computing income any dividends received or deemed to be received on their Blackhawk Shares, SpinCo Shares or New Blackhawk Shares, and (with the exception of certain trusts), will be subject to the gross-up and dividend tax credit rules applicable to taxable dividends received from taxable Canadian corporations, including the enhanced gross-up and dividend tax credit rules applicable to any dividends designated by Blackhawk or SpinCo as “eligible dividends” as defined in the Tax Act.

A Resident Holder (other than a Dissenting Resident Holder) that is a corporation will be required to include in income any dividend received or deemed to be received on its Blackhawk Shares, SpinCo Shares or New Blackhawk Shares, and generally will be entitled to deduct an equivalent amount in computing its taxable income, subject to the detailed provisions of the Tax Act. However, in some circumstances, the amount of any such dividend or deemed dividend realized by a corporation may be treated as proceeds of disposition and not as a dividend. “Private corporations” and “subject corporations” may be liable for refundable Part IV tax on any dividends received.

Disposition of SpinCo Shares and New Blackhawk Shares

A Resident Holder that disposes or is deemed to dispose of SpinCo Shares or New Blackhawk Shares that the Resident Holder holds as capital property in a taxation year will realize a capital gain (or a capital loss) equal to the amount by which the proceeds of disposition of the SpinCo Shares or New Blackhawk Shares, as applicable, exceed (or are exceeded by) the aggregate of the adjusted cost base to the Resident Holder of such SpinCo Shares or New Blackhawk Shares, determined immediately before the disposition, and any reasonable costs of disposition. See “*Blackhawk Shareholders Resident in Canada – Taxation of Capital Gains and Capital Losses*” below for a general discussion of the treatment of capital gains and losses under the Tax Act.

Taxation of Capital Gains and Capital Losses

Generally, a Resident Holder is required to include in computing his or her income for a taxation year one-half of the amount of any capital gain (a “**taxable capital gain**”) realized in such year. Subject to and in accordance with the provisions of the Tax Act, a Resident Holder is required to deduct one-half of the amount of any capital loss (an “**allowable capital loss**”) realized in a taxation year from taxable capital gains realized by the Resident Holder in the year. Allowable capital losses in excess of taxable capital gains may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized in such years to the extent and in the circumstances described in the Tax Act.

Additional Taxes

A Resident Holder that is throughout the relevant taxation year a “Canadian-controlled private corporation” may be liable to pay an additional tax (refundable in certain circumstances) on its “aggregate investment income” for the year, which includes taxable capital gains, taxable dividends and interest. Certain Tax Proposals by the Minister of Finance (Canada) on August 9, 2022 would extend this additional tax and refund mechanism in respect of “aggregate investment income” to “substantive CCPCs” as defined in such Tax Proposals. Resident Holders are advised to consult their own tax advisors.

Capital gains realized and dividends received or deemed to be received by Resident Holders that are individuals (and certain trusts) may give rise to minimum tax under the Tax Act. Resident Holders who are individuals should consult their own tax advisors in this regard.

Blackhawk Shareholders Not Resident in Canada

The following portion of this summary is generally applicable to a Holder, who for purposes of the Tax Act and any applicable income tax convention, and at all relevant times: (i) is not and has not been a resident or deemed to be a resident of Canada, and (ii) does not use or hold, and will not use or hold (and is not deemed to and will not be deemed to use or hold) Blackhawk Shares, New Blackhawk Shares and SpinCo Shares in connection with a business carried on in Canada (a “**Non-Resident Holder**”). Special rules, which are not discussed in this summary, may apply to a non-resident that is an insurer carrying on business in Canada and elsewhere.

Redesignation of Blackhawk Shares

Based on past CRA administrative policy, the renaming of the existing Blackhawk Shares and the amendment of the terms of the Blackhawk Shares to increase the number of votes that may be cast at meetings in respect of each existing Blackhawk Share, as contemplated by the Plan or Arrangement, should not, in and of itself, result in Blackhawk Shareholders being deemed to have disposed of their Blackhawk Shares for the purposes of the Tax Act

Share Exchange

Blackhawk has advised that, at the time of the Share Exchange, the aggregate fair market value of all SpinCo Shares distributed to Blackhawk Shareholders under the Arrangement is not expected to exceed the “paid-up capital”, in respect of all Blackhawk Shares immediately before that time. Accordingly, Blackhawk is not expected to be deemed to pay, nor is a Non-Resident Holder expected to be deemed to receive, a dividend as a result of the Share Exchange. If the fair market value of all SpinCo Shares at the time of their distribution under the Arrangement were to exceed the “paid-up capital” in respect of all Blackhawk Shares immediately before that time, Blackhawk would be deemed to have paid a dividend on the Blackhawk Shares equal to the amount of the excess, and each Non-Resident Holder would be deemed to have received a pro rata portion of the dividend, based on the proportion of the total Blackhawk Shares held by the Non-Resident Holder at that time. See “*Blackhawk Shareholders Not Resident in Canada – Dividends on Blackhawk Shares, SpinCo Shares and New Blackhawk Shares*” below for a general description of the taxation of dividends received by Non-Resident Holders under the Tax Act.

Assuming that the fair market value of all SpinCo Shares at the time of their distribution under the Arrangement does not exceed the “paid-up capital” in respect of all Blackhawk Shares immediately before that time, a Non-Resident

Holder whose Blackhawk Shares are exchanged for New Blackhawk Shares and SpinCo Shares under the Arrangement should be considered to have disposed of the Blackhawk Shares for proceeds of disposition equal to the greater of: (i) the Non-Resident Holder's adjusted cost base of the Blackhawk Shares immediately before the exchange; and (ii) the fair market value, at the time of the exchange, of the SpinCo Shares received by the Non-Resident Holder. Consequently, a Non-Resident Holder should realize a capital gain to the extent that the fair market value of the SpinCo Shares received on the Share Exchange exceeds the adjusted cost base of the Non-Resident Holder's Blackhawk Shares at the time of the exchange. If the fair market value of all SpinCo Shares at the time of Share Exchange were to exceed the "paid-up capital" in respect of all Blackhawk Shares immediately before the exchange, the proceeds of disposition of the Non-Resident Holder's Blackhawk Shares would be reduced by the amount of the dividend referred to in the previous paragraph that the Non-Resident Holder would be deemed to have received. See "*Blackhawk Shareholders Not Resident in Canada – Taxation of Capital Gains and Capital Losses*" below for a general description of the treatment of capital gains and losses to Non-Resident Holders under the Tax Act.

A Non-Resident Holder will not be subject to tax under the Tax Act on any capital gain realized on a disposition of Blackhawk Shares, SpinCo Shares, or New Blackhawk Shares, unless, at the time of the disposition, such shares are "taxable Canadian property" to the Non-Resident Holder and are not "treaty-protected property" of the Non-Resident Holder.

Provided the Blackhawk Shares, SpinCo Shares and New Blackhawk Shares are listed on a "designated stock exchange", the Blackhawk Shares, SpinCo Shares, New Blackhawk Shares, (collectively, the "**Subject Securities**") generally will not constitute "taxable Canadian property" of a Non-Resident Holder, unless, at any time during the 60-month period immediately preceding the disposition, the following two conditions were satisfied concurrently:

- (i) 25% or more of the issued shares of any class or series of shares in the capital stock of Blackhawk or SpinCo, as applicable, were owned by or belonged to one or any combination of:
 - (a) the Non-Resident Holder;
 - (b) persons with whom the Non-Resident Holder did not deal at arm's length for the purposes of the Tax Act; or
 - (c) partnerships in which the Non-Resident Holder or persons with whom the Non-Resident Holder did not deal at "arm's length" held membership interests either directly or indirectly through one or more other partnerships, and
- (ii) the Blackhawk Shares, SpinCo Shares, or New Blackhawk Shares, as applicable, derived (directly or indirectly) more than 50% of their fair market value from one or any combination of real or immovable property situated in Canada, Canadian resource properties, timber resource properties, or options in respect of, or interests in, any such property, whether or not the property exists, all as defined for the purposes of the Tax Act.

Taxation of Capital Gains and Capital Losses

A disposition or deemed disposition of subject securities held by a Non-Resident Holder as capital property that are "taxable Canadian property" and are not "treaty-protected property" will give rise to a capital gain (or a capital loss) equal to the amount, if any, by which the proceeds of disposition, less any reasonable costs of disposition, exceed (or are less than) the adjusted cost of such shares to the Non-Resident Holder at the time of actual or deemed disposition. Generally, one-half of any capital gain realized will be required to be included in income as a taxable capital gain and will be taxed at applicable Canadian tax rates. One-half of any capital loss will be deductible, subject to certain limitations, against certain taxable capital gains in the year of disposition, the three preceding years or any subsequent year in accordance with the detailed provisions of the Tax Act. Non-Resident Holders to whom these rules may be relevant should consult their own tax advisers in this regard.

Dividends on Blackhawk Shares, SpinCo Shares and New Blackhawk Shares

Dividends paid, or credited, or deemed to be paid or credited, on Blackhawk Shares, SpinCo Shares or New Blackhawk Shares to a Non-Resident Holder (other than a Dissenting Non-Resident Holder) generally will be subject to Canadian non-resident withholding tax at a rate of 25% of the gross amount of the dividend, unless the rate is reduced under the provisions of an applicable income tax convention. For example, the rate of withholding tax under the *Canada-U.S. Income Tax Convention* (1980), as amended (the “**US Treaty**”) applicable to a Non-Resident Holder (other than a Dissenting Non-Resident Holder) who is an individual and a resident of the United States for the purposes of the US Treaty, is the beneficial owner of the dividend, and is entitled to claim all of the benefits afforded by the US Treaty generally will be 15%.

Dissenting Non-Resident Holders

A Non-Resident Holder of Blackhawk Shares who dissents from the Arrangement (a “**Dissenting Non-Resident Holder**”) will be deemed to have transferred such Holder’s Blackhawk Shares to Blackhawk, and will be entitled to receive a payment from Blackhawk of an amount equal to the fair value of the Non-Resident Holder’s Blackhawk Shares. Non-Resident Holders who intend to dissent from the Arrangement are urged to consult their own tax advisors.

A Dissenting Non-Resident Holder will be deemed to have received a taxable dividend equal to the amount by which the amount received from Blackhawk for such Non-Resident Holder’s Blackhawk Shares, less an amount in respect of interest, if any, awarded by the Court, exceeds the “paid-up capital” in respect of such Blackhawk Shares (as determined for the purposes of the Tax Act). The amount of the dividend will be subject to Canadian non-resident withholding tax at the rate of 25% of the gross amount of the dividend, unless the rate is reduced under the provisions of an applicable income tax convention between Canada and the Dissenting Non-Resident Holder’s country of residence.

A Dissenting Non-Resident Holder of Blackhawk Shares will also be considered to have disposed of the Blackhawk Shares for proceeds of disposition equal to the amount paid to such Dissenting Non-Resident Holder less an amount in respect of interest, if any, awarded by the Court and the amount of any deemed dividend. The Dissenting Non-Resident Holder will be subject to tax under the Tax Act on any gain realized as a result of the disposition if such shares constitute “taxable Canadian property” and are not “treaty-protected property” as discussed above under the heading “*Blackhawk Shareholders Not Resident in Canada – Taxation of Capital Gains and Capital Losses*”.

Eligibility For Investment

New Blackhawk Shares and SpinCo Shares will be “qualified investments” under the Tax Act for a trust governed by a registered retirement savings plan, a registered retirement income fund, a registered education savings plan, a registered disability savings plan, a tax-free savings account (collectively referred to as “**Registered Plans**”) or a deferred profit sharing plan, at any particular time, provided the: (i) New Blackhawk Shares or SpinCo Shares, as applicable, are listed on a “designed stock exchange” (which currently includes the CSE) at that time, or (ii) Blackhawk or SpinCo, as applicable, is a “public corporation” (other than a “mortgage investment corporation”) at that time.

Notwithstanding the foregoing, the holder or subscriber of, or an annuitant under, a Registered Plan, as the case may be, (each a “**Plan Holder**”) will be subject to a penalty tax in respect of New Blackhawk Shares and SpinCo Shares held in the Registered Plan if such shares are a “prohibited investment” (as defined in the Tax Act) for the particular Registered Plan. A New Blackhawk Share or a SpinCo Share generally will not be a “prohibited investment” for a Registered Plan provided that the Plan Holder deals at arm’s length with New Blackhawk or SpinCo, as applicable, for the purposes of the Tax Act and does not have a “significant interest” in New Blackhawk or SpinCo, as applicable. In addition, the New Blackhawk Shares and the SpinCo Shares will not be a prohibited investment for a Registered Plan if such securities are “excluded property” (as defined in the Tax Act) in respect of such Registered Plan.

Plan Holders are advised to consult their own tax advisors with respect to whether the New Blackhawk Shares or the SpinCo Shares are “prohibited investments” having regard to their particular circumstances.

INFORMATION CONCERNING SPINCO

Upon completion of the Arrangement, each Blackhawk Shareholder, other than a Dissenting Shareholder, will become a securityholder of SpinCo. Information relating to SpinCo is contained in 1)a)i)(1)(a)(i)1. Appendix E to this Circular. The audited financial statements of SpinCo for the year ended June 30, 2022 and accompanying notes thereto are attached as Schedule A to 1)a)i)(1)(a)(i)1. Appendix E of this Circular. The unaudited financial statements of SpinCo for the three months ended September 30, 2022 and accompanying notes thereto are attached as Schedule B to Appendix E of this Circular.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as otherwise disclosed in this Circular, no director or executive officer of Blackhawk, or any person who has held such a position since the beginning of Blackhawk's financial year ended June 30, 2022, nor any nominee for election as a director of Blackhawk, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors and as may be set out herein.

INTERESTS OF EXPERTS

SHIM & Associates LLP ("SHIM") is the auditor for Blackhawk. SHIM certified the auditor's reports on the audited consolidated financial statements of Blackhawk for the years ended June 30, 2022 and 2021.

SHIM has confirmed that they are independent with respect to Blackhawk within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulations.

MNP LLP is the auditor of SpinCO and reported on the audited financial statements for the years ended June 30, 2022 and 2021.

MNP LLP has confirmed that they are independent with respect to SpinCo within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulations.

AUDITOR, REGISTRAR AND TRANSFER AGENT

The auditor of Blackhawk is SHIM & Associates LLP, 777 Hornby Street, Vancouver, British Columbia, V6Z 1S4.

The registrar and transfer agent for the Blackhawk Shares is Odyssey Trust Company of Suite 1230, 300 - 5th Avenue SW, Calgary, Alberta, T2P 3C4.

OTHER MATTERS

Management of Blackhawk is not aware of any matters to come before the Meeting other than as set forth in the Notice of Meeting that accompanies this Circular. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the Blackhawk Securities represented thereby in accordance with their best judgment on such matter.

ADDITIONAL INFORMATION

You may obtain additional financial information about Blackhawk in Blackhawk's audited consolidated financial statements and MD&A for the years ended June 30, 2022 and 2021, which have been filed with the applicable securities commissions and are available for viewing, together with Blackhawk's other public disclosure documents, under Blackhawk's profile on SEDAR at www.sedar.com. Copies of Blackhawk's financial statements may be obtained without charge upon request to Blackhawk at Suite 306, 1110 Hamilton Street, Vancouver, British Columbia V6B 2S2.

QUESTIONS AND FURTHER ASSISTANCE

If you have any questions about the information contained in this Circular or require assistance in completing your proxy form, please contact Frederick Pels, Chief Executive Officer and a director of Blackhawk, at 604-681-0084 or by email at info@blackhawkgrowth.com.

APPROVAL OF DIRECTORS

The contents and sending of this Circular, including the Notice of Meeting, have been approved and authorized by the Blackhawk Board.

November 30, 2022

BY ORDER OF THE BOARD OF DIRECTORS

(Signed) "Frederick Pels"
Chief Executive Officer and Director

**APPENDIX A
ARRANGEMENT RESOLUTION**

BE IT RESOLVED THAT AS A SPECIAL RESOLUTION:

- (a) The arrangement (the "**Arrangement**") under Section 288 of the *Business Corporations Act* (British Columbia) (the "**Act**") involving Blackhawk Growth Corp. ("**Blackhawk**"), pursuant to the arrangement agreement dated November 25, 2022 between Blackhawk and 1286409 B.C. Ltd. (the "**Arrangement Agreement**"), all as more particularly described and set forth in the management information circular of Blackhawk dated November 17, 2022 accompanying the notice of this meeting (as the Arrangement may be amended, modified and/or supplemented from time to time in accordance with its terms), is hereby authorized, approved and adopted.
- (b) The plan of arrangement as it has been or may be amended, modified and/or supplemented in accordance with the Arrangement Agreement and its terms (the "**Plan of Arrangement**"), the full text of which is set out as Schedule **Error! Reference source not found.** to the Arrangement Agreement, is hereby authorized, approved and adopted.
- (c) The Arrangement Agreement and all the transactions contemplated thereby, the actions of the directors of Blackhawk in approving the Arrangement and the Arrangement Agreement, and the actions of the directors and officers of Blackhawk in executing and delivering the Arrangement Agreement and any amendments, modifications and/or supplements thereto are hereby ratified and approved.
- (d) Notwithstanding this resolution has been passed (and the Arrangement approved and agreed to) by shareholders of Blackhawk or that the Arrangement has been approved by the Supreme Court of British Columbia, the directors of Blackhawk are hereby authorized and empowered without further notice to or approval of any shareholders of Blackhawk: (i) to amend, modify and/or supplement the Arrangement Agreement or the Plan of Arrangement to the extent permitted by the Arrangement Agreement or Plan of Arrangement; and (ii) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement and related transactions.
- (e) Any one officer or director of Blackhawk is hereby authorized and directed for, in the name of and on behalf of Blackhawk, to make an application for the final order from the Supreme Court of British Columbia approving the Arrangement on the terms set forth in the Arrangement Agreement and the Plan of Arrangement and to execute, under the corporate seal of Blackhawk or otherwise, and to deliver or cause to be delivered, for filing with the Registrar under the Act, such documents as are necessary or desirable to give effect to the Arrangement and the Plan of Arrangement in accordance with the Arrangement Agreement.
- (f) Any one director or officer of Blackhawk is hereby authorized and directed for, in the name and on behalf of Blackhawk, to execute or cause to be executed, under the seal of Blackhawk or otherwise, and to deliver or to cause to be delivered, all such other documents and instruments and to do or to cause to be done all such other acts and things as in such person's opinion may be necessary or desirable in order to carry out the intent of the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document or instrument or the doing of such act or thing.

**APPENDIX B
PLAN OF ARRANGEMENT**

See attached.

PLAN OF ARRANGEMENT
PLAN OF ARRANGEMENT UNDER SECTION 288
OF THE
BUSINESS CORPORATIONS ACT (BRITISH COLUMBIA)

ARTICLE 1 - INTERPRETATION

- 1.1 In this Plan of Arrangement (this "**Plan of Arrangement**"), the following terms have the following meanings:
- (a) "**Act**" means the *Business Corporations Act* (British Columbia), SBC 2002, c 57 and the regulations made thereunder, as in effect on the date hereof;
 - (b) "**Arrangement**", "herein", "hereof", "hereto", "hereunder" and similar expressions mean and refer to the arrangement under Section 288 of the Act on the terms and subject to the conditions set out in this Plan of Arrangement, subject to any amendments or variations made in accordance with: (i) Article 12 of the Arrangement Agreement, (ii) Article 6 of this Plan of Arrangement; or (iii) at the discretion of the Court in either the Interim Order or the Final Order with the prior written consent of Blackhawk and SpinCo, each acting reasonably;
 - (c) "**Arrangement Agreement**" means the arrangement agreement dated November 25, 2022 between Blackhawk and SpinCo with respect to the Arrangement, as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms thereof;
 - (d) "**Arrangement Resolution**" means the special resolution in respect of the Arrangement in substantially the form attached as Appendix A to the Information Circular to be voted upon by Blackhawk Shareholders at the Meeting;
 - (e) "**Assumed Obligation**" has the meaning set out in Section 3.1(b)(i);
 - (f) "**Blackhawk**" means Blackhawk Growth Corp., a company incorporated under the laws of the Province of British Columbia;
 - (g) "**Blackhawk Shares**" means common shares in the capital of Blackhawk;
 - (h) "**Blackhawk Shareholders**" means a holder of Blackhawk Shares;
 - (i) "**Blackhawk Warrants**" means the common share purchase warrants of Blackhawk to acquire Blackhawk Shares set forth in Schedule E of the Arrangement Agreement;
 - (j) "**Business Day**" means any day, excepting Saturdays, Sundays and statutory holidays observed in Vancouver, British Columbia;
 - (12) "**Court**" means the Supreme Court of British Columbia;

- (k) “**Digital**” means Digital Mind Technology Pty Ltd., a company incorporated under the laws of Australia;
- (l) “**Digital Business**” means clinical trial stage trials developing digital interventions to treat mental health conditions;
- (m) “**Digital Shares**” means the ordinary shares of Digital;
- (n) “**Dissent Rights**” means rights of dissent in respect of the Arrangement as described in Article Article 5 hereof, as modified by the Interim Order and the Final Order;
- (o) “**Dissenting Shareholder**” means a registered holder of Blackhawk Shares who has duly and validly exercised its Dissent Rights in respect of its Blackhawk Shares and has not withdrawn or been deemed to have withdrawn such exercise of its Dissent Rights;
- (p) “**Effective Date**” means the date agreed to by Blackhawk and SpinCo in writing as the effective date of the Arrangement after all of the conditions precedent to the completion of the Arrangement as set out in the Arrangement Agreement have been satisfied or waived and the Final Order has been granted by the Court;
- (q) “**Effective Time**” means 12:01 a.m. (Vancouver time) on the Effective Date, or such other time agreed to by Blackhawk and SpinCo;
- (r) “**Exchange**” means the Canadian Securities Exchange;
- (s) “**Final Order**” means the final order of the Court approving the Arrangement pursuant to Section 291 of the Act (in form acceptable to Blackhawk and SpinCo each acting reasonably), as such order may be affirmed, amended or modified by any court of competent jurisdiction (with the consent of Blackhawk and SpinCo, each acting reasonably) at any time prior to the Effective Date or, if appealed, then unless such appeal is withdrawn or denied, as affirmed or as amended (provided that any such amendment is acceptable to Blackhawk and SpinCo, each acting reasonably) on appeal;
- (t) “**Information Circular**” means the notice of Meeting and accompanying management information circular and proxy statement of Blackhawk to be mailed to the Blackhawk Shareholders in connection with the holding of the Meeting, as amended, supplemented or otherwise modified from time to time in accordance with the Arrangement Agreement;
- (u) “**Interim Order**” means the interim order of the Court concerning the Arrangement under Section 291 of the Act (in form acceptable to Blackhawk and SpinCo, each acting reasonably), containing declarations and directions with respect to the Arrangement and the holding of the Meeting as such order may be affirmed, amended or modified by any court of competent jurisdiction (with the prior consent of Blackhawk and SpinCo, each acting reasonably);
- (v) “**Meeting**” means the special meeting of the Blackhawk Shareholders, including any adjournments or postponements thereof, to be called and held in accordance with the Arrangement Agreement and Interim Order to permit the Blackhawk Shareholders to consider and vote on the Arrangement Resolution;

- (w) “**Mindbio**” means Mindbio Therapeutics Pty Ltd., a company incorporated under the laws of Australia.
 - (x) "**Person**" includes any individual, partnership, association, organization, firm, body corporate, trust, estate, trustee, executor, administrator, legal representative, government (including governmental authority), agency, instrumentality, or other entity, whether or not having legal status;
 - (y) "**Plan of Arrangement**" means this plan of arrangement and any amendments or variations hereto made in accordance with the Arrangement Agreement and Article Article 6 hereof or made at the direction of the Court in either the Interim Order or the Final Order with the prior written consent of Blackhawk and SpinCo, each acting reasonably;
 - (z) "**Registrar**" has the meaning set out in the Act;
 - (aa) "**SpinCo**" means 1286409 B.C. Ltd., a company existing under the laws of the Province of British Columbia;
 - (bb) "**SpinCo Board**" means the board of directors of SpinCo as may be constituted from time to time;
 - (cc) "**SpinCo Shares**" means the common shares in the capital of SpinCo;
 - (dd) "**SpinCo Shareholders**" means the holders of SpinCo Shares;
 - (ee) "**Tax Act**" means the Income Tax Act (Canada), together with any and all regulations promulgated thereunder, each as amended; and
 - (ff) "**Transfer Agent**" means Odyssey Trust Company.
- 1.2 The division of this Plan of Arrangement into articles and sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Plan of Arrangement.
- 1.3 Unless reference is specifically made to some other document or instrument, all references herein to articles and sections are to articles and sections of this Plan of Arrangement.
- 1.4 Unless the context otherwise requires, words importing the singular number shall include the plural and vice versa; and words importing any gender shall include all genders.
- 1.5 In the event that the date on which any action is required to be taken hereunder by any of the parties is not a Business Day in the place where the action is required to be taken, such action shall be required to be taken on the next succeeding day which is a Business Day in such place.
- 1.6 References in this Plan of Arrangement to any statute or sections thereof shall include such statute as amended or substituted and any regulations promulgated thereunder from time to time in effect.

ARTICLE 2 - ARRANGEMENT AGREEMENT

- 2.1 This Plan of Arrangement is made pursuant and subject to the provisions of, and forms part of, the Arrangement Agreement.
- 2.2 The Arrangement will become effective at the Effective Time and will be binding on and after the Effective Time on: (i) all legal and beneficial Blackhawk Shareholders; (ii) Blackhawk; and (iii) SpinCo.

ARTICLE 3 - ARRANGEMENT

- 3.1 The Arrangement involves the following steps that will occur and will be deemed to occur sequentially, in five minute increments, unless otherwise noted, starting at the Effective Time without any further act or formality:
- (a) the Blackhawk Shares held by Dissenting Shareholders who have properly exercised Dissent Rights that remain valid immediately prior to the Effective Time shall, as of the Effective Time, be deemed to have been transferred to Blackhawk free and clear of all liens, claims and encumbrances, and cancelled and cease to be outstanding, and, as of the Effective Time, such Dissenting Shareholders shall cease to have any rights as Blackhawk Shareholders, other than the right to be paid the fair value of their Blackhawk Shares;
 - (b) SpinCo shall effect a name change to “MindBio Therapeutics Corp.” or such other name as approved by the directors of SpinCo;
 - (c) Blackhawk shall transfer, assign and convey to SpinCo and SpinCo shall accept all of the Digital Shares in consideration for:
 - (i) SpinCo agreeing to use its best efforts to issue one SpinCo Share to the holder of each validly exercised Blackhawk Warrant, upon receiving from Blackhawk a copy of the corresponding exercise form and confirmation that it received the exercise price in respect of such Blackhawk Warrant, subject to any approvals required by the Canadian Securities Exchange or the holders of the SpinCo Shares to effect such issuance (such SpinCo Shares to be subject to any restrictions or restrictive legends in accordance with applicable securities laws and the policies of the Canadian Securities Exchange) (the “**Assumed Obligation**”)
 - (ii) the issuance by SpinCo of that number of fully paid and non-assessable SpinCo Shares as is equal to the product of: (A) the amount by which the fair market value of the Digital Shares exceeds the fair market value of the Assumed Obligation as of the Effective Time, multiplied by (B) a fraction, the numerator of which is the number of SpinCo Shares issued and outstanding immediately after the step described at 3.1(a), and the denominator of which is the fair market value of the issued and outstanding SpinCo Shares immediately after the step described at 3.1(a); and the aggregate amount added to the capital of the SpinCo Shares will be equal to the amount by which the fair market value of the Digital Shares exceeds the fair market value of the Assumed Obligation as of the Effective Time;

- (d) authorized share capital of SpinCo shall be amended to consolidate or split, as applicable, the SpinCo Shares outstanding on the basis of an exchange of one new SpinCo Share for a particular number of issued and outstanding SpinCo Shares, such that the number of issued and outstanding SpinCo Shares after the consolidation or split, as applicable, shall equal the number of Blackhawk Shares issued and outstanding immediately after the step described at Section 3.1(a);
 - (e) the authorized share structure of Blackhawk shall be deemed to be altered by:
 - (i) renaming and re-designating all of the issued and unissued Blackhawk Shares as Class A common shares without par value and amending the restrictions attached to those shares to provide the holders thereof with two votes in respect of each share held, being the “**Blackhawk Class A Shares**”;
 - (ii) creating a new class consisting of an unlimited number of common shares without par value with terms and special rights and restrictions identical to those of the Blackhawk Shares immediately prior to the Effective Time, being the “**New Blackhawk Shares**”; and
 - (iii) the Articles of Blackhawk shall be amended to reflect the alterations in Section 3.1(d)(i) and 3.1(d)(ii);
 - (f) in the course of a reorganization of Blackhawk’s capital within the meaning of section 86 of the Tax Act, each Blackhawk Class A Share (excluding any Blackhawk Class A Shares held by Dissenting Shareholders) will be deemed to be exchanged by the Blackhawk Shareholders (free and clear of all liens, claims and encumbrances) for:
 - (i) one New Blackhawk Share; and
 - (ii) one SpinCo Share;
 - (g) simultaneously with the step at Section 3.1(e):
 - (i) the aggregate amount added to the capital of the New Blackhawk Shares will be equal to (a) aggregate paid-up capital (as that term is used for purposes of the Tax Act) of the Blackhawk Class A Shares (excluding Blackhawk Shares held by Dissenting Shareholders) immediately prior to the exchange effected pursuant to Section 3.1(f), less (b) the fair market value of the SpinCo Shares distributed pursuant to Section 3.1(f) at the time of distribution;
 - (ii) the Blackhawk Class A Shares, none of which will be issued or outstanding once the exchange in Section 3.1(f) is completed, will be cancelled with the appropriate entries being made in the central securities register of Blackhawk and the authorized share structure of Blackhawk will be amended by eliminating the Blackhawk Class A Shares; and
 - (iii) the Articles of Blackhawk shall be amended to reflect the alterations in Section 3.1(g)(i).
- 3.2 Each of Blackhawk, SpinCo and the Transfer Agent shall be entitled to deduct and withhold from any cash payment or any issue, transfer or distribution of New Blackhawk

Shares or SpinCo Shares, made pursuant to this Plan of Arrangement such amounts as may be required to be deducted and withheld pursuant to the Tax Act or any other applicable law, and any amount so deducted and withheld will be deemed for all purposes of this Plan of Arrangement to be paid, issued, transferred or distributed to the person entitled thereto under the Plan of Arrangement. Without limiting the generality of the foregoing, any New Blackhawk Shares or SpinCo Shares so deducted and withheld may be sold on behalf of the person entitled to receive them for the purpose of generating cash proceeds, net of brokerage fees and other reasonable expenses, sufficient to satisfy all remittance obligations relating to the required deduction and withholding, and any cash remaining after such remittance shall be paid to the person forthwith.

ARTICLE 4 - OUTSTANDING CERTIFICATES AND FRACTIONAL SECURITIES

- 4.1 From and after the Effective Time, certificates or DRS statements formerly representing Blackhawk Shares under the Arrangement shall represent only the right to receive the consideration to which the Blackhawk Shareholders are entitled under the Arrangement, or as to those held by Dissenting Shareholders, other than those Dissenting Shareholders deemed to have participated in the Arrangement pursuant to Section 5.1, to receive the fair value of the Blackhawk Shares represented by such certificates or DRS statements.
- 4.2 On the Effective Date, or as soon as practicable thereafter, SpinCo shall execute and deliver to the Transfer Agent a treasury order or such other direction as may be requested by the Transfer Agent to effect the issuances and delivery of the SpinCo Shares issuable in Section 3.1(f)(ii) above to such Blackhawk Shareholders in accordance with the terms of this Plan of Arrangement.
- 4.3 No fractional SpinCo Shares shall be issued pursuant to the Arrangement and any fractional number of SpinCo Shares shall be rounded up or down to the nearest whole number of SpinCo Shares without any additional compensation.
- 4.4 From and after the Effective Date, share certificates and DRS statements representing Blackhawk Shares immediately before the Effective Date, except for those deemed to have been cancelled pursuant to Article Article 5, shall for all purposes be deemed to be certificates or DRS statements, as applicable, representing New Blackhawk Shares, and no new certificates or DRS statements shall be issued with respect to the New Blackhawk Shares issued in connection with the Arrangement.

ARTICLE 5 - DISSENTING SHAREHOLDERS

- 5.1 Each registered holder of Blackhawk Shares may exercise dissent rights with respect to any Blackhawk Shares held by such holder (“**Dissent Rights**”) in connection with the Arrangement pursuant to and in the manner set forth in Division 2 of Part 8 of the Act, as modified by the Interim Order, the Final Order, and this Section 5.1 provided that, notwithstanding Section 242 of the Act, the written objection to the Arrangement Resolution referred to in Section 242 of the Act must be received by the Blackhawk not later than 5:00 p.m. (Vancouver time) on the Business Day that is two (2) Business Days immediately preceding the date of the Meeting (as it may be adjourned or postponed from time to time). Each dissenting Blackhawk Shareholder who duly exercise such Blackhawk Shareholder’s Dissent Rights shall, notwithstanding anything to the contrary in Section 245 of the Act, be deemed to have transferred for cancellation the Blackhawk

Shares held by such holder and in respect of which Dissent Rights have been validly exercised to the Blackhawk free and clear of all liens (other than the right to be paid fair value for such Blackhawk Shares as set out in this Section 5.1), as provided in Section 3.1 and if they:

- (a) are entitled to be paid fair value for such Blackhawk Shares: (i) shall be deemed not to have participated in the transactions in Article 3 (other than Section 3.1(a)); (ii) will be entitled to be paid by the Blackhawk the fair value of such Blackhawk Shares, which fair value shall be determined in accordance with the procedures applicable to the payout value set out in Sections 244 and 245 of the Act and determined as of the close of business on the Business Day before the Arrangement Resolution was adopted; and (iii) will not be entitled to any other payment or consideration, including any payment that would be payable under the Arrangement had such holder not exercised their Dissent Rights in respect of such Blackhawk Shares; or
- (b) ultimately are not entitled, for any reason, to be paid fair value for such Blackhawk Shares shall be deemed to have participated in the Arrangement on the same basis as a Blackhawk Shareholder that did not exercise Dissent Rights and shall be entitled to receive only the same consideration the Blackhawk Shareholder would have received pursuant to the Arrangement if such registered Blackhawk Shareholder had not exercised Dissent Rights.

ARTICLE 6 - AMENDMENTS

- 6.1 Blackhawk and SpinCo may amend, modify and/or supplement this Plan of Arrangement at any time and from time to time prior to the Effective Date, provided that each such amendment, modification and/or supplement must be: (i) set out in writing; (ii) filed with the Court and, if made following the Meeting, approved by the Court; and (iii) communicated to Blackhawk Shareholders, if and as required by the Court.
- 6.2 Any amendment, modification or supplement to this Plan of Arrangement may be proposed by Blackhawk and SpinCo at any time prior to or at the Meeting (provided that the other parties shall have consented in writing prior thereto) with or without any other prior notice or communication, and if so proposed and accepted, in the manner contemplated and to the extent required by the Arrangement Agreement, by the persons voting at the Meeting (other than as may be required under the Interim Order or other order of the Court), shall become part of this Plan of Arrangement for all purposes.
- 6.3 Any amendment, modification or supplement to this Plan of Arrangement which is approved or directed by the Court following the Meeting shall be effective only: (i) if it is consented to by Blackhawk and SpinCo (each acting reasonably); and (ii) if required by the Court, it is consented to by Blackhawk Shareholders.
- 6.4 Any amendment, modification or supplement to this Plan of Arrangement may be made following the Effective Time but shall only be effective if (x) it is consented to by Blackhawk and SpinCo and (y) it concerns a matter which, in the reasonable opinion of Blackhawk, is merely of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the financial or economic interests of Blackhawk or SpinCo or any former Blackhawk Shareholder.

ARTICLE 7 - MISCELLANEOUS

- 7.1 Notwithstanding that the transactions and events set out herein shall occur and shall be deemed to occur in the order set out in the Plan of Arrangement without any further act or formality, each of Blackhawk and SpinCo shall make, do and execute, or cause to be made, done or executed, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required in order further to document or evidence any of the transactions or events set out herein.

APPENDIX C
EXCERPTED STATUTORY PROVISIONS RELATING TO DISSENT RIGHTS

Division 2 – Dissent Proceedings

Definitions and application

237 (1) In this Division:

“dissenter” means a shareholder who, being entitled to do so, sends written notice of dissent when and as required by section 242;

“notice shares” means, in relation to a notice of dissent, the shares in respect of which dissent is being exercised under the notice of dissent; and

“payout value” means, (a) in the case of a dissent in respect of a resolution, the fair value that the notice shares had immediately before the passing of the resolution, (b) in the case of a dissent in respect of an arrangement approved by a court order made under section 291 (2) (c) that permits dissent, the fair value that the notice shares had immediately before the passing of the resolution adopting the arrangement, or (c) in the case of a dissent in respect of a matter approved or authorized by any other court order that permits dissent, the fair value that the notice shares had at the time specified by the court order, excluding any appreciation or depreciation in anticipation of the corporate action approved or authorized by the resolution or court order unless exclusion would be inequitable.

(2) This Division applies to any right of dissent exercisable by a shareholder except to the extent that (a) the court orders otherwise, or (b) in the case of a right of dissent authorized by a resolution referred to in section 238 (1) (g), the court orders otherwise or the resolution provides otherwise.

Right to dissent

238 (1) A shareholder of a company, whether or not the shareholder’s shares carry the right to vote, is entitled to dissent as follows:

- (a) under section 260, in respect of a resolution to alter the articles to alter restrictions on the powers of the company or on the business it is permitted to carry on;
- (b) under section 272, in respect of a resolution to adopt an amalgamation agreement;
- (c) under section 287, in respect of a resolution to approve an amalgamation under Division 4 of Part 9;
- (d) in respect of a resolution to approve an arrangement, the terms of which arrangement permit dissent;
- (e) under section 301 (5), in respect of a resolution to authorize or ratify the sale, lease or other disposition of all or substantially all of the company’s undertaking;
- (f) under section 309, in respect of a resolution to authorize the continuation of the company into a jurisdiction other than British Columbia;
- (g) in respect of any other resolution, if dissent is authorized by the resolution; or
- (h) in respect of any court order that permits dissent.

- (2) A shareholder wishing to dissent must:
- (a) prepare a separate notice of dissent under section 242 for (i) the shareholder, if the shareholder is dissenting on the shareholder's own behalf, and (ii) each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is dissenting;
 - (b) identify in each notice of dissent, in accordance with section 242 (4), the person on whose behalf dissent is being exercised in that notice of dissent; and
 - (c) dissent with respect to all of the shares, registered in the shareholder's name, of which the person identified under paragraph (b) of this subsection is the beneficial owner.
- (3) Without limiting subsection (2), a person who wishes to have dissent exercised with respect to shares of which the person is the beneficial owner must
- (a) dissent with respect to all of the shares, if any, of which the person is both the registered owner and the beneficial owner, and
 - (b) cause each shareholder who is a registered owner of any other shares of which the person is the beneficial owner to dissent with respect to all of those shares.

Waiver of right to dissent

239 (1) A shareholder may not waive generally a right to dissent but may, in writing, waive the right to dissent with respect to a particular corporate action.

- (2) A shareholder wishing to waive a right of dissent with respect to a particular corporate action must
- (a) provide to the company a separate waiver for
 - (i) the shareholder, if the shareholder is providing a waiver on the shareholder's own behalf, and
 - (ii) each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is providing a waiver; and
 - (b) identify in each waiver the person on whose behalf the waiver is made.
- (3) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on the shareholder's own behalf, the shareholder's right to dissent with respect to the particular corporate action terminates in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and this Division ceases to apply to
- (a) the shareholder in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and
 - (b) any other shareholders, who are registered owners of shares beneficially owned by the first mentioned shareholder, in respect of the shares that are beneficially owned by the first mentioned shareholder.
- (4) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on behalf of a specified person who beneficially owns shares registered in the name of the shareholder, the right of shareholders who are registered owners of shares beneficially owned by that specified person to dissent on behalf of that specified person with respect to the particular corporate

action terminates and this Division ceases to apply to those shareholders in respect of the shares that are beneficially owned by that specified person.

Notice of resolution

240 (1) If a resolution in respect of which a shareholder is entitled to dissent is to be considered at a meeting of shareholders, the company must, at least the prescribed number of days before the date of the proposed meeting, send to each of its shareholders, whether or not their shares carry the right to vote:

- (a) a copy of the proposed resolution; and
- (b) a notice of the meeting that specifies the date of the meeting, and contains a statement advising of the right to send a notice of dissent.

(2) If a resolution in respect of which a shareholder is entitled to dissent is to be passed as a consent resolution of shareholders or as a resolution of directors and the earliest date on which that resolution can be passed is specified in the resolution or in the statement referred to in paragraph (b), the company may, at least 21 days before that specified date, send to each of its shareholders, whether or not their shares carry the right to vote:

- (a) a copy of the proposed resolution; and
- (b) a statement advising of the right to send a notice of dissent.

(3) If a resolution in respect of which a shareholder is entitled to dissent was or is to be passed as a resolution of shareholders without the company complying with subsection (1) or (2), or was or is to be passed as a directors' resolution without the company complying with subsection (2), the company must, before or within 14 days after the passing of the resolution, send to each of its shareholders who has not, on behalf of every person who beneficially owns shares registered in the name of the shareholder, consented to the resolution or voted in favour of the resolution, whether or not their shares carry the right to vote:

- (a) a copy of the resolution;
- (b) a statement advising of the right to send a notice of dissent, and
- (c) if the resolution has passed, notification of that fact and the date on which it was passed.

(4) Nothing in subsection (1), (2) or (3) gives a shareholder a right to vote in a meeting at which, or on a resolution on which, the shareholder would not otherwise be entitled to vote.

Notice of court orders

241 If a court order provides for a right of dissent, the company must, not later than 14 days after the date on which the company receives a copy of the entered order, send to each shareholder who is entitled to exercise that right of dissent:

- (a) a copy of the entered order; and
- (b) a statement advising of the right to send a notice of dissent.

Notice of dissent

242 (1) A shareholder intending to dissent in respect of a resolution referred to in section 238 (1) (a), (b), (c), (d), (e) or (f) must:

- (a) if the company has complied with section 240 (1) or (2), send written notice of dissent to the company at least 2 days before the date on which the resolution is to be passed or can be passed, as the case may be;
 - (b) if the company has complied with section 240 (3), send written notice of dissent to the company not more than 14 days after receiving the records referred to in that section; or
 - (c) if the company has not complied with section 240 (1), (2) or (3), send written notice of dissent to the company not more than 14 days after the later of
 - (i) the date on which the shareholder learns that the resolution was passed, and
 - (ii) the date on which the shareholder learns that the shareholder is entitled to dissent.
- (2) A shareholder intending to dissent in respect of a resolution referred to in section 238 (1) (g) must send written notice of dissent to the company
- (a) on or before the date specified by the resolution or in the statement referred to in section 240(2)(b) or (3)(b) as the last date by which notice of dissent must be sent, or
 - (b) if the resolution or statement does not specify a date, in accordance with subsection (1) of this section.
- (3) A shareholder intending to dissent under section 238 (1) (h) in respect of a court order that permits dissent must send written notice of dissent to the company
- (a) within the number of days, specified by the court order, after the shareholder receives the records referred to in section 241, or
 - (b) if the court order does not specify the number of days referred to in paragraph (a) of this subsection, within 14 days after the shareholder receives the records referred to in section 241.
- (4) A notice of dissent sent under this section must set out the number, and the class and series, if applicable, of the notice shares, and must set out whichever of the following is applicable:
- (a) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner and the shareholder owns no other shares of the company as beneficial owner, a statement to that effect;
 - (b) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner but the shareholder owns other shares of the company as beneficial owner, a statement to that effect and:
 - (i) the names of the registered owners of those other shares;
 - (ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners; and
 - (iii) a statement that notices of dissent are being, or have been, sent in respect of all of those other shares;
 - (c) if dissent is being exercised by the shareholder on behalf of a beneficial owner who is not the dissenting shareholder, a statement to that effect and:
 - (i) the name and address of the beneficial owner; and

- (ii) a statement that the shareholder is dissenting in relation to all of the shares beneficially owned by the beneficial owner that are registered in the shareholder's name.

(5) The right of a shareholder to dissent on behalf of a beneficial owner of shares, including the shareholder, terminates and this Division ceases to apply to the shareholder in respect of that beneficial owner if subsections (1) to (4) of this section, as those subsections pertain to that beneficial owner, are not complied with.

Notice of intention to proceed

243 (1) A company that receives a notice of dissent under section 242 from a dissenter must,

- (a) if the company intends to act on the authority of the resolution or court order in respect of which the notice of dissent was sent, send a notice to the dissenter promptly after the later of
 - (i) the date on which the company forms the intention to proceed, and
 - (ii) the date on which the notice of dissent was received, or
- (b) if the company has acted on the authority of that resolution or court order, promptly send a notice to the dissenter.

(2) A notice sent under subsection (1) (a) or (b) of this section must

- (a) be dated not earlier than the date on which the notice is sent,
- (b) state that the company intends to act, or has acted, as the case may be, on the authority of the resolution or court order, and
- (c) advise the dissenter of the manner in which dissent is to be completed under section 244.

Completion of dissent

244 (1) A dissenter who receives a notice under section 243 must, if the dissenter wishes to proceed with the dissent, send to the company or its transfer agent for the notice shares, within one month after the date of the notice,

- (a) a written statement that the dissenter requires the company to purchase all of the notice shares,
- (b) the certificates, if any, representing the notice shares, and
- (c) if section 242 (4) (c) applies, a written statement that complies with subsection (2) of this section.

(2) The written statement referred to in subsection (1)(c) must

- (a) be signed by the beneficial owner on whose behalf dissent is being exercised, and
- (b) set out whether or not the beneficial owner is the beneficial owner of other shares of the company and, if so, set out
 - (i) the names of the registered owners of those other shares,
 - (ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and
 - (iii) that dissent is being exercised in respect of all of those other shares.

- (3) After the dissenter has complied with subsection (1),
- (a) the dissenter is deemed to have sold to the company the notice shares, and
 - (b) the company is deemed to have purchased those shares, and must comply with section 245, whether or not it is authorized to do so by, and despite any restriction in, its memorandum or articles.

(4) Unless the court orders otherwise, if the dissenter fails to comply with subsection (1) of this section in relation to notice shares, the right of the dissenter to dissent with respect to those notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares.

(5) Unless the court orders otherwise, if a person on whose behalf dissent is being exercised in relation to a particular corporate action fails to ensure that every shareholder who is a registered owner of any of the shares beneficially owned by that person complies with subsection (1) of this section, the right of shareholders who are registered owners of shares beneficially owned by that person to dissent on behalf of that person with respect to that corporate action terminates and this Division, other than section 247, ceases to apply to those shareholders in respect of the shares that are beneficially owned by that person.

(6) A dissenter who has complied with subsection (1) of this section may not vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, other than under this Division.

Payment for notice shares

245 (1) A company and a dissenter who has complied with section 244 (1) may agree on the amount of the payout value of the notice shares and, in that event, the company must

- (a) promptly pay that amount to the dissenter, or
- (b) if subsection (5) of this section applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.

(2) A dissenter who has not entered into an agreement with the company under subsection (1) or the company may apply to the court and the court may

- (a) determine the payout value of the notice shares of those dissenters who have not entered into an agreement with the company under subsection (1), or order that the payout value of those notice shares be established by arbitration or by reference to the registrar, or a referee, of the court,
- (b) join in the application each dissenter, other than a dissenter who has entered into an agreement with the company under subsection (1), who has complied with section 244 (1), and
- (c) make consequential orders and give directions it considers appropriate.

(3) Promptly after a determination of the payout value for notice shares has been made under subsection (2) (a) of this section, the company must

- (a) pay to each dissenter who has complied with section 244 (1) in relation to those notice shares, other than a dissenter who has entered into an agreement with the company under subsection (1) of this section, the payout value applicable to that dissenter's notice shares, or
- (b) if subsection (5) applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.

(4) If a dissenter receives a notice under subsection (1) (b) or (3) (b),

- (a) the dissenter may, within 30 days after receipt, withdraw the dissenter's notice of dissent, in which case the company is deemed to consent to the withdrawal and this Division, other than section 247, ceases to apply to the dissenter with respect to the notice shares, or
- (b) if the dissenter does not withdraw the notice of dissent in accordance with paragraph (a) of this subsection, the dissenter retains a status as a claimant against the company, to be paid as soon as the company is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the company but in priority to its shareholders.

(5) A company must not make a payment to a dissenter under this section if there are reasonable grounds for believing that

- (a) the company is insolvent, or
- (b) the payment would render the company insolvent.

Loss of right to dissent

246 The right of a dissenter to dissent with respect to notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares, if, before payment is made to the dissenter of the full amount of money to which the dissenter is entitled under section 245 in relation to those notice shares, any of the following events occur:

- (a) the corporate action approved or authorized, or to be approved or authorized, by the resolution or court order in respect of which the notice of dissent was sent is abandoned;
- (b) the resolution in respect of which the notice of dissent was sent does not pass;
- (c) the resolution in respect of which the notice of dissent was sent is revoked before the corporate action approved or authorized by that resolution is taken;
- (d) the notice of dissent was sent in respect of a resolution adopting an amalgamation agreement and the amalgamation is abandoned or, by the terms of the agreement, will not proceed;
- (e) the arrangement in respect of which the notice of dissent was sent is abandoned or by its terms will not proceed;
- (f) a court permanently enjoins or sets aside the corporate action approved or authorized by the resolution or court order in respect of which the notice of dissent was sent;
- (g) with respect to the notice shares, the dissenter consents to, or votes in favour of, the resolution in respect of which the notice of dissent was sent;
- (h) the notice of dissent is withdrawn with the written consent of the company; or
- (i) the court determines that the dissenter is not entitled to dissent under this Division or that the dissenter is not entitled to dissent with respect to the notice shares under this Division.

Shareholders entitled to return of shares and rights

247 If, under section 244 (4) or (5), 245 (4) (a) or 246, this Division, other than this section, ceases to apply to a dissenter with respect to notice shares,

- (a) the company must return to the dissenter each of the applicable share certificates, if any, sent under section 244 (1) (b) or, if those share certificates are unavailable, replacements for those share certificates,
- (b) the dissenter regains any ability lost under section 244 (6) to vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, and
- (c) the dissenter must return any money that the company paid to the dissenter in respect of the notice shares under, or in purported compliance with, this Division.

**APPENDIX D
COURT MATERIALS**

See attached.



NO. S229486
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTION 288 OF THE BUSINESS CORPORATIONS ACT,
S.B.C. 2002, CHAPTER 57, AS AMENDED

AND

IN THE MATTER OF A PROPOSED PLAN OF ARRANGEMENT AMONG
BLACKHAWK GROWTH CORP., ITS SHAREHOLDERS,
AND 1286409 B.C. LTD.

BLACKHAWK GROWTH CORP.

PETITIONER

ORDER MADE AFTER APPLICATION
(Interim Order)

BEFORE MASTER HUGHES) NOVEMBER 30, 2022
)
)

ON THE APPLICATION of the Petitioner, Blackhawk Growth Corp. ("**Blackhawk**"), for an Interim Order pursuant to the Petition filed herein on November 28, 2022, without notice, and coming on for hearing at 800 Smithe Street, Vancouver, British Columbia on November 30, 2022 and on hearing Campbell Brooks, counsel for the Petitioner, and upon reading the Notice of Application filed herein, and Affidavit #1 of Frederick Pels (the "**Pels Affidavit**"), sworn November 28, 2022, and filed herein.

THIS COURT ORDERS THAT:

DEFINITIONS

1. As used in this Interim Order, unless otherwise defined, terms beginning with capital letters have the respective meanings set out in the Notice and Management Information Circular for the Special Meeting of Shareholders of Blackhawk to be held on December 22, 2022 (the "**Circular**") attached as Exhibit "A" to the Pels Affidavit.

THE MEETING

2. Blackhawk is authorized and directed to call, hold, and conduct a special meeting (the "**Meeting**") of the holders of record of common shares (the "**Blackhawk Shares**") in the capital of Blackhawk (the "**Shareholders**") to be held in person at Suite 303, 750 West Pender Street, Vancouver, British Columbia and virtually via live teleconference on Thursday, December 22, 2022 at 10:00 a.m. (Vancouver Time), or such other date as may result from postponement or adjournment in accordance with paragraph 21 of this Interim Order.
3. At the Meeting, the Shareholders will, *inter alia*, consider, and if deemed advisable, approve a special resolution (the "**Arrangement Resolution**"), in the form attached as Appendix "A" to the Circular adopting, with or without amendment, the statutory plan of arrangement (the "**Arrangement**") involving Blackhawk, the Shareholders, and 1286409 B.C. Ltd. ("**SpinCo**"), all as set forth in the plan of arrangement (the "**Plan of Arrangement**"), a copy of which is attached as Appendix "B" to the Circular.
4. At the Meeting, Blackhawk will also seek to transact such other business as is contemplated by the Information Circular or as otherwise may be properly brought before the Meeting.
5. The Meeting will be called, held, and conducted in accordance with the Notice of Special Meeting of Shareholders (the "**Notice**") to be delivered in substantially the form attached to and forming part of the Information Circular, and in accordance with the applicable provisions of the BCBCA, the terms of this Interim Order (the "**Interim Order**"), any further Order of this Court, the rulings and directions of the

Chairperson of the Meeting, and in accordance with the terms, restrictions and conditions of the articles of Blackhawk, including quorum requirements and all other matters. To the extent of any inconsistency or discrepancy between this Interim Order and the terms of any of the foregoing, this Interim Order will govern.

RECORD DATE FOR NOTICE

6. The record date for determination of Shareholders entitled to receive the Notice, Circular, the form of voting proxy, a voting information form, and letter of transmittal (together, the "**Meeting Materials**") is 5:00 p.m. (Vancouver Time) on November 17, 2022 (the "**Record Date**"), or such other date as the directors of Blackhawk may determine in accordance with the articles of Blackhawk, the BCBCA, or as disclosed in the Meeting Materials.

NOTICE OF MEETING

7. The Meeting Materials, with such amendments or additional documents as counsel for Blackhawk may advise are necessary or desirable, and that are not inconsistent with the terms of this Interim Order, will be sent at least 21 days before the date of the Meeting, excluding the date of mailing or personal delivery, to the Shareholders as of the Record Date.
8. The Meeting Materials will be sent by prepaid ordinary mail addressed to each registered Shareholder at his, her, or its address as appearing in the applicable records of Blackhawk, or by delivery of same by personal delivery courier service, or by electronic transmission to any such Shareholders who identifies himself, herself, or itself to the satisfaction of Blackhawk and who requests or accepts such electronic transmission.
9. In the case of unregistered beneficial Shareholders, the Meeting Materials will be distributed to intermediaries and registered nominees for sending to both non-objecting and objecting beneficial owners in accordance with the procedures prescribed by National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer*.

10. The Meeting Materials will be sent by electronic transmission to each Blackhawk director and the auditor of Blackhawk at his, her, or its email address as appearing in the records of Blackhawk.
11. Substantial compliance with paragraphs 7 to 10 above will constitute good and sufficient notice of the Meeting and delivery of the Meeting Materials.
12. The accidental failure or omission by Blackhawk to give notice of the Meeting or non-receipt of such notice will not constitute a breach of the Interim Order or a defect in the calling of the Meeting and will not invalidate any resolution passed or taken at the Meeting provided that the Meeting meets Blackhawk's quorum requirements.
13. The Meeting Materials are hereby deemed to represent sufficient and adequate disclosure and Blackhawk will not be required to send to the Shareholders any other or additional information unless this Court orders otherwise.

DEEMED RECEIPT OF MEETING MATERIALS

14. The Meeting Materials will be deemed, for the purposes of this Interim Order, to have been received by the Shareholders:
 - (a) in the case of mailing or personal courier delivery, on the day (Saturdays, Sundays and holidays excepted) following the date of mailing or acceptance by the courier service, respectively; and
 - (b) in the case of delivery by electronic transmission, on the day that it was transmitted.
15. Notice of any amendments, modifications, updates or supplements to any of the information provided in the Meeting Materials may be communicated, at any time prior to the Meeting, to the Shareholders by press release, news release, or newspaper advertisement, in which case such notice will be deemed to have been received at the time of publication, or by notice sent by any of the means set forth

in paragraphs 7 to 10, as determined to be the most appropriate method of communication by Blackhawk.

PERMITTED ATTENDEES

16. The persons entitled to attend the Meeting will be the Shareholders or their respective proxyholders, the officers, directors, and advisors of each of Blackhawk and SpinCo, and such other persons who receive the consent of the Chairperson of the Meeting.

QUORUM & VOTING AT THE MEETING

17. The quorum required at the commencement of the Meeting will be at least two persons present in person or represented by proxy, each being a Shareholder entitled to vote at the Meeting.
18. The only persons permitted to vote on the Arrangement Resolution at the Meeting will be Shareholders appearing on the records of Blackhawk as of 5:00 p.m. (Vancouver Time) on the Record Date and their valid proxyholders as described in the Circular and as determined by the Chairperson of the Meeting upon consultation with the Scrutineer (as hereinafter defined) and legal counsel to Blackhawk.
19. The required level of approval on the Arrangement Resolution taken at the Meeting will be at least two-thirds of the votes cast on the Arrangement Resolution by Shareholders present in person or represented by proxy at the Meeting and entitled to vote thereat.
20. The terms, restrictions and conditions of the articles of Blackhawk, including quorum requirements and other matters, will apply in respect of the Meeting.

ADJOURNMENT OF MEETING

21. Subject to the terms of the Arrangement Agreement, if Blackhawk deems advisable and notwithstanding the provisions of the BCBCA or the articles of

Blackhawk, Blackhawk is specifically authorized to adjourn or postpone the Meeting on one or more occasions without the necessity of first convening the Meeting or first obtaining any vote of the Shareholders respecting the adjournment or postponement and without the need for approval of the Court. Notice of any such adjournments or postponements shall be provided to Shareholders by press release, news release, or newspaper advertisement, in which case such notice will be deemed to have been received at the time of publication, or by notice sent by any of the means set forth in paragraphs 7 to 10, as determined to be the most appropriate method of communication by Blackhawk.

22. The Record Date for Shareholders entitled to notice of and to vote at the Meeting will not change in respect of adjournments or postponements of the Meeting without a further order of this Court.

AMENDMENTS

23. Blackhawk is authorized to make such amendments, revisions, or supplements to the Plan of Arrangement to the extent permitted by the Arrangement Agreement, and the Plan of Arrangement as so amended, revised, or supplemented will be the Plan of Arrangement which is submitted to the Meeting and which will thereby become the subject of the Arrangement Resolution.

SCRUTINEER

24. Representatives of Blackhawk's registrar and transfer agent (or any agent thereof), Odyssey Trust Company, are authorized to act as scrutineers for the Meeting (the "Scrutineer").

PROXY SOLICITATION

25. Blackhawk is authorized to permit the Shareholders to vote by proxy using a form or forms of proxy that comply with the articles of Blackhawk, the provisions of the BCBCA, and the *Securities Act* (British Columbia) relating to the form and content

of proxies, and Blackhawk may in its discretion waive generally the time limits for deposit of proxies by Shareholders if Blackhawk deems it fair and reasonable to do so.

26. The procedures for the form and use of proxies at the Meeting will be as set out in the Meeting Materials.

DISSENT RIGHTS

27. Registered Shareholders will, as set out in the Plan of Arrangement, be permitted to dissent from the Arrangement Resolution in accordance with the dissent procedures set forth in Sections 237 to 247 of the BCBCA, as modified by this Interim Order, the Final Order, and the Plan of Arrangement provided that the written notice must be delivered to Blackhawk c/o Cassels Brock & Blackwell LLP, Attn: Jessica Lewis, at Suite 2200, HSBC Building, 885 West Georgia Street, Vancouver, British Columbia, Canada, V6C 3E8, to be received no later than 5:00 p.m. (Vancouver Time) on December 20, 2022, or two business days immediately prior to the Meeting (as it may be adjourned or postponed from time to time).
28. Notice to registered Shareholders of their right of dissent with respect to the Arrangement Resolution and to receive, subject to the provisions of the BCBCA and the Plan of Arrangement, the fair value of their shares of Blackhawk, will be given by including information with respect to this right in the Information Circular to be sent to Shareholders in accordance with this Order.

DELIVERY OF COURT MATERIALS

29. Blackhawk will include in the Meeting Materials a copy of this Interim Order and the Notice of Hearing of Petition for Final Order (the "**Court Materials**") and will make available to any Shareholders requesting same, a copy of each of the Petition herein and the accompanying Pels Affidavit, sworn November 28, 2022.
30. Delivery of the Court Materials with the Meeting Materials in accordance with this Interim Order will constitute good and sufficient service or delivery of such Court

Materials upon all persons who are entitled to receive the Court Materials pursuant to this Interim Order and no other form of service or delivery need be made and no other materials need to be served on or delivered to such persons in respect of these proceedings.

FINAL APPROVAL HEARING

31. Upon the approval, with or without variation, by the Shareholders of the Arrangement in the manner set forth in this Interim Order, Blackhawk may set the Petition down for hearing and apply for an order of this Court: (i) approving the Plan of Arrangement pursuant to section 291(4)(a) of the BCBCA; and (ii) determining that the Arrangement is procedurally and substantively fair and reasonable pursuant to section 291(4)(c) of the BCBCA (collectively, the "Final Order"), at 9:45 a.m. on January 5, 2023, or such later date as counsel may be heard or the Court may direct.
32. Any Shareholder or other interested party has the right to appear (either in person or by counsel) and make submissions at the hearing of the Petition provided that such Shareholder or interested party shall file a Response by no later than 5:00 p.m. (Vancouver Time) on January 3, 2023, in the form prescribed by the *Supreme Court Civil Rules*, with this Court and deliver a copy of the filed Response together with a copy of all materials on which such Shareholder or interested party intends to rely at the hearing of the Petition, including an outline of such Shareholder's or interested party's proposed submissions to Blackhawk c/o Cassels Brock & Blackwell LLP, Attn: Jessica Lewis, at Suite 2200, HSBC Building, 885 West Georgia Street, Vancouver, British Columbia, Canada, V6C 3E8, subject to the direction of the Court.
33. If the application for the Final Order is adjourned, only those persons who have filed and delivered a Response, in accordance with the preceding paragraph of this Interim Order, need to be served with notice of the adjourned date.

34. The Final Order, if granted, will provide the basis for reliance on the exemption from registration provided in Section 3(a)(10) of the *United States Securities Act of 1933*, as amended, with respect to the issuance of securities pursuant to the Plan of Arrangement.
35. Blackhawk will not be required to comply with Rules 8-1 and 16-1 of the *Supreme Court Civil Rules* in relation to the hearing of the Petition for the Final Order approving the Plan of Arrangement, and any materials to be filed by Blackhawk in support of the application for the Final Order may be filed prior to the hearing of the application for the Final Order without further order of this Court.

VARIANCE


36. Blackhawk is at liberty to apply to this Honourable Court to vary the Interim Order or for advice and direction with respect to the Plan of Arrangement or any of the matters related to the Interim Order and Blackhawk need not comply with Rule 8-1 of the *Supreme Court Civil Rules* in any application to do so.
37. This Interim Order may be entered with endorsements by counsel that have been transmitted electronically.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:



Signature of Campbell Brooks
Counsel for Blackhawk Growth Corp.

By the Court



Registrar



No. _____
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTION 288 OF THE BUSINESS CORPORATIONS ACT,
S.B.C. 2002, CHAPTER 57, AS AMENDED

AND

IN THE MATTER OF A PROPOSED PLAN OF ARRANGEMENT AMONG
BLACKHAWK GROWTH CORP., ITS SHAREHOLDERS,
AND 1286409 B.C. LTD.

BLACKHAWK GROWTH CORP.

PETITIONER

**ORDER MADE AFTER APPLICATION
(INTERIM ORDER)**

CASSELS BROCK & BLACKWELL LLP

Lawyers

2200 – 885 West Georgia Street

Vancouver, B.C. V6C 3E8

Telephone: (778) 372-6791

Facsimile: (604) 691-6120

E-mail: jlewis@cassels.com

Attention: Campbell Brooks

File No. 53628-1

RETURN BY FILING AGENT: WEST COAST TITLE SEARCH

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTION 288 OF THE BUSINESS CORPORATIONS ACT,
S.B.C. 2002, CHAPTER 57, AS AMENDED

AND

IN THE MATTER OF A PROPOSED PLAN OF ARRANGEMENT AMONG
BLACKHAWK GROWTH CORP., ITS SHAREHOLDERS,
AND 1286409 B.C. LTD.

BLACKHAWK GROWTH CORP.

PETITIONER

NOTICE OF PETITION

To: The holders (the “**Shareholders**”) of common shares (the “**Common Shares**”) of Blackhawk Growth Corp. (“**Blackhawk**”)

NOTICE IS HEREBY GIVEN that a Petition to the Court has been filed by the Petitioner, Blackhawk, in the Supreme Court of British Columbia (the “**Court**”) for approval of a plan of arrangement (the “**Arrangement**”) pursuant to the *Business Corporations Act*, S.B.C. 2002, c.57, as amended (the “**BCBCA**”).

AND NOTICE IS FURTHER GIVEN that by an Interim Order Made After Application pronounced by Master Hughes on November 30, 2022, the Court has given directions as to the calling of a special meeting of the Shareholders (the “**Meeting**”), for the purpose of, among other things, considering, voting upon and approving the Arrangement.

AND NOTICE IS FURTHER GIVEN that if the Arrangement is approved at the Meeting, the Petitioner intends to apply to the Court for a final order approving the Arrangement and for a determination that the terms and conditions of the Arrangement are procedurally and substantively fair and reasonable (the “**Final Order**”), which application shall be made before the presiding Judge in Chambers at the Courthouse, 800 Smithe Street, Vancouver, British Columbia on January 5, 2023, at 9:45 am (Vancouver time), or as soon thereafter as counsel may be heard or at such other date and time as the Court may direct (the “**Final Application**”).

IF YOU WISH TO BE HEARD, any person affected by the Final Order sought may appear (either in person or by counsel) and make submissions at the Final Application, but only if such person has filed with the Court at the Court Registry, 800 Smithe Street, Vancouver, British Columbia, a Response to Petition (“**Response**”) in the form prescribed by the *Supreme Court Civil Rules*, and delivered a copy of the filed Response, together with all affidavits and other material upon which such person intends to rely at the hearing

of the Final Application, including an outline of such person's proposed submission, to the Petitioner at its address for delivery set out below by or before 4:00 p.m. (Vancouver time) on the date that is two business days prior to the date of the hearing of the application for the Final Order:

The Petitioner's address for delivery is:

CASELS, BROCK & BLACKWELL LLP
Barristers and Solicitors
2200 - 885 West Georgia St.
Vancouver, British Columbia, Canada V6C 3E8
Attention: Jessica Lewis
Fax number for delivery: (604) 691-6120
Telephone: (778) 372-6791

IF YOU WISH TO BE NOTIFIED OF ANY ADJOURNMENT OF THE FINAL APPLICATION, YOU MUST GIVE NOTICE OF YOUR INTENTION by filing and delivering the form of "Response" as aforesaid. You may obtain a form of "Response" at the Court Registry, 800 Smithe Street, Vancouver, British Columbia, V6Z 2E1.

AT THE HEARING OF THE FINAL APPLICATION, the Court may approve the Arrangement as presented, or may approve it subject to such terms and conditions as the Court deems fit.

IF YOU DO NOT FILE A RESPONSE and attend, either in person or by counsel, at the time of such hearing, the Court may approve the Arrangement, as presented, or may approve it subject to such terms and conditions as the Court shall deem fit, all without any further notice to you. If the Arrangement is approved, it will significantly affect the rights of the Shareholders.

A copy of the said Petition and other documents in the proceeding will be furnished to any Shareholder upon request in writing addressed to the solicitors of the Petitioner at the address for delivery set out above.

Date: November 30, 2022

A handwritten signature in black ink, appearing to be 'Jessica Lewis', written over a horizontal line.

Signature of lawyer for the Petitioner
Jessica Lewis

APPENDIX E
INFORMATION CONCERNING SPINCO AFTER THE ARRANGEMENT

See attached.

**INFORMATION CONCERNING MINDBIO THERAPEUTICS CORP. AFTER THE
ARRANGEMENT**

November 30, 2022

TABLE OF CONTENTS

| | |
|--|------------------------------|
| CURRENCY | 1 |
| CORPORATE STRUCTURE | 1 |
| Name, Address and Incorporation | 1 |
| Intercorporate relationships | 2 |
| Summary of the Business of the Company, MindBio and DMT | 3 |
| Bankruptcy, Receivership, Receiverships, Restructuring | 3 |
| Social, Environmental Polices, Seasonal Issues | 3 |
| Material Restructurings | Error! Bookmark not defined. |
| Regulatory Approvals..... | 4 |
| GENERAL DEVELOPMENT OF THE BUSINESS | 4 |
| Overview | 4 |
| General Operating History | 4 |
| Statement of Work - SOW 1 | 5 |
| Statement of Work - SOW 2 | 6 |
| Statement of Work - SOW 3 | 7 |
| Statement of Work - SOW 4 | 8 |
| Statement of Work - SOW 5 | 9 |
| THREE YEAR OPERATING HISTORY | 9 |
| BUSINESS OF THE COMPANY | 11 |
| Objectives and Business of MindBio | 11 |
| Explanation of Drug & Formulation Development | 11 |
| Lysergic Acid Diethylamide (LSD)..... | 12 |
| Psilocybin..... | 12 |
| Microdosing..... | 13 |
| Explanation of Clinical Trials..... | 14 |
| Description of the Company's Revenue | 24 |
| Marketing Plans and Strategies..... | 25 |
| Principal Markets | 25 |
| Distribution methods | 25 |
| Specialized Skill and Knowledge | 25 |
| Competition | 25 |
| Intangible Properties | 26 |
| Economic Dependence | 26 |
| Employees and Consultants | 26 |
| EMERGING MARKET INFORMATION | 27 |
| Materials Permits, Business Licenses and Other Regulatory Approvals..... | 27 |
| Foreign Corporation Structure and Internal Controls | 27 |
| Removal of Directors | 27 |
| Foreign Investment Regulations | 27 |
| Corporate Structure | 27 |
| Material Changes..... | 27 |
| Management Experience and Connection to Australia | 28 |
| Language Proficiency and Barriers | 28 |
| Enforcement of Foreign Judgements in Australia | 28 |
| MATERIAL AGREEMENTS | 28 |

| | |
|---|-------------------------------------|
| USE OF AVAILABLE FUNDS | 28 |
| Business Objectives and Milestones | 29 |
| DIVIDEND RECORD AND POLICY | 30 |
| FINANCIAL INFORMATION AND MANAGEMENT’S DISCUSSION AND ANALYSIS | 30 |
| SUMMARY OF FINANCIAL INFORMATION | 30 |
| DESCRIPTION OF SHARE CAPITAL..... | 30 |
| SpinCo Shares | 30 |
| Stock Options | 30 |
| CONSOLIDATED CAPITALIZATION | 31 |
| Pro Forma Consolidated Capitalization | 31 |
| Fully-Dilute Share Capital | 31 |
| OPTIONS AND OTHER RIGHTS TO PURCHASE SECURITIES | 32 |
| Stock Option Plan | 32 |
| PRIOR SALES..... | 33 |
| TRADING PRICE AND VOLUME..... | 33 |
| ESCROWED SECURITIES..... | 33 |
| PRINCIPAL SECURITYHOLDERS | 34 |
| DIRECTORS AND EXECUTIVE OFFICERS | 34 |
| Name, Occupation and Security Holding | 35 |
| Management Experience..... | 35 |
| EXECUTIVE COMPENSATION..... | 37 |
| Overview..... | 37 |
| Summary Executive Compensation Table..... | 37 |
| Elements of Compensation..... | 38 |
| Compensation Process..... | 39 |
| Compensation to Non-Executive Directors..... | 39 |
| Option-Based Awards | 39 |
| Compensation of Directors | 40 |
| Corporate Bankruptcies..... | 40 |
| Oversight and Description of Director and NEO Compensation | 40 |
| Directorships | 40 |
| INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS | 40 |
| AUDIT COMMITTEES AND CORPORATE GOVERNANCE | 40 |
| Board of Directors | 41 |
| Directorships | 41 |
| Orientation and Continuing Education | 41 |
| Ethical Business Conduct..... | 41 |
| Nomination of Directors..... | 41 |
| Compensation..... | 42 |
| Other Board Committees | 42 |
| Assessments | 42 |
| AUDIT COMMITTEE..... | 42 |
| The Audit Committee’s Charter..... | Error! Bookmark not defined. |
| Composition of the Audit Committee..... | 43 |
| Relevant Education and Experience | 43 |
| Reliance on Certain Exemptions | 43 |
| Pre-Approval Policies and Procedures | 43 |

| | |
|--|------------------------------|
| External Auditor Service Fee..... | 43 |
| RISK FACTORS | 44 |
| Business Exposure to New Clinical Modalities..... | 44 |
| Difficulty to Forecast | 44 |
| Unfavourable Publicity or Consumer Perception Towards Psychedelics..... | 44 |
| Supply Risk | 44 |
| Permits and Licenses | 44 |
| Limited History of Operations..... | 45 |
| No Market for Securities | 45 |
| Negative Cash Flow from Operating Activities..... | 45 |
| Regulatory Environment..... | 45 |
| Management of Growth | 46 |
| Risks Associated with COVID-19..... | 46 |
| Market Volatility | 46 |
| Operational Risks | 46 |
| Increases in Competition..... | 47 |
| Unforeseen Competition..... | 47 |
| Exposure to Adverse Macroeconomic Conditions | 47 |
| Protection of Intellectual Property..... | 47 |
| Acquisition Risk and Associated Risk of Dilution..... | 47 |
| Risks related to adverse and uncontrollable clinical results | 47 |
| Limited Operating History | Error! Bookmark not defined. |
| Speculative Nature of Investment Risk..... | 48 |
| Risks Inherent in the Nature of the Medicinal Psychedelic Industry | 48 |
| Unfavourable Publicity or Consumer Perception | 48 |
| Development Risks..... | 48 |
| Substantial Risk of Regulatory or Political Change | 48 |
| Government Regulations, Permits and Licenses..... | 48 |
| Additional Requirements for Capital..... | 49 |
| Negative Cash Flow from Operating Activities..... | 49 |
| Competition | 49 |
| Currency Exchange Rates..... | 49 |
| PROMOTER..... | 49 |
| LEGAL PROCEEDINGS AND REGULATORY ACTIONS | 49 |
| INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS | 50 |
| AUDITOR, TRANSFER AGENTS AND REGISTRAR..... | 50 |
| Auditor..... | 50 |
| Registrar and Transfer Agent and Escrow Agent | 50 |
| INTEREST OF EXPERTS | 50 |
| OTHER MATERIAL FACTS | 50 |
| ENFORCEMENT OF JUDGMENTS AGAINST FOREIGN PERSONS | 51 |

FORWARD LOOKING STATEMENTS

This document contains forward-looking information. Often, but not always, forward-looking information can be identified by the use of words such as “plans”, “expects”, “does not expect”, “is expected”, “estimates”, “intends”, “anticipates”, “does not anticipate”, or “believes”, or variations of such words and phrases or states that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken to occur or be achieved.

Forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of SpinCo to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Although SpinCo has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements.

Known and unknown factors could cause actual results or events to differ materially from those projected in the forward-looking statements. Such factors include, but are not limited to: business exposure to new clinical modalities, difficult to forecast, unfavourable publicity or consumer protection towards psychedelics, supply risk, permits and licences, limited history of operations, no market for securities, negative cash flow from operating activities, regulatory environment, management growth, risks associates with COVID-19, market volatility, operational risks, increases in competition, unforeseen completion, exposure to adverse macroeconomic conditions, protection of intellectual property, acquisition risk and associate risk of dilution, risks related to adverse and uncontrollable clinical results, speculative nature of investment risk, risks inherent in the nature of the medicinal psychedelic industry, unfavourable publicity or consumer perception, development risks, substantial risk of regulatory or political change, government regulations, additional requirement for capital, negative cash flow, competition, and currency exchange rates. The factors identified above are not intended to represent a complete list of the factors that could affect SpinCo. Additional factors are noted under the heading “*Risk Factors*”.

Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking information prove incorrect, actual results, performance or achievement may vary materially from those expressed or implied by the forward-looking information contained in this document. These factors should be carefully considered and readers are cautioned not to place undue reliance on forward-looking information, which speaks only as of the date of this document. All subsequent forward-looking information attributable to SpinCo herein is expressly qualified in its entirety by the cautionary statements contained in or referred to herein. SpinCo does not undertake any obligation to release publicly any revisions to this forward-looking information to reflect events or circumstances that occur after the date of this document or to reflect the occurrence of unanticipated events, except as may be required under applicable Securities Laws.

All capitalized terms used but not defined herein shall have the respective meanings attributed to them in the information circular of Blackhawk Growth Corp. dated November 30, 2022 (the “**Circular**”).

CURRENCY

Unless stated otherwise, all dollar amounts are expressed in Canadian dollars. As at the date hereof, the exchange rate is AUD\$1.15 for CA\$1 and NZ\$1.28 for CA\$1.

CORPORATE STRUCTURE

Name, Address and Incorporation

MindBio Therapeutics Corp. (the “**Company**” or “**SpinCo**”) was originally incorporated as 1286409 B.C. Ltd. under the Business Corporations Act (British Columbia) (“**BCBCA**”) on January 28, 2021. Upon completion of the Arrangement, 1280673 B.C. Ltd. will change its name to “MindBio Therapeutics Corp.”.

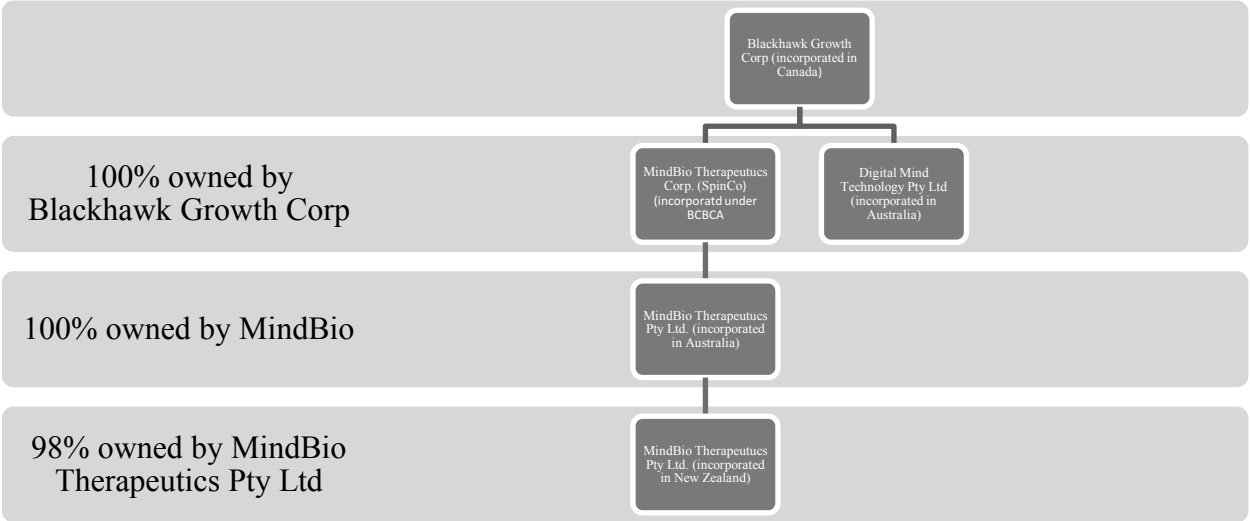
The Company’s registered office is located at Level 4, 91-97 William Street, Melbourne Australia and its head office is located at Level 4, 91-97 William Street, Melbourne Australia.

Intercorporate relationships

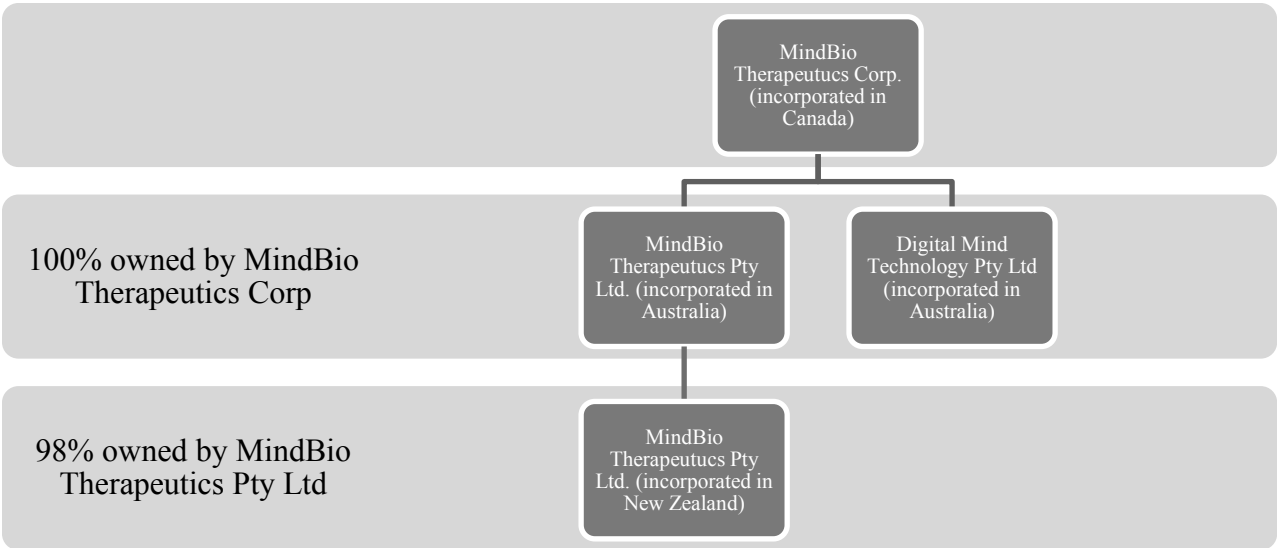
The Company has two wholly-owned subsidiaries, MindBio Therapeutics Pty Ltd. (ACN: 650 149 572), (“**MindBio**”) and Digital Mind Technology Pty Ltd. (ACN 653 628 856) (“**DMT**”), both incorporated under the *Corporations Act, Commonwealth of Australia* on May 12, 2020 and September 13, 2020, respectively. The head office and registered office of MindBio and the registered office of DMT are each located at Level 4, 91-97 William Street, Melbourne, Australia.

MindBio has one wholly-owned subsidiary, MindBio Therapeutics NZ Limited (“**MindBio NZ**”), which was incorporated in New Zealand pursuant to the *Companies Act 1993* on November 23, 2021 (New Zealand Business Number 9429050057849). The registered office and head office of MindBio NZ is located at Level 4, 21 Queen Street Auckland 1010, New Zealand.

The following chart identifies the corporate structure of SpinCo prior to completion of the Arrangement, including its material wholly-owned subsidiaries, their applicable governing jurisdictions and the percentage of the voting securities beneficially owned, or controlled or directed, directly or indirectly, by the Company.



The following chart identifies the corporate structure of SpinCo, including the Spin-out Subsidiaries after the Effective Time, their applicable governing jurisdictions and the percentage of the voting securities beneficially owned, or controlled or directed, directly or indirectly, by SpinCo.



Summary of the Business of SpinCo, MindBio and DMT

The Company’s wholly-owned subsidiary, MindBio is a clinical stage biotechnology company creating novel and emerging treatments for mental health conditions. MindBio has developed a multi-disciplinary platform for developing treatments and is involved in psychedelic medicine development. It has completed Phase 1 clinical trials with respect to microdosing psychedelic medicines in 80 patients and has two Phase 2 clinical trials in development. MindBio is also developing machine learning technology to collate and analyse biometric data from wearables in patients who take psychedelic medicines for the purpose of developing predictive treatment models. MindBio invests in research that forms the basis for developing novel and clinically proven treatments for debilitating health conditions such as depression, anxiety, post-traumatic stress disorder (“PTSD”) and chronic pain.

MindBio’s wholly-owned subsidiary, MindBio NZ, is a research and development company that contracts with the University of Auckland (the “University”) to run clinical trials and research programs.

The Company’s other wholly-owned subsidiary, DMT, is a mental health technology focused company that is creating digital interventions using mobile and web interfaces to prevent poor mental health outcomes in cancer patients and is collaborating with MindBio in its clinical trials.

For further details, see “Description of Business” below.

Bankruptcy, Receivership, Receiverships, Restructuring

There has been no bankruptcy, receivership or similar proceedings against SpinCo or its subsidiaries, or any voluntary bankruptcy, receivership or similar proceedings, material restructuring transactions by SpinCo or any of its subsidiaries completed within the two most recently completed financial years or completed during or proposed for the current financial year.

Social, Environmental Policies, Seasonal Issues

There are no social and environmental policies or seasonal and environmental issues that have or are expected to affect SpinCo and its business.

Regulatory Approvals

Clinical Trials Regulatory Approval: The clinical trials being conducted at the University by MindBio NZ received regulatory approval from New Zealand’s medicines and medical devices safety authority (“**Medsafe**”) on November 11, 2019 to run a clinical trial using Lysergic Acid Diethylamide (“**LSD**”). Regulatory approval has also been received by the New Zealand Ministry of Health to import controlled drugs. Subsequent to the completion of Phase 1 clinical trials in April 2022, two further Phase 2 clinical trials are due to start in early 2023:

1. Phase 2 clinical trial microdosing LSD in patients with major depressive disorder
2. Phase 2 clinical trial microdosing LSD in palliative care cancer patients

The University completed an initial phase of research funded by the Health Research Council (20/845) under an agreement dated May 27, 2020 titled ‘Developing Serotonergic 2A Receptor Agonists as Treatments for Mood Disorders’ (“**Phase 1 Research**”).

GENERAL DEVELOPMENT OF THE BUSINESS

Overview

MindBio is a clinical research and drug development company that combines clinical research, efficacy testing, safety, and drug development of microdosing psychedelic medicines and the development and commercialization of technology and digital therapies that can be used to improve the mental health of vulnerable patient groups.

MindBio New Zealand

MindBio NZ provides funding to the University to conduct clinical trials and research programs pursuant to a funding agreement dated December 21, 2021 and as amended October 25, 2022 between MindBio and University (“**Funding Agreement**”). The University vests its intellectual property interests in its wholly-owned subsidiary Auckland UniServices Limited (“**UniServices**”). MindBio NZ has also entered into a commercialization agreement dated December 21, 2021 with UniServices (“**Commercialization Agreement**”) pursuant to which MindBio NZ has an exclusive first right of refusal and option (“**First Right and Option**”) to enter into a legally binding license agreement with UniServices to commercialise, sublicense and exploit intellectual property developed by the University pursuant to the results of the research as described under the Commercialization Agreement (“**Medicinal IP**”), anywhere throughout the world. It is anticipated that such Medicinal IP will be commercialized by MindBio pursuant to a sub-license agreement with MindBio NZ.

Digital Mind Technologies

DMT is building on the results of a pilot randomized controlled trial of an intervention for treating pain using mobile and web applications to deliver self-guided mindfulness activities, conducted by Dr. Lahiru Russell, a behavioural scientist and researcher engaged by DMT pursuant a research agreement dated April 26, 2022 (“**DMT Research Agreement**”). A patient’s biometric data and online questionnaires via mobile or wearable technology are used to facilitate and quantify patient responses. DMT is working on developing the protocols for a clinical trial and also developing a solution for pain management in cancer patients. DMT is collaborating with MindBio in developing mobile and web based applications to deliver self-guided mindfulness activities in clinical trials being conducted out of the University.

General Operating History

On May 17, 2021, MindBio NZ signed a binding term sheet with the University which provided a global first right and option to commercialize the intellectual property that arises from microdosing clinical trials using medicinal psychedelics at the University. Discussions and negotiations with the University started in September 2020 and when final terms of the arrangement were agreed by the parties, the management of MindBio incorporated the entities and executed the binding term sheet. MindBio NZ and the University then entered into the Funding Agreement and the

Commercialization Agreement on December 21, 2021 the Funding Agreement, which was further amended on 25 October 2022.

There are 18 research staff employed at the University across the School of Engineering, the School of Pharmacy and the School of Medicine working on the MindBio clinical research and clinical trials. MindBio and DMT together employ four contract staff in Australia. The University completed the Phase 1 Research under an agreement dated May 27, 2020 titled, 'Developing Serotonergic 2A Receptor Agonists as Treatments for Mood Disorders'. MindBio NZ has an interest in supporting the development of new and innovative ways for managing and treating mental health disorders using psychedelic microdosing. The clinical research study seeks to develop new and innovative ways for managing and responding to mental illness via the use of psychedelic microdosing, where psychedelic microdosing is a therapeutic use of psychedelic drugs characterised by an intended regimen of repeated microdoses taken by a patient.

Pursuant to the Funding Agreement, MindBio NZ funds the University to conduct certain further research within the above area of interest. As of the date hereof, MindBio NZ has provided NZD\$2,550,000 in funding to the University. The University vests its intellectual property interests in UniServices. Under the Commercialization Agreement, the University and UniServices provides an option for MindBio NZ to license the outputs of the research, along with the outputs of the Phase 1 Research, for commercialisation. The University has also appointed UniServices as its exclusive agent to procure and enter into agreements on the University's behalf in relation to the performance of research.

MindBio NZ and the University are parties to the Funding Agreement and Commercialization Agreement, under which:

1. MindBio NZ agreed to fund the University, and the University agreed, to conduct certain research in such funder's areas of interest.
2. MindBio NZ has an exclusive first right and option (the "**First Right and Option**") to enter into a legally binding licence agreement with UniServices for MindBio NZ to commercialise, sublicense and exploit Medicinal IP anywhere throughout the world on an exclusive basis.
3. MindBio NZ has exercised its First Right and Option in respect of all of the Medicinal IP, in accordance with the Funding Agreement and Commercialization Agreement.
4. MindBio NZ and the University have agreed that the research under the Funding Agreement will be carried out by entering into the following five statement of works ("**SOWs**").

Statement of Work - SOW 1

Aim

The aim of this workpiece is to develop psychedelic microdosing formulations that can subsequently be manufactured under Good Manufacturing Practise ("**GMP**") standards for subsequent use in both commercially and in clinical trials. The principal aim is to develop an LSD microdosing formulation suitable for home use. The feasibility of a range of medication delivery systems will be explored.

The success of the formulations developed will be assessed against standard GMP criteria for dose homogeneity, stability with the aim of a minimum shelf-life of six months. Patient factors such as customisability and ease of administration will be considered in decision making processes.

Activities with estimated timelines

| Intended Activity | Cumulative Timeline Estimates |
|---|-------------------------------|
| On boarding of staff | 0-3 months |
| Review of existing formulations and creation of development plan. Feasibility assessment of wafers/capsules/liquid formulations * | 8 months |
| HPLC assay for LSD * | 7 months |
| Formulation studies * | 15 months |
| Characterisation/ Quality Testing * | 18 months |
| Stability Testing * Dossier Compilation** | 21 months |

* Written reports to be produced and provided to MindBio NZ

** Reports from all activities to be compiled into a dossier to be provided to MindBio NZ

At each quarterly reporting, strategy for intellectual property protection will be discussed between the University and MindBio NZ.

Description/Justification of Costs

- One staff member will be required to be on-boarded to complete this work. Casual staff may be used to provide additional scientific support.
- Time for the formulation lead scientist (AP Svirskis) is included.
- Formulation development costs include costs of laboratory chemicals and use of laboratory equipment as required.

Statement of Work - SOW 2

Aim

The aim of this workpiece is to develop scientific methods, which can be used to objectively determine the effectiveness of psychedelic microdosing on individuals. The key to achievement of this aim are:

- (a) the use of suitable sensors to obtain biophysical parameters, which are altered as a result of the therapy;
- (b) to develop suitable software platforms (apps and websites), which can be used by both the clinicians and the patients;
- (c) to design new programming environments that are specifically developed to suit the time critical requirements of micro-dosing;
- (d) to develop artificial intelligence (“AI”) / machine learning (“ML”) methods for data analytics for studying the impact of the therapy on the patient’s mood state;
- (e) to develop personalised algorithms, which can be used for optimising micro-dosing to suit a given individual;
- (f) to design suitable user interfaces for user interaction; and

(g) to provide suitable abstractions for visualising the patient data, before and after therapy.

Activities with estimated timelines:

| Intended Activity | Cumulative Timeline Estimates |
|--|--------------------------------------|
| On boarding of staff | 0-3 months |
| Device / sensor selection, procurement | 6 months |
| Initial system / software requirements | 7 months |
| Platform technology selection, backend and frontend technology selection / customisation | 8 months |
| A web-based programming environment for micro-dosing* | 9 months |
| Pilot testing of existing data | 12 months |
| App development and validation* | 15 months |
| Bio-physical data collection | 15 months |
| Data analysis using machine learning models* | 18 months |
| Algorithm design for precision micro-dosing | 18 months |
| Visualisation of the impact of therapy* | 18 months |

* Written reports to be produced and provided to MindBio NZ.

At each quarterly reporting, strategy for intellectual property protection will be discussed between the University and MindBio NZ.

Description/Justification of Costs:

- Two staff members will be required to be on-boarded as application developer and research assistant. Time for a laboratory technician is requested.
- Time for the two lead scientists on this project (AP Sundram and Prof. Roop) is included.
- Consumable equipment costs include the costs of wearable devices (also to be used in clinical trials), cloud server hire, telecommunications, storage, participant costs.

Statement of Work - SOW 3

Aim

The aim of this workpiece is to conduct a feasibility Phase 2 trial to examine the feasibility, acceptability and safety of a randomised, double-blind, placebo-controlled trial comparing Psychedelic Microdosing Assisted Meaning Centered Psychotherapy (“**PMA-MCP**”) to Meaning Centered Psychotherapy (“**MCP**”) with placebo in advanced stage cancer patients. This trial will help to evaluate whether PMAMCP provides benefits in advanced stage cancer patients to quality of life, spiritual well being, anxiety, depression, hopelessness, and attitudes towards death.

Recruitment of patients into clinical trials is an uncertain process and it is estimated it will take two years from ‘First Patient First Visit’ to complete the trial (i.e., ‘Last Patient Last Visit’).

Activities with estimated timelines

| Intended Activity | Date Estimates |
|--|-------------------------|
| Completion of Study Protocol, PIS, Analysis Plan, Data Management Plan | 6 months |
| Submission of Protocol Documentation to Ethics Committee and Locality | 6 months |
| Submission of Protocol Documentation to SCOTT* | 8 months |
| First Patient First Visit | 12 months |
| 6 Monthly Update Report Provided to MindBio NZ* | Every 6 months of study |

* Written reports to be produced and provided to MindBio NZ

At each quarterly reporting strategy for intellectual property protection will be discussed between the University and MindBio NZ.

Description/Justification of Costs

- Time of the principal study investigator (Dr Reynolds). Protocol documentation and oversight of study conducted will be provided by Dr Reynolds.
- Time for a medical officer, psychotherapists, consumable trial costs.

Statement of Work - SOW 4

Aim

The aim of this workpiece is to develop the trial protocols/procedures optimised for Phase 2 microdosing depression trials. This will involve: the analysis of Phase 1 trial data which will inform trial design for Phase 2 trials; development of investigator brochures; and development of trial protocol documentation.

Pharmacokinetic analyses will be conducted to help understand the individual variability of response to LSD observed in Phase 1 study data.

Activities with estimated timelines

| Intended Activity | Date Estimates |
|---|-----------------------|
| Mass-spectrometry assay of PK samples from Phase 1 trial* | 0-9 months |
| Other Phase 1 data analysis (Interview transcription/psychometrics etc, safety analysis)* | 12 months |
| New Investigator Brochure for LSD* | 6 months |
| Phase 2 Depression Trial Protocol Documents (Protocol, PIS, Analysis Plan, Data Management Plan)* Δ | 10 months |

* Written reports to be produced and provided to MindBio NZ.

At each quarterly reporting strategy, for intellectual property protection will be discussed between the University and MindBio NZ.

Description/Justification of Costs

- Time of the principal investigator (AP Muthukumaraswamy). Protocol documentation and analysis/interpretation will be written by the principal investigator.
- Dr Rachael Sumner will write the investigator brochure and oversee biomarker analysis.
- A subcontracted scientist (Dr. Soo Hee Jeong) will be employed (part-time) to conduct the pharmacogenomic/pharmacokinetic analysis.

Statement of Work - SOW 5

Description: SOW 5 covers special purchases to be made that will cover the entire project. Specifically, this includes the purchase/manufacture of active pharmaceutical ingredients (“**APIs**”) to be used across all SOWs and costs for contract manufacturing of drug substances for human use. These purchases will be discussed with MindBio NZ.

THREE YEAR OPERATING HISTORY

July 13, 2021: MindBio issued convertible notes for an aggregate of AUD\$1,340,000. The convertible notes were converted to equity on September 3, 2021 and 4,520,931 common shares in the capital of MindBio (“**MindBio Shares**”) were issued to the convertible notes’ holders. The following terms were attached to the convertible notes:

- (a) Interest: 10% per annum.
- (b) Maturity: No maturity, as the notes convert upon completion of a listing transaction.
- (c) Conversion: MindBio is required issue to the lender (or its nominee) within five business days of occurrence of the conversion event or such other date agreed between the MindBio and the lender that number of the MindBio Shares equal to 1.3 times the loan divided by the conversion price (as defined under the agreement with the lender).

July 30, 2021: MindBio raised AUD\$1,300,000 from Australian accredited investors to fund its working capital requirements through issuance of convertible notes.

August 31, 2021: MindBio was acquired by Canadian Securities Exchange (“**CSE**”) listed entity, Blackhawk Growth Corp (CSE:BLR), (“**BLR**”); BLR completed a share swap with MindBio in a 100% script for script transaction where all of the shareholders in MindBio became shareholders in BLR, resulting in MindBio becoming a wholly-owned subsidiary of BLR.

September 13, 2021: DMT was incorporated; prior to incorporating DMT, the founder of DMT, Dr. Lahiru Russell completed a pilot randomized controlled clinical trial in 69 patients which assessed the feasibility and acceptability of an online mindfulness-based intervention for people diagnosed with melanoma. The potential benefit of the mindfulness-based intervention on fear of cancer recurrence, worry, rumination, perceived stress and trait mindfulness was also explored. Dr. Russell’s vision is to empower people to engage in healthy self-care strategies to manage the impact of their illness for long-term wellbeing. After graduating with a Master in Biochemistry from the University of Geneva, Switzerland, Dr. Russell worked for a decade in the pharmaceutical industry managing clinical trials.

Over the years Dr. Russell developed an interest in the psychosocial adaptation to illness and strategies to manage the stress-related aspects of disease. Her studies in Epidemiology at the London School of Hygiene and Tropical Medicine (UK) stimulated her desire to undertake research in this field. Following this, Dr. Russell joined the psycho-oncology research team at the Peter MacCallum Cancer Centre in Melbourne, Australia, evaluating supportive care interventions for people affected by cancer.

In 2018, Dr. Russell was awarded her PhD from Deakin University, Australia. Coupling with her personal interest in mindfulness practices and her professional experience in psycho-oncology, Dr Russell’s PhD research was designed

to determine whether a mindfulness program could benefit people with melanoma. The focus of the program was to empower participants to manage their health by promoting awareness of emotions and teaching skills to manage distressing thoughts. Central to the success of the program was the flexibility offered to participants to access the information at their own convenience.

Dr Russell is dedicated to expand her early research to build an evidence base informing the development of self-guided interventions promoting the mental health of people affected by cancer and other chronic conditions.

The results of the pilot randomized controlled trial is summarized below:¹

- (a) Study completion participants shows high participant retention using DMT's digital therapeutic model. Program adherence and usability of the technology is a major factor in the success of the intervention.
- (b) The intervention was found helpful by 72% of respondents.
- (c) The clinical trial illustrated statistically significantly reduced severity of emotional "fear" of cancer recurrence in this self guided intervention for substantially better emotional outcomes.
- (d) The clinical results to date are encouraging for DMT's clinical trials in late stage cancer patients, targeting pain and mood disorders and DMT's aim to create a medical application for prescription in various patient groups.

The intellectual property Dr. Russell has created is informed by a number of important published works that are important to many aspects of the clinical trials design and philosophy.

October 1, 2021: DMT issued convertible notes for an aggregate of AUD\$1,305,000, without a maturity date. On December 7, 2021, the convertible notes were converted to equity into 4,433,855 common shares of DMT ("**DMT Shares**") to the convertible notes' holders. The following terms were attached to the convertible note:

- (a) Interest: 10% per annum accrued on a daily basis, and paid upfront per year.
- (b) Maturity: No maturity, as the notes convert upon completion of a listing transaction.
- (c) Conversion: DMT is required to issue to the lender (or its nominee) within five business days of occurrence of the conversion event or such other date agreed between the company and the lender that number of the DMT Shares equal to 1.5 times the loan divided by the conversion price (as defined under the agreement with the lender).

November 23, 2021: DMT issued loans to investors totalling AU\$1,405,000 at an interest rate of 10% per annum, repayable after 18 months from listing date of MindBio.

November 23, 2021: MindBio NZ was incorporated as a subsidiary of MindBio. On December 21, 2021, MindBio NZ signed the Funding Agreement and Commercialization Agreement with the University, immediately exercised its First Right and Option to commercialize all of the Medicinal IP.

January 31, 2022: MindBio NZ was lent CAD\$1,700,000 from BLR ("**Blackhawk Loan**"). The Blackhawk 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 governing the Blackhawk Loan.

April 26, 2022: DMT entered into the DMT Research Agreement with Dr. Russell pursuant to which Dr. Russell shall conduct clinical research and related services including research into a digital therapeutic platform for use by patients with cancer-related pain and associated symptoms. In terms of the DMT Research Agreement, all intellectual property

¹ The results of the pilot randomized controlled trial are available here: <https://pubmed.ncbi.nlm.nih.gov/30506103/>

(including future intellectual property) created by Dr. Russell or any other person under Dr. Russell's supervision or employment in connection with connection to DMT Research Agreement vests with DMT immediately on creation.

June 10, 2022: the Company completed a non-brokered private placement of common shares in the capital of the Company (the “**SpinCo Shares**”) for an aggregate gross proceeds of CA\$253,627.04 at a price of CAD\$0.04 per SpinCo Share. No broker or finder fees were paid for this private placement.

June 12, 2022: MindBio issued loans to investors totalling CAD\$1,384,000 at an interest rate of 10% per annum, repayable after 18 months. The lender is entitled to bonus shares in the Company at a price of CAD\$0.08 per SpinCo Share. The number of bonus shares of the Company will be equal to the value of the loan divided by CAD\$0.08.

BUSINESS OF THE COMPANY

Objectives and Business of MindBio

MindBio is developing novel therapies for mental health conditions and has created a multi-disciplinary platform to cultivate emerging treatments by developing and investing in:

1. Drug & Formulation Development
2. Clinical trials.
3. Digital interventions for improving mental health
4. Data analytics, AI and machine learning methods to predict patient outcomes from Microdosing

Explanation of Drug & Formulation Development

MindBio, through its wholly-owned subsidiary MindBio NZ, is working on novel formulations using medical psychedelics, primary LSD, to treat mental health conditions. Psychedelics are part of a small class of drugs known as psychoplastogens.

Pre-clinical research has demonstrated that psychedelic substances, including LSD, psilocybin, ayahuasca and N-dimethyltryptamine, effect neuroplasticity after acute and chronic administration. The data generated from in vitro studies conducted by the Beckley Foundation in 2018 demonstrated neuroplasticity by the presence of Brain Derived Neurotrophic Factor (BDNF) in blood plasma.² Studies conducted at University of California, Davis in 2018 have also shown that microdosing psychedelics such as LSD and psilocybin demonstrate neuroplasticity effects and promote increased neurite growth, spine density and synaptogenesis.³

MindBio’s Phase 1 clinical trials microdosing LSD were completed in April 2022. The Phase 1 trial is used to determine the safety and efficacy of ingesting a regular small dose, a “microdose” of LSD. In MindBio’s Phase 1 clinical trial, microdoses of LSD are provided to healthy participants, with the drug prescribed by a doctor and the patient consuming the substance the same way that they would take any other medication at home.

In sufferers of depression and related disorders, it is known that atrophy of neurons in the prefrontal cortex (PFC) plays a key role in the pathophysiology of these disorders.⁴ The research has indicated that introducing psychedelics to patient care, these substances may help stimulate neurite growth. Researchers are examining re-generative process and if it can assist in healing patients suffering from depression and related mental health disorders. Phase 2 clinical trials are in development to test the effectiveness of microdosing LSD on patients with Major Depressive Disorder and in patients with late stage cancer who are experiencing emotional end of life distress

² <https://www.beckleyfoundation.org/2018/06/13/psychedelics-promote-neural-plasticity/>

³ [https://www.cell.com/cell-reports/fulltext/S2211-1247\(18\)30755-1](https://www.cell.com/cell-reports/fulltext/S2211-1247(18)30755-1)

⁴ <https://trialsjournal.biomedcentral.com/articles/10.1186/s13063-021-05243-3>)

Lysergic Acid Diethylamide (LSD)

MindBio is conducting clinical trials with the primary treatment thesis being microdosing of psychedelic medicines, with LSD being the first candidate drug selected for clinical trials. LSD is thought to bind most serotonin receptor subtypes (1A, 2A, 2C, 5C, and 6) and has activity at dopamine and adrenergic receptors.⁵ Some general conceptions regarding LSD include:

- Mood altering effects of LSD are thought to be due to partial agonism of the 5-HT2A.
- LSD microdosing is long suggested in the ‘grey’ literature to improve mood and relieve depression.
- There are some controlled scientific studies on the effects of repeated self-administered micro-dosed LSD.
- LSD is a good candidate for microdosing due its long-acting activity at 5HT2A receptor

The data from MindBio’s Phase 1 clinical trials will inform formulation development for use in Phase 2 clinical trials. One of the challenges of microdoses, is creating a stable shelf life, long lasting formulation that is easy for a patient to use, easily stored, administered, and titrated safely. MindBio is working towards development of a formulation that meets these criteria and is also developing a range of monitoring and safety protocols for the safe administration of the drug.

Clinical trials of biomedical interventions typically proceed through four phases:

Phase I Clinical Trial

Phase I clinical trials are done to test a new biomedical intervention for the first time in a small group of people (e.g. 20-80) to evaluate safety (e.g. to determine a safe dosage range and identify side effects).

Phase II Clinical Trial

Phase II clinical trials are done to study an intervention in a larger group of people (several hundred) to determine efficacy (that is, whether it works as intended) and to further evaluate its safety.

Phase III Clinical Trial

Phase III studies are done to study the efficacy of an intervention in large groups of trial participants (from several hundred to several thousand) by comparing the intervention to other standard or experimental interventions (or to non-interventional standard care). Phase III studies are also used to monitor adverse effects and to collect information that will allow the intervention to be used safely.

Phase IV Clinical Trial

Phase IV studies are done after an intervention has been marketed. These studies are designed to monitor the effectiveness of the approved intervention in the general population and to collect information about any adverse effects associated with widespread use over longer periods of time. They may also be used to investigate the potential use of the intervention in a different condition, or in combination with other therapies.

Psilocybin

Psilocybin is a psychedelic drug and naturally occurring compound produced by more than 200 species of fungi. A hallucinogenic drug and psychoplastogen, the intensity and duration of the effects of psilocybin are variable, depending on species of mushrooms, dosage and individual physiology. Once ingested, psilocybin is rapidly metabolized to psilocin, which then acts on serotonin receptors in the brain. Psilocybin has a low toxicity and low

⁵ <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5756147/>

harm potential and there have been numerous pre-clinical and early stage clinical trials that show that this is a promising drug for the treatment of depression and related mental health disorders. MindBio is interested in microdosing psilocybin in clinical trials to determine its safety and efficacy for treating a range of mental health conditions. Psilocybin is also commonly used in “macro-doses” in a clinical setting, with the treatments taking 6-8 hours using the drug and assisted psychotherapy to enhance the therapeutic experience for patients.^{6,7}

Microdosing

Microdosing psychedelics is the practice of consuming very low, sub-hallucinogenic doses of a psychedelic substance, such as LSD or psilocybin-containing mushrooms.

MindBio is developing a microdose formulation for use in its Phase 2 clinical trials with the first candidate drug being LSD. MindBio is collecting data in its clinical trials which is informative of the benefits of microdosing psychedelics. The data will be used to determine the dosage and treatment regimen and to understand the nuances of treatment across a spectrum of mental health and wellness indicators and different psychedelic medicines for microdosing and will be informative for predicting treatment outcomes in patients with different clinical presentations.

MindBio NZ is conducting clinical research to determine if microdosing can provide the following benefits:

- Microdoses have a potential lower side effect risk profile to existing pharmacological treatments for the treatment of a range of mental health conditions.
- Less risk of harm than large, one off doses of psychedelics where most of the current emphasis in research has been focused.
- Psychedelics, prescribed in microdoses in the primary health system would be efficient and patients could take the drug, in conjunction with adjacent psychotherapies in the same way that they would take an anti-depressant medication and have assisted psychotherapy.
- Microdosing psychedelics can have neuroplasticity effects on the brain, yet the patient is still able to get on with their normal day after ingesting the microdoses. This is not possible with a psychedelic macro-dosing treatment session which requires a full day of patient care.
- Microdosing psychedelics is a scalable solution to global mental health treatment.
- The mechanism and action of psychedelics is known to be helpful for elimination of rumination and worry patterns seen in anxiety and depression.
- Improved response to psychotherapy whilst using psychedelics.
- Faster treatment/response times.
- Safe alternative to the existing accepted regimes of anti-depressant and anti-psychotic medications.

6 Griffiths RR, Johnson MW, Carducci MA, Umbricht A, Richards WA, Richards BD, et al. Psilocybin produces substantial and sustained decreases in depression and anxiety in patients with life-threatening cancer: a randomized double-blind trial. *J Psychopharmacol (Oxford)*. 2016;30(12):1181–97. <https://doi.org/10.1177/0269881116675513>.

7 Kuypers KPC, Ng L, Erritzoe D, Knudsen GM, Nichols CD, Nichols DE, et al. Microdosing psychedelics: more questions than answers? An overview and suggestions for future research. *J Psychopharmacol*. 2019;33(9):1039–57. <https://doi.org/10.1177/0269881119857204>.

Explanation of Clinical Trials

Phase 1 Clinical Trials Microdosing LSD in 80 healthy participants

MindBio NZ has completed a 12 month long Phase 1 Clinical Trial microdosing LSD. The clinical trial is a randomised, double blind placebo controlled trial in 80 healthy volunteers. Participants are randomised in the clinical trial to receive repeated doses of either inactive placebo or LSD (10 µg oral) under double-blind conditions in a parallel groups design.

The clinical trial protocols were published in advance of data collection.

A variety of physiological and psychological measures are recorded at baseline and after completion of each of a six-week dosing regimen.

Measures include a validated personality scale and tests of creativity. Electroencephalography is used to directly measure brain function in each participant before and after treatment.

To examine the self-improvement benefits suggested in self-reports, the trial assesses measures of personality structure and creativity. Specifically, open-mindedness and the related construct of absorption, as well as divergent and convergent thinking will be measured. The hypotheses is that participants will show increased open-mindedness compared to placebo as measured by the Big Five Inventory-2 (“**BFI-2**”) and absorption as measured by the Modified Tellegen Absorption Scale (“**MODTAS**”) and increased divergent thinking as measured by the Alternate Uses Test (“**AUT**”) and convergent thinking as measured by the Remote Associates Task (“**RAT**”).

To assess the possible neural mechanisms of these changes, established measures of cortical plasticity and connectivity are used. We hypothesise that participants who receive LSD will show greater levels of plasticity than placebo paradigms described by Sumner et al and will show modification to the connectivity of the default mode network as measured by analysis of within- and between-network correlations of node activity during resting-state functional magnetic resonance imaging.⁸

Because of the early stage of the field, a comprehensive battery of secondary measures will be administered, including mood, cognition, mindfulness, flexibility, peripheral blood mononuclear cell (PBMC) biomarkers, inflammatory cytokines, drug plasma levels, and supplementary creativity, personality, and connectivity measures. Analysis of these secondary measures will be considered exploratory, and reporting of any significant results will reflect the caution necessary in interpreting them appropriately.

Clinical Trial Inclusion Criteria

| | Inclusion Criteria |
|---------------------|--|
| Consent | Willing and able to give informed consent for participation in the trial, reconfirmed verbally at each study visit |
| Demographics | |
| Age | 25-60 years |
| Sex | Male |

⁸ Sumner RL, McMillan R, Spriggs MJ, Campbell D, Malpas G, Maxwell E, et al. Ketamine improves short-term plasticity in depression by enhancing sensitivity to prediction errors. Eur Neuropsychopharmacol. 2020;38:73–85. <https://doi.org/10.1016/j.euroneuro.2020.07.009>.
<https://www.samhsa.gov/data/release/2019-national-survey-drug-use-and-health-nsduh-releases>

Primary and Secondary Measures

| Measure | Domain |
|---|--|
| Alternate Uses Test (AUT) | Creativity: divergent thinking |
| Big Five Inventory-2 (BFI-2) | Personality: open-mindedness, agreeableness, conscientiousness, extraversion, negative emotionality |
| Visual Long-Term Potentiation Paradigm (EEG LTP) | Plasticity: Hebbian plasticity |
| Roving Mismatch Negativity Paradigm (EEG MMN) | Plasticity: predictive coding |
| Modified Tellegen Absorption Scale (MODTAS) | Personality: absorption |
| Remote Associates Task (RAT) | Creativity: convergent thinking |
| Resting-State fMRI | Connectivity |
| 5-Dimensional Altered States of Consciousness Questionnaire (5D-ASC) | Drug effects: psychological |
| Adverse events | Unwanted health effects |
| Consensual Assessment Technique (CAT) | Creativity: non-specific |
| Detail and Flexibility Questionnaire (DFlex) | Attention to detail and cognitive rigidity |
| Daily questionnaire | Mood: well, sad, happy, stressed, creative, anxious, focused, tired, calm, connected, angry, energy, irritable, motivated, craving |
| Depression, Anxiety, and Stress Scale (DASS) | Mood: depression, anxiety, stress |
| Drug Effects Visual Analogue Scale (VAS) | Drug effects: psychological |
| Electrocardiogram (ECG) | Drug effects: physiological |
| Everyday Problem-Solving Questionnaire | Creativity: problem solving |
| Expectancy questionnaire | Expectancy |
| Five Facets of Mindfulness Questionnaire (FFMQ) | Mindfulness: observe, act with awareness, non-judgement, describe, non-reacting |
| Fitbit Charge 4, Activity and Sleep Tracker, manufactured by Fitbit, San Francisco, CA, USA | Drug effects: physiological |
| Genetic biomarkers | Genetic |
| Inflammatory cytokines | Immune modulation |

| Measure | Domain |
|---|---|
| NIH Toolbox Picture Vocabulary Test, Flanker Inhibitory Control and Attention Test, Picture Sequence Memory Test, List Sorting Working Memory Test, Dimensional Change Card Sort Test, Pattern Comparison Processing Speed Test [63] | Cognition: language, attention, executive function, episodic memory, working memory, processing speed |
| NIH Toolbox Anger-Affect, Anger-Hostility, Anger-Physical Aggression, Positive Affect, General Life Satisfaction, Meaning and Purpose, Emotional Support, Instrumental Support, Loneliness, Friendship, Perceived Hostility, Perceived Rejection, Self-Efficacy | Mood: anger, positive affect, general life satisfaction, meaning and purpose, social support, companionship, social distress, self-efficacy |
| Pharmacokinetic/pharmacodynamic (PKPD) measures | Drug metabolism |
| Peripheral mononuclear blood cell (PMBC) biomarkers | Physiology |
| Profile of Mood States (POMS) | Mood: fatigue, tension, depression, anger, vigour, confusion |
| Perceived Stress Scale (PSS) | Mood: stress |
| Self-Assessment Manikins (SAM) | Drug effects: valence, arousal, dominance |
| Semi-structured audio interview | Open-ended |
| Subject release interview | Open-ended |
| State of Surrender (SoS) | Mindset: surrender |
| State of Preoccupation (SoP) | Mindset: preoccupation |
| Vital signs | Physiology |

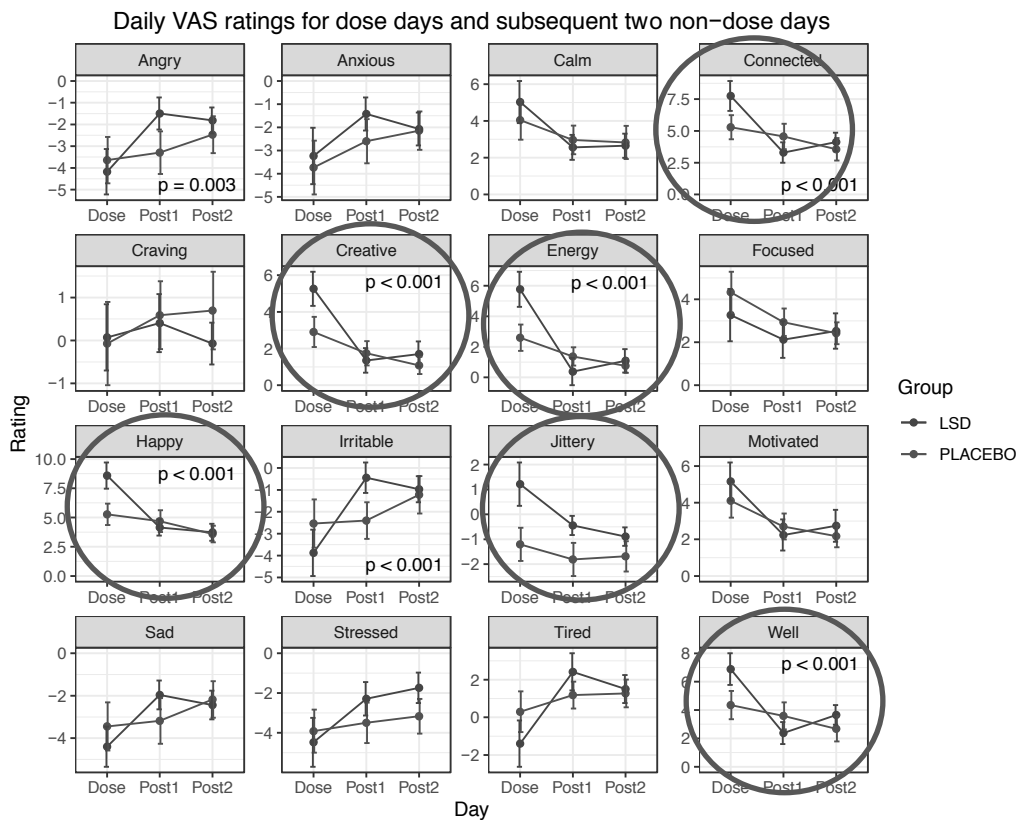
This study is a randomised, participant and investigator-masked, inactive placebo-controlled parallel-group trial with 80 participants. Participants are allocated into parallel groups in blocks of ten in a 1:1 ratio. Given the early stage of this field, an exploratory framework has been chosen. The study drug or placebo is self-administered by participants from 1-ml oral syringes containing 10 µg of LSD or placebo. Visits occur at research facilities in the Faculty of Medical and Health Sciences on the Grafton Campus of the University.

At a screening visit, volunteers provide informed consent, are checked for eligibility, and are approved for inclusion by a study psychiatrist. Written informed consent is obtained by members of the study team from the participants through the process outlined below. A participant information sheet (“PIS”) and informed consent form is supplied to prospective participants prior to their attendance at the screening visit, with adequate time to seek independent advice, for example, from a lawyer, general practitioner (“GP”), and relevant family members. These forms contain information on the nature of the trial, what involvement will entail for the participant, the implications and constraints of the protocol, the known side effects, and any risks involved in taking part. Participants will have the opportunity to ask questions of the study investigators prior to and again during the screening visit, and their verbal understanding of the information will be confirmed prior to giving written informed consent. Continuing eligibility and verbal consent is reconfirmed at every study visit.

Following acceptance to the trial, participants return for a second visit to collect baseline measures (day - 6). The following evening, participants receive a text message with a link to complete a questionnaire of visual analogue scale (“VAS”) ratings every day until the final study visit (day 43). One week later (day 1), participants return to the lab to receive a single dose of their first allocated intervention and are monitored for 6 hours before being discharged. Blood is drawn prior to drug administration and at 30, 60, 120, 240, and 360 min after administration. Subjective drug effect measures are also collected at these time points. Electroencephalogram (EEG) measures taken at ~ 150 min after administration and creativity measures at ~ 260 min. Participants are discharged with four additional doses and then self-administer oral syringes sublingually every third morning on 12 occasions and fourth morning on one occasion (days 4, 7, 10, 13, 16, 19, 22, 25, 28, 31, 34, 37, 41). Participants make a brief re-supply/health check visit on days 14 and 26 and receive 4 and 5 additional doses, respectively, on these dates. On day 43, all baseline measures are repeated, as well as a qualitative interview. Brief follow-up telephone interviews will be conducted at 1 and 3 months.

Results of the study are expected to enable a rigorous evaluation of the purported benefits of psychedelic microdosing and will be relevant to the question of whether microdosing may be a viable alternative treatment regimen for depression, where full psychedelic doses are currently being investigated in clinical trials.

Phase I Clinical Trial LSD Microdosing in 80 Healthy Participants - Top Line Results:



1102 microdoses (LSD/placebo) were administered in the trial with 100% adherence to regimen and no diversion of substances.

Daily questionnaires showed credible evidence (>99% posterior probability) of increased ratings of “energy”, “wellness”, “creativity”, “happiness” and “connectedness” on dose days relative to non-dose days, which persisted when controlling for pre-intervention expectancy.

Daily VAS scores were collected, showing the mean of every dose day for every participant organized by drug allocation (Group), as well as the means of the following two non-dose days (Post1/Post2). Of the 16 VAS scales, 7 had significant interaction effects which survived a Bonferroni corrected alpha level ($\alpha = 0.05/16 = 0.0031$): ‘angry’,

‘connected’, ‘creative’, ‘energy’, ‘happy’, ‘irritable’, and ‘well’. Bayesian modelling showed a very similar pattern of results with the same measures having Bayesian 95% credible intervals which did not overlap 0, excluding ‘angry’. The analyses showed it was highly probable (>99.9%) that an effect existed for ‘energy’, ‘happy’, ‘well’ and ‘irritable’ and probable (>99%) that it existed for ‘connected’ and ‘creative’. There was a likely effect for ‘angry’ and ‘tired’

Adverse Events (“AEs”)

Analysis of AE data from all randomised participants (N = 80) shows the proportion of participants who experienced an AE in the LSD group was 85.0% and in the placebo group was 80.0%, the odds ratio (OR) was not statistically significant (OR = 1.4, 95% CI [0.4, 5.5], Fishers exact p = 0.77). Median severity for AEs was mild in both the LSD group and the placebo group. There were no deaths, serious or severe AEs in the study.

Proportion tests of the number of participants who experienced an event in each condition showed that only ‘jitteriness’ was statistically significant. The proportion of participants who experienced ‘jitteriness’ in the LSD group was 32.5%, and in the placebo group was 7.5%; the odds of reporting ‘jitteriness’ were significantly higher in the LSD group (OR = 5.62, 95% CI [1.6, 27.7], Fisher’s exact p = 0.01). Four participants were withdrawn from the LSD group due to the emergence of mild anxiety.

Summary

- Home based microdosing studies are feasible and practical
- Adverse Event profile of LSD microdosing is good (in data collected so far)
- Jitteriness can emerge in a subset of participants
- Subtle dose titration to optimise treatment regimen will be important for future trials
- The increases in, “energy”, “well”, “happy”, “creative”, “connected” are suggestive of anti-anhedonic properties that may have potential when used in patients with depression.

Phase 2 clinical trials microdosing LSD in palliative care cancer patients – currently in development and anticipated to start early 2023.

The administration of high-dose psychedelic compounds have shown clinically significant benefits in the treatment of psychological distress in advanced cancer patients. However, psychedelics at high doses can vividly alter perceptions; an experience that poses challenges in this vulnerable population⁹. Microdosing means the repeated administration of psychedelics in low doses does not alter perceptions but may offer similar benefits in reducing anxiety, depression and existential distress.¹⁰

This study will evaluate the feasibility of conducting a randomised controlled trial comparing LSD-microdosing in people who have advanced cancer and anxiety or depression. Participants will be randomised to receive psychotherapy alongside doses of LSD microdose or a placebo. The feasibility, acceptability, safety and potential psychological benefits of this intervention will be assessed. The findings will inform the development of a larger trial and provide initial indication of potential benefits of psychedelic microdosing in advanced cancer.

The Phase 2 clinical trials in late stage cancer patients will be headed by lead investigator Dr Lisa Reynolds. Dr Reynolds is Director of the Postgraduate Diploma in Health Psychology at the University in New Zealand which develops health psychology students to work clinically as psychologists in physical health settings. She has worked clinically for over fifteen years with people who have cancer and other patients in various health settings. Her Ph.D. investigated the impact of a brief mindfulness-based intervention for managing distress in chemotherapy patients. Her

9 <https://trialsjournal.biomedcentral.com/articles/10.1186/s13063-021-05243-3>

10 <https://trialsjournal.biomedcentral.com/articles/10.1186/s13063-021-05243-3>

previous research has focused on the role of emotion, avoidance, stigmatisation, and disfigurement in cancer patients and she has run trials that investigate whether mindfulness and compassion might be helpful in such contexts. More recently, she has been involved in studies that investigate the use of virtual reality and psychedelic-assisted therapy for people with cancer.

Phase 2 Clinical Trials in patients with Major Depressive Disorder (“MDD”) currently in development and due to start early 2023

Phase 2 clinical trials are scheduled to begin in early 2023. The Phase 1 clinical trials are extensive and much of the work and preparation for developing the technical protocols for the Phase 2 clinical trials in MDD has been developed through the learnings of the Phase 1 clinical trial.

The target disorder for treatment with microdoses of LSD is MDD. MDD is the most prevalent mental health disorder in the USA with 8.4% of the population experiencing a major depressive episode in 2019, according to the National Survey of Drug Use and Health.¹¹

Dr Suresh Muthukumaraswamy will be leading the Phase 2 clinical trials. Dr Suresh is a world leading psychedelics research scientist and is heavily published in psychedelic science and neuropharmacology.

Protocol Summary: Phase 2 Clinical Trials in patients with Major Depressive Disorder (“MDD”)

| | |
|---------------------------|---|
| Title: | An open-label pilot trial of LSD microdosing in patients with major depressive disorder (MDD) (LSDDEP1). |
| Study Description: | This study will recruit participants with major depressive disorder (MDD) into an open-label pilot study. 20 patients will be given an eight week regimen of LSD microdoses in order to assess the feasibility, tolerability and optimisation of trial procedures for LSDDEP2 - a randomised control trial of the same, or similar, dosing regimen. |
| Objectives: | <p><u>Primary Objective:</u> a) To determine the tolerability of a regimen of LSD microdoses in patients with MDD. b) To determine the feasibility of conducting LSDDEP2 - an RCT using LSDDEP1 study procedures.</p> <p><u>Secondary Objectives:</u> a) To measure the time-course of depressive symptomatology in patients with MDD receiving the proposed regimen of LSD microdoses. b) To measure compliance with trial assessments.</p> <p><u>Exploratory Objective:</u> To assess the overall acceptability of trial procedures.</p> <p><u>Safety Objective:</u> To assess the incidence of SAEs and AEs by severity.</p> |
| Endpoints: | <p><u>Primary Endpoints:</u> a) Percentage of participants completing the dosing regimen. b) Percentage of attended clinic visits once enrolled.</p> <p><u>Secondary Endpoints:</u> a) Change in Montgomery-Åsberg Depression Rating Scale (MADRS) scores after 2,4,6 and 8 weeks of LSD microdosing compared to baseline. b) Percentage of measures completed - grouped by measure.</p> <p><u>Exploratory:</u> Qualitative feedback from patients.</p> <p><u>Safety Endpoints:</u> Tabulations of AEs by severity and SAE listings.</p> |

¹¹ <https://www.nimh.nih.gov/health/statistics/major-depression>

| | |
|---|--|
| | |
| Study Population: | Patients with major depressive disorder, aged 21-65 of all gender identities. (n = 20). |
| Phase: | 2A |
| Description of Site: | Single site. Clinical Research Centre. Building 507. The University of Auckland, Auckland, New Zealand. |
| Description of Study Intervention: | Lysergic acid diethylamide. 5-15 µg taken according sublingually according to defined titration protocol. Doses administered 2 out of every 7 days for 8 weeks followed by an 8 week extension (EXT) period with the same regimen. |
| Study Duration: | 30 weeks. |
| Participant Duration: | 20 weeks. |

| | |
|-----------------------------|---|
| Title: | A randomised, double-dummy, triple-blind, active placebo-controlled, parallel groups, trial of LSD microdosing in patients with major depressive disorder (LSDDEP2). |
| Study Description: | This study will recruit participants with major depressive disorder in a double-dummy parallel groups triple-blind design (participants, experimenters, outcome assessors). 90 patients will be given an eight week regimen of either LSD microdoses or active placebo to determine whether LSD microdoses cause changes in depressive symptomatology. |
| Objectives: | <p><u>Primary Objective:</u> To determine whether a regimen of LSD microdoses delivered with a mobile-phone based psychological intervention, compared with placebo modifies depressive symptomatology in patients with MDD.</p> <p><u>Secondary Objectives:</u> To determine whether a regimen of LSD microdoses modifies symptoms of anxiety, rumination and anhedonia in patients with MDD.</p> <p><u>Safety Objective:</u> To assess the incidence of SAEs and AEs by severity.</p> |
| Endpoints: | <p><u>Primary Endpoint:</u> Change in MADRS scores after 8 weeks of LSD microdosing</p> <p><u>Secondary Endpoints:</u> Changes in Hamilton Anxiety (HAM-A), Depression Anxiety and Stress Scale (DASS-21), Depression and Anhedonia Rating Scale (DARS), Ruminative Response Scale (RRS) and WHOQOL-BREF scores after 8 weeks of LSD microdosing.</p> <p><u>Safety Endpoints:</u> Tabulations of AEs by severity and SAE listings.</p> |
| Study Population: | Patients with major depressive disorder, aged 21-65 of all gender identities. (n= 90). |
| Phase: | 2B |
| Description of Sites | Single site. Clinical Research Centre. Building 507. The University of Auckland, Auckland, New Zealand. |

| | |
|---|---|
| Description of Study Intervention: | Lysergic acid diethylamide. 5-15 µg taken according sublingually according to defined titration protocol. Doses administered 2 out of every 7 days for 8 weeks followed by an 8 week open-label extension period with the same regimen. Active placebo: Caffeine capsules - 50-300 mg. |
| Study Duration: | 24 months. |
| Participant Duration: | 20 weeks. |

The primary efficacy assessments to be used in Phase 2 clinical trials include:

Montgomery-Asberg Depression Rating Scale (“MADRS”) (Clinician Administered)

MADRS is the primary outcome measure for LSDDEP2. The MADRS is a ten (10) item clinician-administered outcome that evaluates the core symptoms of depression.¹² Core symptoms of depressive illness covered by the MADRS include: reported sadness, apparent sadness, inner tension, reduced sleep, reduced appetite, concentration, lassitude, inability to feel, pessimistic thoughts and suicidal thoughts. Items are rated on a 7-point Likert scale (0 = no abnormality to 6 = severe). Item responses are summed to give a single score between 0-60, where higher scores indicate greater levels of depression. The MADRS is recognised by regulatory agencies such as the U.S. Food and Drug Administration (2018) and European Medicines Agency (2013) as a primary outcome measure for antidepressant trials.

Using standard conventions, a “responder” at a particular time-point will be classified as participant who experiences a 50% reduction in MADRS score relative to baseline. A “remitter” at a particular time-point will be classified as a participant who has a MADRS score <10 at that time-point.¹³

This trial will utilise the Structured Interview Guide for the Montgomery-Asberg Depression Rating Scale (“SIGMA”) structured interview guide for the MADRS.¹⁴ The SIGMA has excellent inter-rater reliability (ICC = 0.93). The MADRS is a reliable measure and has good test re-test reliability. Moreover, the intra-class correlation when delivered by video call is $r = 0.95$. In this trial, all MADRS assessments will be conducted by video call (even when the participant is on-site for consistency purposes). Audio recordings of all assessment calls (except the screening MADRS) will be made, encrypted and locked into the study database for future audit.

All MADRS assessors in this trial will be trained and calibration exercises conducted every six months for the duration of the trial. Whenever possible, the same assessor will be perform MADRS assessments for a particular participant.

Hamilton Anxiety Rating Scale (“HAM-A”) (Clinician Administered)

Anxiety is a common symptom of depression and frequently co-morbid with depression. Hence, it is desirable to obtain a separate measure of anxiety. HAM-A is 14-item clinician rated scale with items rated on a 5-point Likert scale (0 to 4). Two subscale scores are psychic anxiety and somatic anxiety. The HAM-A has shown to have good reliability, validity and sensitivity to change and good internal consistency (Cronbach $\alpha = 0.83$) although it does overlap with depressive symptoms.¹⁵

12 Montgomery and Asberg 1979.

13 Zimmerman, Posternak et al. 2004.

14 Williams and Kobak 2008.

15 Maier, Buller et al. 1988.

Ruminative Response Scale (“RRS”)

Rumination is a common symptom of depression characterised by repetitive rumination as passively and repetitively focusing on one's symptoms of depression and the possible causes and consequences of these symptoms rather than solutions.¹⁶ Studies have shown that rumination predicts the onset and severity of depressive episodes and mediates gender differences in depressive symptoms.

The RRS is a PRO consisting of 22 statements rated on a four-point Likert scale by participants. A single score is produced by summation of the items.¹⁷ The RRS has good internal reliability (Cronbach $\alpha = 0.82$).

Dimensional Anhedonia Rating (“DARS”)

The DARS¹⁸ is a relatively new psychometric instrument designed to measure aspects of anhedonia (“loss of pleasure”) in patients. Anhedonia is one of the core symptoms of MDD as defined by the DSM-5. DARS measures anhedonia across four constructs: hobbies, food/drink, social activities, and sensory experience. Participants are asked to provide two examples of activities they would find rewarding in each category. In total 17 five-point Likert scale questions are answered. A sum score for all categories gives a measure of total anhedonia with four sub-scales available for analysis.

The DARS total score has good reliability for the total score (Cronbach $\alpha = 0.92$) and for each of the sub-scales (pastimes/hobbies $\alpha = 0.91$; foods/drinks $\alpha = 0.86$; social activities $\alpha = 0.83$, and sensory experiences $\alpha = 0.89$) with good convergent and divergent validity. The DARS has been tested in MDD patients and is able to discriminate MDD patients from both healthy controls and patients with treatment-resistant depression.¹⁹ Given qualitative reporting from MDLSD trial participants of increased social connection while microdosing and in the general microdosing literature there is particular interest in this trial in the social anhedonia sub-scale.²⁰

DASS-21

The Depression Anxiety and Stress Scale (“DASS”) is a commonly used PRO measure of the three constructs: depression, stress and anxiety (Lovibond and Lovibond 1996). The DASS was used in the MDLSD study in healthy volunteers and will be employed in the PAM study of LSD microdosing in advanced-stage cancer patients. The original version of the DASS consists of 42 items with a short-form of 21 items available. DASS-21 has been widely used across a number of clinical samples (Lee, Lee et al. 2019).

To complete the DASS, participants rate items on a four-point Likert scale from 0-3. In a large normative sample the DASS was shown to have excellent internal reliability for the overall scale (Cronbach $\alpha = 0.88$) as well as each of the sub-scales of depression (Cronbach $\alpha = 0.82$), anxiety (Cronbach $\alpha = 0.90$) and Stress (Cronbach $\alpha = 0.93$) (Henry and Crawford 2005).

WHOQOL-BREF

WHOQOL-BREF is a short version of the WHOQOL-100 - both scales which have been developed by the World Health Organisation to measure overall Quality of Life (Skevington, Lotfy et al. 2004). WHOQOL-BREF has been widely translated and validated with a New Zealand version available. The WHOQOL-BREF is a PRO comprising of 26 items which participants rate on a five-point Likert scale from 1 (“disagree/not at all”) to 5 (“completely agree/extremely”). WHOQOL-BREF covers four domains in 24 questions: physical health, psychological, social relationships and environment plus two general items for the patient's perception of their own health and quality of life.

16 Treynor, Gonzalez et al. 2003.

17 Nolen-Hoeksema and Morrow 1991.

18 Rizvi, Quilty et al. 2015

19 Rizvi, Quilty et al. 2015.

20 Johnstad 2018, Lea, Amada et al. 2019

In the original development of WHOQOL-BREF it showed good reliability for physical health (Cronbach $\alpha = 0.82$), psychological health (Cronbach $\alpha = 0.81$) and environmental factors (Cronbach $\alpha = 0.80$) but only marginal reliability for social relationships (Cronbach $\alpha = 0.68$) (Skevington, Lotfy et al. 2004).

Watts Connectedness Scale (“WCS”)

The Watts Connectedness Scale (WCS) is a relatively new scale for measuring sense of connectedness to self, others and the world (Watts, Kettner et al. 2022). The WCS is a PRO consisting of 23 items marked on a visual analogue scale between 0 (“not at all”) and 100 (“entirely”). The WCS shows good reliability for each of the factors of connectedness to self (Cronbach $\alpha = 0.84$), others (Cronbach $\alpha = 0.87$) and the world (Cronbach $\alpha = 0.90$). WCS scores have shown to be increased following psilocybin-assisted psychotherapy in patients with treatment-resistant depression (Watts, Kettner et al. 2022).

Hua Oranga

Hua Oranga is a psychiatric outcome measure designed for use with Māori participants, although it can be used for all ethnicities (McClintock, Mellsoop et al. 2011). It is built on the Te Whare Tapa Whā framework developed by Sir Mason Durie which emphasises four aspects of mental health: Taha tinana (physical health), Taha wairua (spiritual health), Taha whānau (family health), Taha hinengaro (mental health). Hua Oranga consists of sixteen items where each of the constructs are scored by participants on a five-point scale with descriptors of each provided.

HAM-D6 Self-report (part of Daily Questionnaire)

Developed by Bech (2006) the HAMD-6 is based off the Hamilton Depression Rating Scale that captures the core features of depression with a psychometrically validated self-report version (Bech, Wilson et al. 2009). A recent clinical trial (Targum, Sauder et al. 2021) successfully utilised the self-report HAMD-6 via mobile phone application as will be used here. In that trial HAMD-6 was completed twice per day for 49 days with results demonstrating good compliance with a 75% completion rate. Further, the results of that trial showed sensitivity to change with treatment and good concordance with clinician administered rating scales.

Pilot Randomized Clinical Trial in 69 Melanoma patients – completed by Dr Lahiru Russell prior to the acquisition of DMT by Blackhawk.

This study assessed the feasibility and acceptability of an online mindfulness-based intervention (“**MBI**”) for people diagnosed with melanoma. The potential benefit of the MBI on fear of cancer recurrence (“**FCR**”), worry, rumination, perceived stress and trait mindfulness was also explored.

Participants who have completed treatment for stage 2c or 3 melanoma were recruited from an outpatient clinic and randomly allocated to either the online MBI (intervention) or usual care (control). The 6-week online MBI comprised short videos, daily guided meditations and automated email reminders. Participants were asked to complete questionnaires at baseline and at 6-week post-randomisation. Study feasibility and acceptability were assessed through recruitment rates, retention and participant feedback. Clinical and psychosocial outcomes were compared between groups using linear mixed models. Results: Sixty-nine (58%) eligible participants were randomised (46 in the intervention; 23 in the control group); mean age was 53.4 (SD 13.1); 54% were female. Study completion rate across both arms was 80%. The intervention was found helpful by 72% of the 32 respondents.

The intervention significantly reduced the severity of FCR compared to the control group (mean difference = - 2.55; 95% CI - 4.43, - 0.67; $p = 0.008$). There was no difference between the intervention and control groups on any of the outcome measures. This online MBI was feasible and acceptable by people at high risk of melanoma recurrence. It significantly reduced FCR severity in this sample. Patients valued accessing the program at their own pace and convenience. This self-guided intervention has the potential to help survivors cope with emotional difficulties. An adequately powered randomised controlled trial to test study findings is warranted.

People with a melanoma diagnosis experience fear and concerns about their cancer recurring. A normal level of FCR can ensure a person remains alert and aware of signs and symptoms of recurrence, but if the fear persists, it may lead

to psychological distress such as anxiety or depression. Among people with melanoma, high FCR can cause delays in seeking medical care and reduced participation in recommended cancer surveillance programs. Persistent FCR involves frequent and chronic intrusive thoughts, anxiety and excessive worry about a possible recurrence. FCR is also positively correlated with ruminating over cancer-related information. Psycho-educational interventions targeted at people with melanoma can decrease anxiety and health-related distress, and prompt positive change in coping with illness. More specifically, a theoretical framework for FCR presenting the multidimensional nature of FCR highlighted the importance of cognitive processing and metacognitions in the development and maintenance of FCR. This framework proposed that improving awareness of thoughts may be a therapeutic approach to reduce worrisome and unhelpful thoughts, which underlie FCR. This awareness is an essential component of MBIs which are proposed in our next stream of clinical work, managing pain, anxiety and distress in late stage cancer patients.

Description of SpinCo's Revenue

SpinCo's revenue is expected to be derived from the following streams:

1. The sale of medications (MindBio)
2. The sale of technology (MindBio & DMT)
3. The sale of an anti-tampering medication dispensing device (MindBio)
4. Sublicensing IP (MindBio & DMT)
5. Sale of data (MindBio & DMT)

1. Sale of Medications

MindBio is developing a microdose formulation that can be used as a long-life and shelf stable medication to be prescribed in the primary health care system in the same way that anti-depressant drugs are prescribed by doctors now. The drug development process is integrated with the Phase 1 and Phase 2 clinical trials being conducted out of the University. The expectation is that drug formulation work will result in the submission of patent applications to protect the intellectual property developed in this regard, leading to the commercialization of the drug.

2. Sale of Technology

MindBio is developing proprietary technology that can be used whilst treating patients with microdoses of psychedelic medicines for predictive screening, diagnosis and monitoring of patients. The development activities are currently performed in house and external consultants may be hired if required.

3. Sale of Anti-Tampering Medication Dispensing Device

MindBio is creating novel treatments for mental health conditions using drugs that have been subject to misuse and abuse and so MindBio is developing a safe medication delivery device which has anti-tampering characteristics and can limit dosage amount and frequency to a strict treatment regimen. The device will support medication adherence and integrate with wearables and other technologies that can report drug adherence and biometric data back to clinicians.

4. Sublicensing IP

MindBio is able to sublicense its IP under the Commercialization Agreement, on the same terms. This provides the 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.

5. Sale of Data

Throughout the clinical trials, MindBio is collecting thousands of data points across biological and psychometric features of patients and patient's responses to the treatments administered. The data collected could be sold to third parties who may benefit from such information particularly with respect to psychedelic microdosing treatments.

Marketing Plans and Strategies

The Company is primarily active in research and product development and is building market relationships via sponsorships of major industry conventions and promotional activities involving social media.

Principal Markets

The principal markets for the Company are pharmaceutical health care, particularly in mental health and biotechnology health care in oncology and mental health in the regions of Australia, Asia, the Americas and Europe.

Distribution methods

Distribution will likely be via agreements with pharmaceutical organizations and possibly via select clinics.

Specialized Skill and Knowledge

The Company utilizes the skills and expertise of scientists with particular experience in developing and running clinical trials in the psychedelics and technology sectors.

Competition

There is potential that the Company will face intense competition from other companies, some of which can be expected to have longer operating histories and more financial resources and production and marketing experience than the Company. Further, because of the early stage of the industry in which the Company operates, the Company expects to face additional competition from new entrants.

The Company's competitors are all located in North America. The Company has a unique advantage by conducting clinical trials in New Zealand having received relevant government approvals that are not available in any other jurisdiction. The chart below provides a brief summary of the Company's direct competitors.

Competitor Comparison

| Competitors | Description of Business |
|-------------------------------------|--|
| ATAI Life Sciences (NASDAQ:ATAI) | ATAI Life Sciences. Atai.life is a biopharmaceutical company that leverages a decentralised platform approach to incubate and accelerate the development of highly effective mental health treatments that address the unmet needs of patients. |
| Compass Pathways (NASDAQ:CMPS) | Compass Pathways. Compasspathways.com is a mental health care company dedicated to accelerating patient access to evidence-based innovation in mental health. Our first programme is researching how psilocybin therapy could help people with treatment-resistant depression. |
| Mind Medicine (NASDAQ:MNMD) | Mind Medicine. Mindmed.co helps patients unlock the healing power of the mind through Psychedelic Inspired Medicines & Experiential Therapies. |

| Competitors | Description of Business |
|--|--|
| Cybin (AQL:CYBN) | Cybin. Cybin.com is a leading ethical biopharmaceutical company, working with a network of world-class partners and internationally-recognized scientists, on a mission to create safe and effective therapeutics for patients to address a multitude of mental health issues. The company is focused on progressing Psychedelics to Therapeutics by engineering proprietary drug discovery platforms, innovative drug delivery systems, novel formulation approaches and treatment regimens for mental health disorders. |
| Field Trip Health Ltd (NASDAQ:FTRP) | Field Trip Health Ltd. Fieldtriphealth.com, creates immersive therapies that combine the latest science with the wisdom of psychedelic medicine to support a patient’s healing journey. |
| Revive Therapeutics Ltd (CNX:RVV) | Revive Therapeutics. Revivether.com, is a life sciences company focused on the research and development of therapeutics for rare disorders and infectious diseases. |
| Bright Minds Biosciences (CNX:DRUG) | Bright Minds Biosciences. Brightmindsbio.com is a biotech company that engages in the development of serotonergic therapeutics to treat mental health disorders. |
| Mindset Pharma Inc (CNX:MSET) | Mindset Pharma. Mindsetpharma.com is a Toronto-based drug discovery business focused on creating novel and patentable psychedelic compounds for the treatment of neurological and psychiatric disorders. Founded in 2019 by domain experts in drug development, medicinal chemistry and capital markets, Mindset is assembling a proprietary library of transformative psychedelic intellectual property designed to address chronic neuropsychiatric disorders efficiently and safely. |
| HAVN Life Sciences Inc (CNX:HAVN) | HAVN Life Sciences Inc. havnlife.com, is using evidence-informed research, on a mission to unlock human performance and empower people to achieve their full potential. Through end to end research, extraction, formulation and delivery, HAVN Life Sciences aspires to define and standardize the future of modern medicine. |

Intangible Properties

MindBio is developing its IP through clinical trials, collection of data and the development of technology and know-how in the delivery of microdosing treatment regimens to patients.

Economic Dependence

MindBio is dependent on the delivery of clinical trials by University for developing new treatments for mental health conditions which can be commercialized by MindBio.

Employees and Consultants

The Company employs Justin Hanka as Chief Executive Officer to run its operations. MindBio and DMT together employ four contract staff in Australia to perform specific functions in the business, and a further 18 staff are employed at the University to deliver clinical trials.

MindBio contracts with Shape Capital Pty Ltd., an arm’s length third party, to provide advice with respect to corporate advisory and financing activities.

EMERGING MARKET INFORMATION

Materials Permits, Business Licenses and Other Regulatory Approvals

Through due diligence investigations conducted by the Company, including consultation with local counsel and personnel with relevant geographic operations experience in each applicable jurisdiction, the Company is satisfied that all necessary licenses, permits and regulatory approvals have been obtained by the Company in order to carry on the business as currently conducted and that such licenses, permits and regulatory approvals are in good standing with the exception of those whose absence would not constitute a material adverse effect on the business of the Company.

Foreign Corporation Structure and Internal Controls

The Company's board of directors (the "**Board**") has effective control over MindBio and DMT, as both entities are wholly owned subsidiaries of the Company. Therefore, the Company will have the ability to pass all shareholder resolutions with respect to MindBio and DMT and has effective control from an accounting perspective of these two entities.

As the controlling shareholder of MindBio and DMT, the Company is able to cause MindBio and DMT to distribute dividends, subject to requirements under local laws, if any, that each subsidiary has sufficient distributable profits, or otherwise cause MindBio and DMT to transfer funds in any other manner such that there will not be a concern regarding compliance with fiduciary obligations to the Company.

Overall, the Company's Audit Committee will be responsible for the financial reporting process on behalf of the Board and for overseeing the adequacy of the Company's system of internal accounting controls. This includes oversight responsibility for financial reporting and continuous disclosure, oversight of external audit activities, oversight of financial risk and financial management control. The three anticipated members of the Audit Committee will all be financially literate pursuant to section 1.6 of NI 52-110 and two of the members will be considered independent pursuant to section 1.4 of NI 52-110. In addition, the Audit Committee and the auditors of the Company will have access to all books and records of the Company, MindBio and DMT to ensure appropriate oversight and that such books are maintained in accordance with proper accounting standards. The Company believes that these qualities and the language proficiencies of its executive officers and Directors allows the management of the Company to mitigate any risks that can stem from any failure of internal controls.

Removal of Directors

The Board can be removed and/or replaced in accordance with the Articles and local laws applicable to such matters. MindBio and DMT's board of directors can be removed and/or replaced in accordance with its Articles of Association and local laws applicable to such matters.

Foreign Investment Regulations

Through due diligence investigations conducted by the Company as well as consultation with local counsel, the Company is satisfied that it is in compliance with all applicable foreign investment regulations in Australia and New Zealand.

Corporate Structure

The Company does not believe that it faces any material risks outside of the normal course with respect to its corporate structure. The Company wholly owns MindBio and DMT, international business companies incorporated in Australia. MindBio NZ is a wholly-owned subsidiary of MindBio, and is incorporated in New Zealand.

Material Changes

A material change in respect of MindBio and DMT may constitute a material change in respect of the Company depending on the nature of the change and impact of the change on the Company's business as a whole.

Management Experience and Connection to Australia

The Company has extensive management expertise. Justin Hanka, Chief Executive Officer, had a distinguished corporate career, including the founding and exit of several early stage growth companies. Mr. Hanka also served on a number of public boards as a director for Canadian listed entities.

Language Proficiency and Barriers

The English language is commonly used in respect of international business transactions in the Australia and New Zealand. There are no language barriers.

Enforcement of Foreign Judgements in Australia

MindBio and DMT will continue to maintain a legal presence in Australia. Canada and Australia have similar laws in areas relevant to investor protection, contract and intellectual property. There is a clear and established legal pathway in respect of the enforceability of foreign judgements in Australia.

Whether a foreign judgment can be enforced in Australia depends on where the judgment was issued and the type of judgment that was issued. Currently, the enforcement of foreign judgments in Australia is governed by both statutory regimes and common law principles. With respect to statutory regimes, the *Foreign Judgments Act 1991* and the *Foreign Judgments Regulations 1992* provide for the procedure and scope of the judgments that can be enforceable under the statutory regime. Additionally there are international agreements which address these issues and in instances when there is no international or statutory agreement, the foreign judgment must be enforced under common law principles.

MATERIAL AGREEMENTS

The following are the only material contracts that will be in effect upon completion of the Arrangement (other than certain agreements entered into in the ordinary course of business):

- The Arrangement Agreement entered into between BGC and the Company. For further details, see “*The Arrangement*” of the Circular;
- Funding Agreement entered into between MindBio NZ and the University. For further details, see “*General Operating History*”; and
- Commercialization Agreement entered into between MindBio NZ and the University. For further details, see “*General Operating History*”.

Copies of the foregoing documents will be available following the completion of the Arrangement on SEDAR at www.sedar.com.

USE OF AVAILABLE FUNDS

The estimated funds available to the Company (on a consolidated basis) in the next 12 months are as follows:

| Estimated Funds Available Over the Next 12 Months | Amount (CAD\$) |
|---|---------------------------|
| Working Capital of the Company as of October 31, 2022 (CAD \$) | 480,778 |
| Total | 480,778 |

Use of Available Funds: The intended uses of the estimated available funds are as follows:

| Principal Purposes | Estimated Cost (CAD \$) |
|--|------------------------------------|
| Listing on the CSE | 15,750 |
| General and administrative expenses of the Company (See Table 1 below for a detailed breakdown of these expenses) | 344,437 |
| Unallocated | 120,591 |
| Total | 480,778 |

Table 1

| General and Administrative Expenses of the Company (Consolidated) | Annual Amount \$ AUD |
|--|---------------------------------|
| Non-Executive Director Fees | 100,000 |
| CFO, Corporate Secretary fees | 100,000 |
| R&D | 20,000 |
| Annual filing fees | 1,320 |
| Audit fees | 36,000 |
| CSE monthly listing fees | 9,900 |
| Marketing & Investor Relations | 60,000 |
| Travel | 20,000 |
| Salaries and wages | 36,000 |
| Office Expenses | 15,000 |
| Telephone & Utilities | 7,000 |
| Total AUD \$ | 405,220 |
| Total CAD \$ | 344,437 |

Note:

(1) Based on an exchange rate of 1 CA\$ = 1.15 AUD.

It is anticipated that the available funds will be sufficient to achieve SpinCo's objectives over the next 12 months. SpinCo intends to spend the funds available to it as stated herein. There may be circumstances, however, where for sound business reasons a reallocation of funds may be necessary. Use of funds will be subject to the discretion of management. Until SpinCo uses the unallocated funds, it will hold them in cash and/or invest them in short-term, interest-bearing, investment-grade securities.

Business Objectives and Milestones

The following table outlines key milestones and objectives of the Company.

| Objectives | Key Milestones | Expected Timing | Cost |
|---|---|----------------------------|-------------|
| Corporate administrative support for Phase 2a/b clinical trials | Completion of Phase 2a/b Clinical Trials | 2024 | \$120,000 |
| Patent and Intellectual Property Development | Finalise patent submission | 2023 | \$70,000 |
| Planning, preparation and discovery: new clinical trials | Scope of works produced in respect to next clinical trial | 2023 | \$40,000 |

DIVIDEND RECORD AND POLICY

The Company has not declared any dividends or made any distributions since incorporation. The Board may declare dividends at its discretion but does not anticipate paying dividends in the near future. While there are no restrictions in the Company’s constituting documents or pursuant to any agreement or understanding which could prevent the Company from paying dividends or distributions, the Company anticipates using all available cash resources to fund working capital and grow its business. As such, the Company has no plans to pay dividends in the foreseeable future. Any decisions to pay dividends in cash or otherwise in the future will be made by the Board on the basis of the Company’s earnings, financial requirements and other conditions existing at the time a determination is made.

FINANCIAL INFORMATION AND MANAGEMENT’S DISCUSSION AND ANALYSIS

See Schedule A to this Appendix E of the Circular for the draft audited financial statements of MindBio as of June 30, 2022 and the annual management’s discussion and analysis.

SUMMARY OF FINANCIAL INFORMATION

The following table sets forth selected consolidated financial information of the Company for the period indicated, and should be read in conjunction with the financial statements of the Company attached hereto.

| Balance Sheet | Interim Period Ended Sep 30, 2022 (AUD\$) | Year Ended June 30, 2022 (AUD\$) | Year Ended June 30, 2021 (AUD\$) |
|----------------------|--|---|---|
| Current Assets | 294,763 | 1,371,225 | 480,000 |
| Total Assets | 349,006 | 1,450,116 | 481,000 |
| Current Liabilities | 57,056 | 974,399 | 946,925 |
| Total Liabilities | 57,056 | 974,399 | 946,925 |
| Shareholders’ Equity | (4,665,226) | (4,427,258) | (465,925) |

DESCRIPTION OF SHARE CAPITAL

SpinCo Shares

The holders of SpinCo Shares will be entitled to receive notice of and to attend all meetings of the shareholders of the Company and to one (1) vote per share at meetings of the shareholders of the Company. Except as otherwise set out below or as required by law, holders of SpinCo Shares will vote as one class at all meetings of shareholders of the Company. The holders of the SpinCo Shares will also be entitled to receive dividends as and when declared by the Board on the SpinCo Shares as a class. The holders of the SpinCo Shares shall be entitled, in the event of any liquidation, dissolution or winding up, whether voluntary or involuntary, or any other distribution of assets among the Company’s shareholders for the purpose of winding up its affairs, to share in such assets of the Company as are available for distribution. All SpinCo Shares outstanding after completion of the Asset Acquisition will be fully paid and non-assessable and not subject to any pre-emptive rights, conversion or exchange rights, redemption, retraction or surrender provisions, sinking or purchase fund provisions, provisions permitting or restricting the issuance of additional securities or provisions requiring a shareholder to contribute additional capital.

As at the Effective Time, there will be 97,746,945 SpinCo Shares issued and outstanding.

Stock Options

Holders of stock options of SpinCo (the “**Stock Options**”) will be entitled to purchase SpinCo Shares in accordance with the terms and conditions of the stock option plan of SpinCo (the “**Stock Option Plan**”). Holders of Stock Options

will have no claim to dividend rights, voting rights, rights upon dissolution or winding-up of the Company, preemptive rights, redemption, retraction, purchase for cancellation or surrender provisions, sinking or purchase fund provisions, or provisions requiring a holder to contribute additional capital (except upon exercise).

As at the Effective Date, there were nil Stock Options issued and outstanding.

CONSOLIDATED CAPITALIZATION

Pro Forma Consolidated Capitalization

The following table sets forth the Company's anticipated consolidated capitalization on a pro forma as adjusted upon giving effect to the Arrangement. This table is presented and should be read in conjunction with the financial statements included in the Circular.

The following table sets out the anticipated fully-diluted share capital of SpinCo upon giving effect to the Arrangement:

| Designation of Security | Authorized | Outstanding upon giving effect to the Arrangement |
|-------------------------|------------|---|
| SpinCo Shares | Unlimited | 97,746,945 |
| Options | 19,549,389 | 14,984,572 ⁽¹⁾ |
| Total | | 112,731,517⁽²⁾ |

Notes:

- (1) Anticipated total of options to be issued after closing of the Arrangement.
- (2) Upon the exercise of common share purchase warrants of BLR ("**BLR Warrants**") issued and outstanding as of November 25, 2022, such BLR Warrant holder is entitled to receive one SpinCo Share for each BLR Warrant, subject to any approvals and restrictions required by the CSE and under Canadian securities laws – notwithstanding that the BLR Warrants are not part of the Arrangement. As of November 25, 2022, there are 7,533,431 BLR Warrants issued and outstanding. For avoidance of doubt, there are no common share purchase warrants of SpinCo outstanding.

Fully-Diluted Share Capital

| | SpinCo Shares Outstanding (as of the Closing Date of the Arrangement) |
|---|--|
| SpinCo Shares issued to the holders of BLR | 87,871,269 |
| SpinCo Shares issued to the holders of MindBio | 9,875,676 |
| Total Outstanding SpinCo Shares | 97,746,945 |
| Reserved for issuance pursuant to outstanding Stock Option Plan | 14,984,572 |
| Reserved for issuance pursuant to the BLR Warrants | 7,533,431 ⁽¹⁾ |
| Total SpinCo Shares Reserved for Issuance | 22,518,003 |
| Total Number of Fully Diluted Securities | 135,249,520 |

Notes:

- (1) Upon the exercise of common share purchase warrants of BLR Warrants issued and outstanding as of November 25, 2022, such BLR Warrant holder is entitled to receive one SpinCo Share for each BLR Warrant, subject to any approvals and restrictions required by the CSE and under Canadian securities laws – notwithstanding that the BLR Warrants are not part of the Arrangement. As of November 25, 2022, there are 7,533,431 BLR Warrants issued and outstanding. For avoidance of doubt, there are no common share purchase warrants of SpinCo outstanding.

OPTIONS AND OTHER RIGHTS TO PURCHASE SECURITIES

Stock Option Plan

The Company anticipates adopting a 20% Fixed Number of Shares Stock Option Plan which reserves for issuance pursuant to the exercise of Stock Options, a specified number of SpinCo Shares, up to a maximum of 20% of the Company's issued SpinCo Shares as at the date of the Stock Option Plan. The Stock Option Plan has not been approved by the Company's shareholders but will be presented to the shareholders of the Company at the next annual general meeting of shareholders. At that time, the fixed number of Stock Options may increase, if the issued share capital of the Company has increased prior to the next Annual General Meeting.

The purpose of the Stock Option Plan is to provide for the acquisition of SpinCo Shares by officers, employees, directors and consultants of the Corporation for the purpose of advancing the interests of the Company through the motivation, attraction and retention of officers, employees, directors and consultants of the Company and its affiliates and to secure for the Company and its shareholders the benefits inherent in the ownership of Shares by such persons, it being generally recognized that share incentive plans aid in attracting, retaining and encouraging such people due to the opportunity offered to them to acquire a proprietary interest in the Company.

Under the Stock Option Plan, the Company can issue up to 20% of the issued and outstanding Shares as incentive Stock Options to directors, officers, employees and consultants to the Company. The Stock Option Plan limits the number of Stock Options which may be granted to any one individual to not more than 5% of the total issued Shares of the Company in any 12-month period. The number of Stock Options granted to any one consultant or a person employed to provide investor relations activities in any 12-month period must not exceed 2% of the total issued Shares of the Company. As well, Stock Options granted under the Stock Option Plan may be subject to vesting provisions as determined by the Board of Directors. Other terms of the Stock Option Plan are:

- (a) a condition that Stock Options are non-assignable and non-transferable;
- (b) the term of a Stock Options cannot exceed ten years from the date of grant;
- (c) a condition that no more than 5% of the issued Shares may be granted to any one individual in any 12 month period unless disinterested shareholder approval is obtained;
- (d) a condition that no more than 2% of the issued Shares may be granted to any one consultant in any 12 month period;
- (e) the Company will determine and set the vesting conditions and period for every grant of a Stock Option in addition to the minimum vesting period for Stock Options granted to Consultants.
- (f) a condition that no more than an aggregate of 2% of the Shares may be granted to a person conducting investor relations activities in any 12-month period and shall vest over 12 months with no more than 25% of the Stock Options vesting in any three-month period; and
- (g) upon termination an optionee has 60 days to exercise their Stock Options although this period may be extended at the discretion of the Company.

The Stock Option Plan will be administered by the Board of Directors of the Company, or delegated to a committee of three directors of the Company which will have full and final authority with respect to the granting of all Stock Options thereunder. No such committee has been set up.

As of the date hereof, no Stock Options have been granted by the Company. The table below represents the Stock Options expected to be granted upon completion of the Arrangement:

| Name of Person | Relationship with Company | No. of Options | Exercise Price (CAD\$) | Maturity Date |
|------------------------|--------------------------------------|-------------------|------------------------|------------------|
| Justin Hanka | Chief Executive Officer and Director | 4,887,347 | 0.10 | January 10, 2025 |
| Gavin Upiter | Non-Executive Director & Chairman | 300,000 | 0.10 | January 10, 2025 |
| Zena Burgess | Non-Executive Director | 300,000 | 0.10 | January 10, 2025 |
| John Dinan | Chief Financial Officer | 300,000 | 0.10 | January 10, 2025 |
| Andrew Clarke | Consultant | 200,000 | 0.10 | January 10, 2025 |
| Karina Parrington-Lowe | Consultant | 200,000 | 0.10 | January 10, 2025 |
| Anoosh Manzoori | Consultant | 1,954,939 | 0.10 | January 10, 2025 |
| Svetlana Hanka | Employee | 1,954,939 | 0.10 | January 10, 2025 |
| Monia Manzoori | Employee | 4,887,347 | 0.10 | January 10, 2025 |
| TOTAL | | 14,984,572 | | |

PRIOR SALES

The following table summarizes issuances of SpinCo Shares, or securities convertible into SpinCo Shares, during the 12-month period preceding the date hereof:

| Date of Issuance | Type of Security | Number of Securities Issued | Issuer Price per Security |
|------------------|--|-----------------------------|---------------------------|
| December 7, 2021 | Digital Mind Technology Convertible Note | 4,433,855 | \$0.30 |
| June 10, 2022 | SpinCo Shares | 6,340,675 | \$0.04 |
| Total | | 10,774,530 | |

TRADING PRICE AND VOLUME

The SpinCo Shares are not currently traded or quoted on a Canadian marketplace. The Company has applied to list its SpinCo Shares issuable pursuant to the Arrangement Agreement on the CSE. Such listing will be subject to the Company fulfilling all of the minimum listing requirements of the CSE. There can be no assurance that the CSE will list the SpinCo Shares. If listing approval is ultimately obtained prior to the Effective Time, trading in the SpinCo Shares is expected to commence shortly after completion of the Arrangement.

ESCROWED SECURITIES

As required under the policies of the CSE, principals of the Company will enter into an escrow agreement as if the company was subject to the requirements of National Policy 46-201 – *Escrow for Initial Public Offerings* (“NP 46-201”). Escrow releases will be scheduled at periods specified in NP 46-201 for emerging issuers, that is, 10% will be released upon completion of the Arrangement, followed by six subsequent releases of 15% every six months thereafter. The form of the escrow agreement must be as provided in NP 46-201.

The table below includes the details of escrowed securities that will be held by principals of the Company upon the completion of the Arrangement:

| Name of Securityholder | Number and Class of Securities | Percentage of Class (Fully-Diluted Basis) |
|---|---------------------------------------|--|
| Justin Hanka ⁽¹⁾ Principal Securityholder | 2,627,840 SpinCo Shares | 2.70% |

The escrow release schedule of escrowed securities held by principals of the Company will be as follows:

| Date | Percentage of Securities Released |
|---|--|
| On the date the Issuer's securities are listed on a Canadian exchange (the " listing date ") | 1/10 of escrowed securities |
| 6 months after the listing date | 1/6 of remaining escrowed securities |
| 12 months after the listing date | 1/5 of remaining escrowed securities |
| 18 months after the listing date | 1/4 of remaining escrowed securities |
| 24 months after the listing date | 1/3 of remaining escrowed securities |
| 30 months after the listing date | 1/2 of remaining escrowed securities |
| 36 months after the listing date | Balance of remaining escrowed securities |

PRINCIPAL SECURITYHOLDERS

To the knowledge of the Company, as of the date hereof, there are no persons who will, immediately following the completion of the Arrangement, directly or indirectly, own or exercise control or direction over, securities carrying more than 10% of the voting rights attached to any class of voting securities of Company.

DIRECTORS AND EXECUTIVE OFFICERS

The Board will consist of three directors: Gavin Upiter (Chair), Justin Adam Hanka, and Zena Burgess. In addition, the constitution of the Company's senior management is anticipated to include: Justin Hanka as Chief Executive Officer and John Dinan as Chief Financial Officer and Corporate Secretary.

The following table sets out, for each of the Company's directors and executive officers, the person's name, Province or State and country of residence, position with the Company, principal occupation, age and, if a director, the date on which the person became a director. Directors are expected to hold office until the next annual general meeting of shareholders and are elected annually and, unless re-elected, retire from office at the end of the next annual general meeting of shareholders. As a group, the directors and executive officers will beneficially own, or control or direct, directly or indirectly, a total of 2,627,840 SpinCo Shares, representing 2.7% of the SpinCo Shares outstanding upon completion of the Arrangement.

Name, Occupation and Security Holding

| Name, Proposed Position with Company and Province and Country of Residence | Date of Appointment to Office of MindBio | Principal Occupation for Past Five Years ⁽²⁾ | Shares Held as of the Date of this Circular | Percentage of Shares Currently Held |
|--|--|---|---|-------------------------------------|
| Gavin Upiter ⁽¹⁾ <i>Chairman</i> Melbourne, Australia | June 23, 2021 | Chairman of MindBio since July 13, 2022, CEO and Founder Director, Australia's first B2B marketplace for pharmacies and wholesalers. | Nil | Nil |
| Justin Adam Hanka ⁽¹⁾ <i>Chief Executive Officer and Director</i> Melbourne, Australia | May 12, 2021 | Director of MindBio since May 12, 2021. Investment Banking and Mergers and Acquisitions, Director of 958 Consulting Pty Ltd located in Melbourne, Australia, Non-Executive Director of EonX, (CSE: EONX), Non-Executive Director Goldcar Aus/NZ, Non-Executive Chairman, Blackhawk Growth Corp (CSE:BLR) | 2,627,840 ⁽³⁾ | 2.7% |
| Zena Burgess ⁽¹⁾ <i>Director</i> Melbourne, Australia | June 23, 2021 | Director of MindBio, CEO of Australian Psychological Society, CEO Royal Australian College of General Practitioners. | Nil | Nil |
| John Dinan <i>Chief Financial Officer</i> Melbourne, Australia | July 1, 2021 | CFO of MindBio, Licensed Certified Practising Accountant and member of the Certified Practising Accountants of Australia since 1985; partner of Square Financial Pty Ltd, an accounting firm located in Melbourne, Victoria, Australia; since March 2020, CFO of Larkfield Estate, a private investment company; principal of the Dinan Family Trust from October 2015. CFO of EONX Technologies (CSE:EONX) | Nil | Nil |

Notes:

- (1) Member of Audit Committee.
- (2) The information as to principal occupation, business or employment and shares beneficially owned or controlled is not within the knowledge of management of the Company and has been furnished by the respective individuals.
- (3) Equivalent number of shares held in BLR and figure anticipated to be held of the Company upon completion of the Arrangement.

Management Experience

The following is a brief description of the management and key personnel of the Company:

Justin Adam Hanka (Age 49), Chief Executive Officer and Director

Justin Hanka is an experienced executive with over 25 years helping early stage disruptive companies grow and achieve their exit objectives. Justin was previously CEO and COO of a number of high growth early stage companies that have achieved exits for founders and investors such as iSelect.com.au (ASX: ISU) and Helpmechoose sold to Mortgage Choice, now (ASX: REA). After a successful management career, Justin moved into investment banking and has over the past decade been highly successful on a number of M&A mandates. Justin has also worked on capital markets mandates listing Australian companies in North America in the fintech and technology sector. Justin has industry expertise in the health and pharmaceutical sector and working with fintechs, insurance and ecommerce companies. Justin is currently Non-Executive Director of Goldcar, a wholly owned subsidiary of Europcar (EPA: EUCAR), Non-Executive Chairman at Blackhawk Growth Corp (CSE: BLR), Non-Executive Director of EonX (CSE: EONX), and previously Non-Executive Director of a number of health and pharmaceutical ventures including a

probiotics manufacturer, Fitness Australia, Fitness Victoria, the Private Health Insurance Intermediaries Association and a board advisor to Venturewise, an NPS MedicineWise company.

Mr Hanka has experience as a director on two public companies that are a reporting issuer in the provinces of British Columbia and Ontario.

| Name of Reporting Company | Name of Exchange or Market | Position | From | To |
|----------------------------------|-----------------------------------|---|----------------|-----------|
| EonX | CSE | Non-Executive Director & Chair of Audit Committee | March 23, 2021 | Current |
| Blackhawk Growth Corp | CSE | Non-Executive Director & Chairman | June 6, 2022 | Current |

Justin Hanka will be a full-time employee of the Company and anticipates spending 75% of his working time on the business of the Company.

John Dinan (Age 65), Chief Financial Officer

John is a CPA and has over 30+ years in finance and risk management experience. He has worked in senior finance roles for large public listed companies and private infrastructure and fund management business. These include Brambles, Le Forte Capital Corporation, National Mutual Life Association of Australia, and ATEC Rail Group Limited and Trust Company Limited. He has held a number of senior positions including CFO, General Manager Risk and Finance, Company Secretary and Executive Board Positions. Mr Dinan works as an independent contractor to the business.

Mr Dinan has experience as a director on 3 public companies that are a reporting issuer in Australia.

| Name of Reporting Company | Name or Exchange or Market | Position | From | To |
|---------------------------------------|-----------------------------------|-----------------------------|-------------|--------------|
| Magnum Mining and Exploration Limited | ASX | Non Executive Director | April 2021 | May 2022 |
| DKN Financial | ASX | CFO and corporate secretary | August 2008 | October 2011 |
| Trust Company of Australia | ASX | CFO and corporate secretary | August 1997 | July 2008 |

John Dinan will be an independent contractor of the Company and anticipates spending 20% of his working time on the business of the Company.

Gavin Upiter (Age 53), Chairman and Director

Mr. Upiter has over 25 years of experience leading companies in the pharmaceutical sector. Engineering qualified, prior to founding Generic Health, a leading generic pharmaceutical company that was sold to Lupin Pharmaceuticals, Mr. Upiter started his executive career at Bristol Myers Squibb. He was Australian chief executive officer of Amneal Pharmaceuticals and executive director of Slade Health, Australia's leading hospital pharmacy chain. Mr. Upiter

founded Director, Australia's first on-line pharmaceutical B2B (business-to-business) marketplace for pharmacies and suppliers.

Gavin Upiter will be an independent contractor of the Company and anticipates spending 20% of his working time on the business of the Company.

Zena Burgess (Age 65), Director

Dr. Burgess has a strong interest in the future of health care. She serves as the chief executive officer of the Australian Psychologists Society and formerly served as chief executive of the Royal Australian College of General Practitioners. Dr Burgess is a member of the international advisory board of Connex2MyDoctor and the telehealth influencers alliance. She is also a director of the Australian Patients Association and chair of the board subcommittee on governance and risk of the Victorian Farmers Federation. Dr. Burgess has substantial experience serving on boards of government entities. She holds a PhD in psychology from the Australian Catholic University and a Master of Business Administration from Monash University and a master of education from La Trobe University. She has a wealth of experience in health changes and strategic advocacy to governments.

Zena Burgess will be an independent contractor of the Company and anticipates spending 20% of his working time on the business of the Company.

EXECUTIVE COMPENSATION

As on the date hereof, the Company is not a reporting issuer in any jurisdiction. As a result, certain information required by Form 51-102F6V – Statement of Executive Compensation – Venture Issuers (“**Form 51-102F6V**”) has been omitted pursuant to Section 1.3(8) of Form 51-102F6V.

The following discussion describes the significant elements of the compensation of the proposed Named Executive officers of the company (collectively, the “**named executive officers**” or “**NEOs**”).

“Named executive officers” or “NEOs” means each of the following individuals: (i) each CEO; (ii) each CFO; (iii) the most highly compensated executive officer other than CEO and CFO at the end of the most recently completed financial year whose total compensation was more than C\$150,000; (iv) each individual who would be a named executive officer under (iii) but for the fact that the individual was not an executive officer of the company, and was not acting in a similar capacity, at the end of that financial year.

The following will be the NEOs: Justin Adam Hanka, CEO and John Dinan, CFO.

As of the date hereof, and other than as disclosed below, the anticipated compensation for each of the NEOs, for the 12-month period following the Arrangement is not known.

Overview

The Board is responsible for setting the overall compensation strategy of the Company and for evaluating and approving the compensation of directors and executive officers based on recommendations of management. It is the objective of Company's executive compensation program to attract and retain highly qualified executives and to link incentive compensation to performance and shareholder value. Company's executive compensation program currently consists of: (i) discretionary cash bonuses, and (ii) Options granted pursuant to the 20% Stock Option Plan. Executive base salary will be introduced only if the Company has the financial resources available.

Summary Executive Compensation Table

The Company was not a reporting issuer at any time during its most recently completed financial year. Accordingly, the following table sets forth information with respect to the anticipated compensation of each NEO and directors of the Company for the 12-month period subsequent to the Company becomes a reporting issuer: Salaries below in Australian Dollars.

| Name and principal position (a) | Yr (b) | Salary (\$) (c) | Super annuation | Ordinary Share based awards (\$) (d) | Option based awards (\$) (e) | Non-equity incentive plan compensation \$(f) | | Pension value (\$) (g) | All other Compensation (\$) (h) | Total Compensation (\$) (i) |
|--|--------|-----------------|-----------------|--------------------------------------|------------------------------|--|--------------------------------|------------------------|---------------------------------|-----------------------------|
| | | | | | | Annual incentive plans (f1) | Long-term incentive plans (f2) | | | |
| Justin Hanka, Chief Executive Officer and Director | 2023 | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Gavin Upiter Chairman | 2023 | 50,000 | Nil | Nil | Nil | Nil | Nil | Nil | Nil | 50,000 |
| Zena Burgess Director | 2023 | 50,000 | Nil | Nil | Nil | Nil | Nil | Nil | Nil | 50,000 |
| John Dinan, Chief Financial Officer | 2023 | 100,000 | Nil | Nil | Nil | Nil | Nil | Nil | Nil | 100,000 |

Elements of Compensation

Base Salary

Base salary of the CEO is established based on their responsibilities, competencies and prior relevant experience, while taking into account compensation paid in the market for similar positions. Base salary is not contingent on short-term variations in operating performance, and therefore sustains individual performance and competency development.

Bonus Incentive Compensation

The Board will consider executive bonus compensation dependent upon the Company meeting its strategic objectives and milestones and sufficient cash resources being available for the granting of bonuses.

Equity Participation

The Board of the Company believes that encouraging its executives and employees to become shareholders is the best way of aligning their interests with those of its shareholders. Equity participation is accomplished through the 20% Stock Option Plan. Options may be granted to executives and employees taking into account a number of factors, including the amount and term of options previously granted, base salary and bonuses and competitive factors. The amounts and terms of options granted will be determined by the Board.

Compensation Risks

The Board of the Company will be keenly aware of the fact that compensation practices can have unintended risk consequences. The Board will continually review the Company's compensation policies to identify any practice that might encourage an employee to expose the Company to unacceptable risk. At the present time the proposed Board of the Company is satisfied that the anticipated executive compensation program will not encourage the executives to expose the business to inappropriate risk. The Board intends to take a conservative approach to executive compensation rewarding individuals for the success of the Company once that success has been demonstrated and incenting them to continue that success through the grant of long-term incentive awards.

Hedging Policy

The Company will have no policy on whether a NEO or director is permitted to purchase certain financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars or units of exchange funds which are designed to hedge or offset a decrease in the market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director.

Compensation Process

Upon completion of the listing on CSE, the Board intends to implement a director compensation program designed to attract and retain qualified individuals with relevant board experience. MindBio anticipates that MindBio will also adopt a program whereby it will grant options to the Non-Executive Directors as part of the 20% Stock Option Plan in long-term incentives on an annual basis.

In establishing compensation for executive officers, the Board as a whole will seek to accomplish the following goals:

- To recruit and subsequently retain highly qualified executive officers by competitive offering overall compensation;
- To motivate executives to achieve important corporate and personal performance objectives and reward them when such objectives are met; and
- To align the interests of executive officers with the long-term interests of shareholders through participation in the 20% Stock Option Plan.

When considering the appropriate executive compensation to be paid to the proposed officers, the Board will have regard to a number of factors including: (i) recruiting and retaining executives critical to the success of the Company and the enhancement of shareholder value; (ii) providing fair and competitive compensation; (iii) balancing the interests of management and the Company's shareholders; (iv) rewarding performance, both on an individual basis and with respect to operations generally; and (v) available financial resources.

Compensation to Non-Executive Directors

Non-Executive directors will receive AUD\$50,000 compensation per annum.

All directors are entitled to be reimbursed for expenses reasonably incurred by them in their capacity as directors. Directors will be entitled to be reimbursed for reasonable travel and other expenses incurred by them in carrying out their duties as directors.

Option-Based Awards

Long-term incentives in the form of Options are intended to align the interests of the proposed directors and executive officers with those of the shareholders and to provide a long-term incentive to reward those individuals for their contribution to the generation of shareholder value, while reducing the burden of cash compensation that would otherwise be payable by the Company.

The 20% Stock Option Plan will be administered by the Board. In determining the number of incentive Options to be granted to the NEOs, the Board will have regard to several considerations including previous grants of Options and the overall number of outstanding Options relative to the number of outstanding SpinCo Shares, as well as the degree of effort, time, responsibility, ability, experience and level of commitment of the executive officer. For details of the Stock Option Plan, see “*Options and Other Rights to Purchase Securities*”.

Compensation of Directors

Other than as disclosed, the only arrangements the Company has, standard or otherwise, pursuant to which the proposed directors will be compensated for their services in their capacity as directors, or for committee participation, involvement in special assignments or for services as a consultant or expert during the most recently completed financial year or subsequently, are by: (i) the issuance of incentive stock options; and (ii) reimbursement for out-of-pocket expenses incurred on behalf of the Company.

Corporate Bankruptcies

None of the proposed directors or executive officers of the Company has, within the ten years prior to the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager, or trustee appointed to hold its assets, been a director or executive officer of any company, that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager, or trustee appointed to hold its assets.

Oversight and Description of Director and NEO Compensation

The formal policies or practices of the Company to determine the compensation for the proposed directors and executive officers are not known. It is anticipated that following the Listing, the Company will establish such formal policies or practices.

Directorships

As provided above, Justin Hanka and John Dinan have served as a director of other reporting issuers of public companies. No other directors of the Company have served as a director of a reporting issuer. See “*Management Experience*”.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the Company’s or any of its subsidiaries’ directors, executive officers, employees, former directors, former executive officers or former employees, and none of their respective associates, is or has within 30 days before the date of this Information Circular or at any time since the beginning of the most recently completed financial year been indebted to the Company or any of its subsidiaries or another entity whose indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar agreement or understanding provided to the Company or any of its subsidiaries.

AUDIT COMMITTEES AND CORPORATE GOVERNANCE

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board and will be charged with the day-to-day management of the Company. The Board will be committed to sound corporate governance practices, which are both in the interest of its shareholders and contribute to effective and efficient decision-making.

The Company’s anticipated corporate governance practices are summarized below:

Board of Directors

Under NI 58-101, a director is considered to be independent if he or she is independent within the meaning of NI 52-110. Pursuant to NI 52-110, an independent director is a director who is free from any direct or indirect relationship which could, in the view of the Board, be reasonably expected to interfere with a director's independent judgment. Based on information provided by each director concerning his or her background, employment and affiliations, the Board has determined that of the 3 directors on the Board upon Listing, 2 will not be considered independent as a result of their respective relationships with us. Certain members of the Board are also members of the board of directors of other public companies. The Board has not adopted a director interlock policy, but is keeping informed of other public directorships held by its members.

Directorships

Except as disclosed herein, none of the proposed directors and officers of the Company that are directors, officers or promoters of other reporting issuers.

Orientation and Continuing Education

The CEO and/or the CFO are responsible for providing an orientation for new directors. Director orientation and ongoing training includes presentations by senior management to familiarize directors with the Company's strategic plans, its significant financial, accounting and risk management issues, its compliance programs, its principal officers and its internal and independent auditors. On occasions where it is considered advisable, the Board provides individual directors with information regarding topics of general interest, such as fiduciary duties and continuous disclosure obligations. The Board ensures that each director is up to date with current information regarding the business of the Company, the role the director is expected to fulfill and basic procedures and operations of the Board. The Board members are given access to management and other employees and advisors, who can answer any questions that may arise. Regular technical presentations are made to the directors to keep them informed of the Company's operations.

Ethical Business Conduct

The Board has not adopted formal guidelines to encourage and promote a culture of ethical business conduct but does promote ethical business conduct by nominating board members it considers ethical, by avoiding or minimizing conflicts of interest and by having a sufficient number of its board members independent of corporate matters. It is not anticipated that the board of the Company will adopt formal guidelines in the 12 months following Listing.

The Board has found that the fiduciary duties placed on individual directors by governing corporate legislation and the common law, and the restrictions placed by the BCBCA on an individual director's participation in decisions of the Board in which the director has an interest, have helped to ensure that the Board operates independently of management and in the best interests of the Company.

Under corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of a company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. In addition, if a director of a company also serves as a director or officer of another company engaged in similar business activities to the first company, that director must comply with the conflict of interest provisions of the BCBCA as well as the relevant securities regulatory instruments, in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or officer has a material interest. Any interested director would be required to declare the nature and extent of his interest and would not be entitled to vote at meetings of directors that evoke such a conflict.

Nomination of Directors

The Board will not have a nominating committee. The Board will consider its size each year when it passes a resolution determining the number of directors to be appointed at each annual general meeting of shareholders. The Board determined that the configuration of 3 directors is the appropriate number of directors, taking into account the number required to carry out duties effectively while maintaining a diversity of views and experience. The Board will evaluate

new nominees to the Board, although a formal process has not been adopted. The nominees will generally be the result of recruitment efforts by the Board, including both formal and informal discussions among Board members, the Chairman and CEO. The Board monitors but will not formally assess the performance of individual Board members or committee members or their contributions.

Compensation

The Board is responsible for determining compensation for the officers, employees and directors of the Company. In determining compensation, the Board will consider industry standards and the Company's financial situation. See "*Executive Compensation*".

It is expected that the Company will grant options to the proposed directors in recognition of the time and effort that such directors devote to the Company. The timing, amounts, exercise price of these future option based and share based awards are not yet determined.

Other Board Committees

Other than the Audit Committee, the Company anticipates that it will have no other standing committees upon Listing. Following the Listing, the Board will consider addition of other committees as appropriate.

Assessments

The Board anticipates that it will not conduct any formal evaluation of the performance and effectiveness of the members of the Board. The Board as a whole or any committee of the Board, however, will consider the effectiveness and contribution of the Board, its members and the Audit Committee on an ongoing basis. The proposed directors and the independent directors of the Company will be free to discuss specific situations from time to time among themselves and/or with the CEO and, if need be, steps are taken to remedy the situation, which steps may include a request for resignation. Furthermore, the anticipated management and directors of the Company will communicate with shareholders on an ongoing basis, and shareholders will be regularly consulted on the effectiveness of Board members and the Board as a whole.

AUDIT COMMITTEE

The audit committee of the Company ("**Audit Committee**") will meet with the proposed CEO and CFO of the Company and the independent auditors to review and inquire into matters affecting financial reporting matters, the system of internal accounting and financial controls and procedures, and the audit procedures and audit plans. The Audit Committee will recommend to the Board the independent registered public accounting firm to be appointed. In addition, the Audit Committee will review and recommend to the Board for approval the annual financial statements, the annual report and certain other documents required by regulatory authorities.

The Board has not developed a written position description for the Chairman of the Audit Committee but considers the Chairman to be responsible for setting the tone for the committee work, ensuring that members have the information needed to do their jobs, overseeing the logistics of the Audit Committee's operations, reporting to the Board on the Audit Committee's decisions and recommendations, setting the agenda and running and maintaining minutes of the meetings of the Audit Committee.

Composition of the Audit Committee

The Audit Committee will be composed of the following members:

| Name | Independent ⁽¹⁾ | Financially Literate |
|--------------|----------------------------|----------------------|
| Gavin Upiter | Yes | Yes |
| Zena Burgess | Yes | Yes |
| Justin Hanka | No | Yes |

Note:

(1) Independent within the meaning of NI 52-110.

Relevant Education and Experience

All proposed members of the Audit Committee have the ability to read, analyze and understand the complexities surrounding the issuance of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements, and have an understanding of internal controls. All proposed members of the Audit Committee intend to maintain their currency by periodically taking continuing education courses.

Reliance on Certain Exemptions

Since the Company will be a "Venture Issuer" pursuant to applicable Canadian securities legislation, it is relying upon the exemption provided for at section 6.1 of NI 52-110 in respect of the composition of the Audit Committee.

At no time since the commencement of the Company's most recently completed financial year has the Company relied on the exemptions provided for in subsections 2.4, 6.1.1(4), 6.1.1(5), or 6.1.1(6) of NI 52-110 or an exemption from NI 52-110, in whole or in part, granted pursuant to Part 8 of NI 52-110.

Pre-Approval Policies and Procedures

The Audit Committee Charter sets out responsibilities regarding the provision of non-audit services by the Company's external auditors. The Audit Committee will be responsible for the pre-approval of all audit services and permissible non-audit services to be provided to the Company by the external auditors, subject to any exceptions provided in NI 52-110.

Details of the composition and function of the remaining standing committees to be formed following the Listing will be discussed at the first meeting of the directors following the Listing.

External Auditor Service Fee

For the periods indicated below, the Company billed the following fees by the Company's external auditor:

| | Fiscal 2022 (AUS) | Fiscal 2021 (AUS) |
|-----------------------------------|----------------------|----------------------|
| Audit fees ⁽¹⁾ | 45,000 | 9,500 |
| Audit related fees ⁽²⁾ | 0 | 0 |
| Tax fees ⁽³⁾ | 11,482 | 0 |
| All other fees ⁽⁴⁾ | 0 | 0 |
| Total fees paid | 56,482 | 9,500 |

Notes:

- (1) Fees for audit service on an accrued basis.
- (2) Fees for assurance and related services not included in audit service above.
- (3) Fees for tax compliance, tax advice and tax planning.
- (4) All other fees not included above.

RISK FACTORS

There are a number of risk factors associated with the Company and the completion of the Arrangement. Following the completion of the Arrangement, the business of MindBio and DMT will become the business of the Company. Accordingly, risk factors relating to the Company will be risk factors relating to MindBio's and DMT's business and references to the Company in these risk factors should, where the context requires, be read to include the risks to MindBio and DMT. An investment in the SpinCo Shares involves significant risks. Investors should carefully consider the risks described below and the other information contained in this Information Circular before making an investment in the Company. Additional risks and uncertainties not presently known to the Company or that the Company currently consider immaterial may also impair the business and operations of the Company and may cause the trading price of the SpinCo Shares to decline. If any of the following or other risks occur, the Company's business, prospects, financial condition, results of operations and cash flows could be materially adversely impacted. In that event, the trading price of the SpinCo Shares could decline and investors could lose all or part of their investment. There is no assurance that risk management steps taken will avoid future loss due to the occurrence of the risks described below or other unforeseen risks.

Business Exposure to New Clinical Modalities

The use of psychedelics in the treatment of medical conditions is relatively new. The Company currently uses microdosing of LSD. In the future, as new psychedelics are approved for use, the Company also intends to incorporate them into its practices. However, no assurance can be given that such new psychedelics will become available for use, and no assurance can be given that the Company will be successful in the long term in building its business through new clinical modalities.

Difficulty to Forecast

The Company must 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 psychedelics industry. A failure in the demand for its services 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.

Unfavourable Publicity or Consumer Perception Towards Psychedelics

There can be no assurance that future scientific research, findings, regulatory proceedings, litigation, media attention or other research findings or publicity will be favourable to the psychedelics industry. Future research reports, findings, regulatory proceedings, litigation, media attention or other publicity that are perceived as less favourable than, or that question, earlier research reports, findings or publicity could have a material adverse effect on the demand for the Company's psychedelic-assisted psychotherapy business.

Supply Risk

The Company requires quality manufactured pharmaceutical drugs such as LSD to be available for clinical use. If we do not have a commercial-grade drug supply when needed, we may need to delay patient treatments, and our business operations could suffer significant harm. If we are subject to quality, cost or delivery issues with the preclinical and clinical-grade materials supplied by contract manufacturers or if we do not have commercial drug supply available when needed for clinical trials, our regulatory and commercial progress may be delayed, and we may incur increased product development costs. This may have a material adverse effect on our business, financial condition and prospects, and may delay marketing of the product.

Permits and Licenses

The Company believes it currently has all permits and licences that are necessary to carry on our business. We may require additional licences or permits in the future and there can be no assurance that we will be able to obtain all such additional licences and permits. In addition, there can be no assurance that any existing licences and permits will be renewable if and when required or that such existing licences and permits will not be revoked.

Limited History of Operations

The Company is in the early stage of development. Consequently, the Company is subject to many risks common to such enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources and lack of revenues. 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 its early stage of operations. The Company has no intention of paying any dividends in the near future. The Company has limited financial resources, has not earned any significant revenue since commencing operations has no source of operating cash flow and there is no assurance that additional funding will be available to it for further development of the Company's business or to fulfill its obligations under any applicable agreements. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in delay or indefinite postponement of further development of the Company's business.

MindBio was incorporated in May 2020 and thus has a limited operating history. The Company 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. 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.

No Market for Securities

There is currently no market through which the SpinCo Shares may be sold and there is no assurance that such securities of the Company will be listed for trading on a stock exchange, or if listed, will provide a liquid market for such securities. Until the SpinCo Shares are listed on a stock exchange, holders of the SpinCo Shares may not be able to sell their SpinCo Shares. Even if a listing is obtained, there can be no assurance that an active public market for the SpinCo Shares will develop or be sustained after listing. The holding of SpinCo Shares involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. SpinCo Shares should not be purchased by persons who cannot afford the possibility of the loss of their entire investment. Additional Requirements for Capital Substantial additional financing may be required if the Company is to successfully develop its business. No assurances can be given that the Company will be able to raise the additional capital that it may require for its anticipated future development or that such additional financing will be available on terms acceptable to the Company. If additional funds are raised through 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 holders of SpinCo Shares. Transactions financed wholly or partially with debt, may increase the Company's debt levels above industry standards. 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 and to pursue business opportunities, including potential acquisitions. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated expansion.

Negative Cash Flow from Operating Activities

The Company has had negative cash flow from operating activities since inception. Significant capital investment will be required to achieve the Company's existing plans. There is no assurance that the Company's business will generate earnings, operate profitably or provide a return on investment in the near future. Accordingly, the Company may be required to obtain additional financing in order to meet its future cash commitments.

Regulatory Environment

The Company strives to maintain compliance with all laws and regulations and maintain all permits and licenses relating to its operations. Nevertheless, there can be no assurance that the Company is in compliance with all such laws and regulations, has all necessary permits and licenses, and will be able to comply with such laws and regulations, or obtain such permits and licenses in the future. Failure by the Company to comply with applicable laws and regulations and permits and licenses could subject the Company to civil remedies, including fines, injunctions, recalls

or seizures, as well as potential criminal sanctions, which could have a material adverse effect on the Company's financial condition and results of operations. In addition, enforcement of existing laws and regulations, changes in legal requirements and/or evolving interpretations of existing regulatory requirements may result in increased compliance costs and create other obligations, financial or otherwise, that could adversely affect the Company's business, financial condition or results of operations.

Management of Growth

The Company may be subject to growth-related risks including pressure on its internal systems and controls. The Company's ability to manage its growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its employee base. The inability of the Company to deal with this growth could have a material adverse impact on its business, operations and prospects. In order to manage its current operations and any future growth effectively, the Company will need to continue to implement and improve its operational, financial and management information systems and to hire, train, motivate, manage and retain its employees. There can be no assurance that the Company will be able to manage such growth effectively, that its management, personnel or systems will be adequate to support the Company's operations or that the Company will be able to achieve the increased levels of revenue commensurate with the increased levels of operating expenses associated with this growth.

Risks Associated with COVID-19

The outbreak of COVID-19 (coronavirus) has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness and governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company in future periods. Depending on the length and severity of the pandemic, COVID-19 could: interrupt the Company's operations; increase the Company's operating expenses; adversely affect the Company's ability to attract staff and for staff to collaborate effectively due to remote work environments; cause delayed performance of the Company's contractual obligations, including to its customers; impair the Company's ability to raise further funds depending on COVID-19's effect on capital markets; and adversely affect the Company's supply partners, contractors, customers and/or transportation carriers – each which could materially affect the business and financial condition of the Company.

Market Volatility

The securities markets in the United States and Canada have recently 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 continual fluctuations in price will not occur. It may be anticipated that any market for the SpinCo Shares will be subject to market trends generally, notwithstanding any potential success of the Company. The value of the SpinCo Shares distributed hereunder will be affected by such volatility.

Operational Risks

The Company will be affected by several operational risks against which it may not be adequately insured or for which insurance is not available, including: catastrophic accidents; fires; changes in the regulatory environment; impact of non-compliance with laws and regulations; labour disputes; natural phenomena such as inclement weather conditions, floods, earthquakes and ground movements. There is no assurance that the foregoing risks and hazards will not result in damage to, or destruction of, the Company's premises, personal injury or death, environmental damage, resulting in adverse impacts on the Company's operations, costs, monetary losses, potential legal liability and future cash flows, earnings and financial condition. The Company may also be subject to or affected by liability or sustain loss risks and hazards against which it cannot insure or which it may elect not to insure because of the cost. This lack of insurance

coverage could have an adverse impact on the Company's future cash flows, earnings, results of operations and financial condition.

Increases in Competition

The psychedelics industry has seen dozens of new entrants in the past few years and could become highly competitive and the Company may face increased competition from actions by existing competitors, the entry of new competitors and consolidation between existing competitors

The Company's competitive position may deteriorate because of these factors, or a failure by the Company to continue to position itself successfully to meet changing market conditions, customer demands and technology. Any material deterioration in the Company's competitive position could materially adversely affect the Company's business, operating and financial performance.

Unforeseen Competition

There can be no assurance that significant competition will not enter the market and offer any number of similar services to those provided by the Company. Such competition could have a significant adverse effect on the growth potential of the Company's business by effectively dividing the existing market for such products and services.

Exposure to Adverse Macroeconomic Conditions

The Company is exposed to changes in general economic conditions in Australia and internationally and is affected by macroeconomic conditions such as tariffs and other trade barriers, economic recessions, downturns or extended periods of uncertainty or volatility, which may influence customer decisions. These macroeconomic conditions may materially adversely affect the Company's business, operating and financial performance.

Protection of Intellectual Property

The Company relies on laws relating to patents, trade secrets, copyright and trademarks to assist in protecting its proprietary technology, inventions and medicines. There is a risk that third parties will successfully challenge the validity, ownership or authorized use of intellectual property. This could involve significant expense and potentially the inability to use the intellectual property, which could materially adversely affect the Company's business, operating and financial performance.

Acquisition Risk and Associated Risk of Dilution

The Company's possible expansion strategy includes pursuing acquisitions. The successful implementation of acquisitions will depend on a range of factors including acquisition costs, funding arrangements, business cultural compatibility and operational integration. To the extent acquisitions are not successfully integrated with the Company's existing business, the financial performance of the Company could be materially adversely affected. Future acquisitions may involve the issue of Ordinary Shares for consideration. In this event, Shareholders' interests will be diluted. Ordinary Shares may also be issued for other purposes such as debt reduction. Effective due diligence by the Company is ongoing to minimize the risk in integrating acquisition targets although this cannot be guaranteed.

Risks related to adverse and uncontrollable clinical results

It is possible that MindBio observes several adverse outcomes during clinical trials that may impact MindBio ability to obtain regulatory approval and/or achieve commercial acceptance. In addition, other setbacks may occur which would require MindBio to conduct additional preclinical and clinical studies both invitro and invivo and/or additional clinical trials.

Speculative Nature of Investment Risk

An investment in the securities of the Company carries a high degree of risk and should be considered as a speculative investment. The Company has no history of earnings, limited cash reserves, limited operating history, has not paid dividends, and is unlikely to pay dividends in the immediate or near future.

Risks Inherent in the Nature of the Medicinal Psychedelic Industry

Changes in operating costs (including costs for maintenance, insurance), inability to obtain permits required to conduct the Company's business, changes in health care laws and governmental regulations, and various other factors may significantly impact the ability of the Company to generate revenues. Certain significant expenditures, including legal fees, borrowing costs, maintenance costs, insurance costs and related charges, must be made to operate the Clinics, regardless of whether the Company is generating revenue.

Unfavourable Publicity or Consumer Perception

The success of the medicinal psychedelic industry may be significantly influenced by the public's perception of psychedelic medicinal applications. There is no guarantee that future scientific research, publicity, regulations, medical opinion, and public opinion relating to psychedelic medications will be favourable. The medicinal psychedelic industry is an early-stage business that is constantly evolving, with no guarantee of viability. The market for medicinal psychedelic is uncertain, and any adverse or negative publicity, scientific research, limiting regulations, medical opinion and public opinion relating to the consumption of medicinal psychedelic may have a material adverse effect on the Company's operational results, consumer base and financial results.

Development Risks

Future development of the Company's business may not yield expected returns and may strain management resources. Development of the Company's revenue streams is subject to a number of risks, including construction delays, cost overruns, financing risks, cancellation of key service contracts, and changes in government regulations. Overall costs may significantly exceed the costs that were estimated when the project was originally undertaken, which could result in reduced returns, or even losses, from such investments.

Substantial Risk of Regulatory or Political Change

The success of the business strategy of the Company depends on the legality of the use of psychedelics for the treatment of mental health conditions and the acceptance of such use in the medical community. The political environment surrounding the medicinal psychedelics industry in general can be volatile. The risk remains that a shift in the regulatory or political realm could occur and have a drastic impact on the use of medicinal psychedelics as a whole, adversely impacting the Company's ability to successfully operate or grow its business.

Government Regulations, Permits and Licenses

The Company's operations may be subject to governmental laws or regulations promulgated by various legislatures or governmental agencies from time to time. A breach of such legislation may result in the imposition of fines and penalties. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations. If any permits are required for the Company's operations and activities in the future, there can be no assurance that such permits will be obtainable on reasonable terms or on a timely basis, or that applicable laws and regulations will not have an adverse effect on the Company's business.

The results of clinical trials are uncertain and it may fail as a product candidate in the clinical phase or at any other stage of clinical development.

The current and future operations of the Company are and will be governed by laws and regulations governing the health care industry, labour standards, occupational health and safety, land use, environmental protection, and other matters. Amendments to current laws, regulations and permits governing operations and activities of health clinics, or

more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or costs, or reduction in levels of its medical services.

Additional Requirements for Capital

Substantial additional financing may be required for the Company to successfully develop its business and conduct Phase 3 and 4 clinical trials or to start new Phase 1 clinical trials. No assurances can be given that the Company will be able to raise the additional capital that it may require for its anticipated future development. Any additional equity financing may be dilutive to investors and debt financing, if available, may involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the Company, if at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated expansion.

Negative Cash Flow from Operating Activities

The Company has had negative cash flow from operating activities since inception and may never be profitable. Significant capital investment will be required to achieve the Company's existing plans. There is no assurance that the Company's business will generate earnings, operate profitably, or provide a return on investment in the near future. Accordingly, the Company may be required to obtain additional financing in order to meet its future cash commitments

Competition

The medicinal psychedelic industry is intensely competitive, and the Company competes with other companies that may have greater financial resources and technical facilities. Numerous other businesses are expected to compete with clinical trials being conducted worldwide by pharmaceutical companies and Universities.

Currency Exchange Rates

Exchange rate fluctuations may adversely affect the Company's financial position and results. It is anticipated that a significant portion of the Company's business will be conducted in New Zealand for clinical trials and drug development activities. Management expected that any commercialization activities including licensing of intellectual property will be done not only in New Zealand but also in Australia, United States and Canada. The Company's financial results will be reported in Canadian dollars and costs will be incurred primarily in New Zealand and Australian dollars. Currency exchange fluctuations may materially adversely affect the Company's future cash flow from operations, its results of operations, financial condition and prospects.

PROMOTER

No person or company has been a promoter of the Company or its subsidiary within the two immediately preceding years.

A "promoter" means, a person who (a) acting alone or in concert with one or more other persons, directly or indirectly, takes the initiative in founding, organizing or substantially reorganizing the business of a company, or (b) in connection with the founding, organization or substantial reorganization of the business of a company, receives 10% or more of the company's securities or 10% or more of the proceeds from the sale of a company's securities of a particular issue.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

There are no outstanding legal proceedings material to the Company or to which the Company is a party in respect of which any of its properties are subject, nor are there any such proceedings known to the Company to be contemplated.

No penalties or sanctions have been imposed against the Company by a court relating to provincial and territorial securities legislation or otherwise or by a securities regulatory body or any other regulatory body within the three

years immediately preceding the date hereof. Management or proposed management of the Company are not aware of any such penalties or sanctions imposed against the Company.

The Company has not entered into any settlement agreements before a court relating to provincial and territorial securities legislation or with a securities regulatory authority within the three years immediately preceding the date hereof. Management or proposed management of the Company are not aware of any such settlement agreements entered into by the Company.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as described elsewhere in the Circular, there are no material interests, direct or indirect, of any of the Company's current or proposed directors or executive officers, any shareholder that beneficially owns, or controls or directs (directly or indirectly), more than 10% of any class or series of the outstanding voting securities, or any associate or affiliate of any of the foregoing persons, in any transaction within the three years before the date hereof that has materially affected or is reasonably expected to materially affect the Company or any of its subsidiaries.

AUDITOR, TRANSFER AGENTS AND REGISTRAR

Auditor

The auditor of the Company is MNP LLP, Chartered Professional Accountants. They are located at suite 300, 111 Richmond Street West, Toronto, Ontario M5H 2G4. MNP was appointed the auditor of the Company on April 15, 2020.

Registrar and Transfer Agent and Escrow Agent

The transfer agent and registrar for the SpinCo Shares and the Company's Escrow Agent is Odyssey Trust Company of Traders Bank Building, 702, 67 Yonge Street Toronto, Ontario M5E 1J8.

INTEREST OF EXPERTS

The following are persons or companies whose profession or business gives authority to a statement made in this Prospectus as having prepared or certified a part of that document or report described in the Prospectus:

- McMillan LLP is the Company's counsel with respect to Canadian legal matters herein;
- MNP LLP is the external auditor of the Company and reported on the Company's audited financial statements for the period; and
- William Buck Audit (Vic) Pty Ltd., Chartered Accountants, audited the two year-end financial statements ended June 30, 2021 and June 30, 2022

To the knowledge of management of the Company, as of the date hereof, no expert, nor any associate or affiliate of such person has any beneficial interest, direct or indirect, in the property of the Company, or the anticipated property of the Company or of an associate or affiliate of any of them, and, as of the date hereof, each expert, or any associate or affiliate of such person, as a group, beneficially owns, directly or indirectly, less than 1% of the outstanding securities of the Company and no such person is or is expected to be elected, appointed or employed as a director, officer or employee of the or of an associate or affiliate thereof.

OTHER MATERIAL FACTS

There are no further facts or particulars in respect of the Shares that are not already disclosed herein that are necessary to be disclosed for this Prospectus to contain full, true and plain disclosure of all material facts relating to such securities.

ENFORCEMENT OF JUDGMENTS AGAINST FOREIGN PERSONS

Majority of the Company's operations and assets will be located outside of Canada, and certain of the Company's proposed directors and officers reside outside of Canada. The current directors and officers who reside outside of Canada either have an office in Canada or have appointed McMillan LLP at Suite 4400, 181 Bay Street, Toronto, Ontario M5J 2T3, as their agent for service of process in Canada, however, it may not be possible for investors to enforce against such persons judgments obtained in Canadian courts predicated on the civil liability provisions of applicable securities laws in Canada. Investors are advised that it may not be possible for them to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process.

SCHEDULE A

**FINANCIAL STATEMENTS AND MANAGEMENT'S DISCUSSION AND ANALYSIS OF MINDBIO
FOR THE PERIOD ENDED JUNE 30, 2022**

See attached.

The Mindbio Therapeutics Australia and NZ Group

A consolidation of

- **MindBio Therapeutics Pty Ltd,**
- **MindBio Therapeutics NZ Limited and**
- **Digital Mind Technologies Pty Ltd**

COMBINED FINANCIAL STATEMENTS

For the twelve months ending 30 June, 2022

With comparative amounts for the period from May 12, 2021 (date of incorporation to June 30, 2021)

(In Australian dollars)

MindBio Therapeutics Australia and NZ Group
Combined statement of financial position
As at June 30, 2022
(Expressed in Australian dollars)

| Assets | Note | June 30, 2022 | June 30, 2021 |
|---|-------------|----------------------|----------------------|
| Current assets | | | |
| Cash and cash equivalents | | 1,314,792 | 480,000 |
| Prepaid interest | | 56,431 | - |
| Goods and services tax input credits receivable | | 45,667 | 1,000 |
| SAFE investment | 8 | 33,226 | - |
| Total current assets | | <u>1,450,116</u> | <u>481,000</u> |
| Total assets | | | |
| | | <u>1,450,116</u> | <u>481,000</u> |
| Liabilities | | | |
| Current liabilities | | | |
| Trade and other payables | 4 | 974,399 | 466,925 |
| Convertible notes payable | 5 | - | 480,000 |
| Total current liabilities | | <u>974,399</u> | <u>946,925</u> |
| Non-current liabilities | | | |
| Investor loans | 6 | 4,552,975 | - |
| Long term accruals | 4 | 350,000 | - |
| Total non-current liabilities | | <u>4,902,975</u> | <u>-</u> |
| Total liabilities | | <u>5,877,374</u> | <u>946,925</u> |
| Net liabilities | | <u>(4,427,258)</u> | <u>(465,925)</u> |
| Equity | | | |
| Share capital | | 2,689,142 | 1,000 |
| Accumulated losses | | <u>(7,116,400)</u> | <u>(466,925)</u> |
| Total deficiency in equity | | <u>(4,427,258)</u> | <u>(465,925)</u> |

Director

Director

The accompanying notes are an integral part of these consolidated financial statements.

MindBio Therapeutics Australia and NZ Group

Combined Statement of Loss and Comprehensive Loss

For the twelve months ended June 30, 2022, with the comparative period being May 12, 2021 to June 30, 2021.

(Expressed in Australian dollars)

| | Note | 12 months | 2 months |
|---|------|--------------------|------------------|
| | | June 30, 2022 | June 30, 2021 |
| Expenses | | | |
| Clinical trials | | (969,334) | - |
| Research and development | | (1,489,040) | - |
| Investor relations | | (182,081) | - |
| Consulting and accounting | | (220,082) | (10,000) |
| Consulting and advisory | | (1,889,258) | (441,800) |
| Amortisation | | (39,457) | - |
| Directors' fees | | (243,333) | - |
| Marketing | | (114,996) | - |
| Legal | | (97,361) | - |
| Audit | | (45,000) | (9,500) |
| Finance costs | 7 | (180,780) | (5,625) |
| Foreign exchange loss | | (107,079) | - |
| Other operating expenses | | (284,734) | - |
| Loss before income tax expense | | (5,862,535) | (466,925) |
| Income Tax expense | | - | - |
| Net loss and comprehensive loss for the period | | (5,862,535) | (466,925) |
| Other comprehensive income for the period | | - | - |
| Net loss and comprehensive loss for the period | | (5,862,535) | (466,925) |

The accompanying notes are an integral part of these consolidated financial statements.

MindBio Therapeutics Australia and NZ Group

Statement of changes in Shareholders' Equity

(Expressed in Australian dollars)

For the twelve months ended June 30, 2022

| | Share capital | | | | Accumulated losses | Total |
|---|---------------------------|------------------|-----------------------------------|------------------|--------------------|--------------------|
| | Mindbio Australia Pty Ltd | | Digital Mind Technologies Pty Ltd | | | |
| | Shares | \$ | Shares | \$ | | |
| As at incorporation | - | - | - | - | - | - |
| Comprehensive loss from incorporation to June 30 2021 | - | - | - | - | (466,925) | (466,925) |
| <i>Transactions with owners in their capacity as owners</i> | | | | | | |
| Issue of Foundation shares | 1,000 | 1,000 | - | - | - | 1,000 |
| As at at June 30 2021 | 1,000 | 1,000 | - | - | (466,925) | (465,925) |
| Comprehensive loss for the year ended June 30 2022 | - | - | - | - | (5,862,535) | (5,862,535) |
| <i>Transactions with owners in their capacity as owners</i> | | | | | | |
| Issue of Foundation shares | 7,607,000 | - | 4,227,435 | 423 | - | 423 |
| Conversion of convertible notes | 4,520,931 | 1,361,120 | 4,433,855 | 1,326,600 | - | 2,687,720 |
| Payment of dividend | | | | | (786,940) | (786,940) |
| As at at June 30 2022 | 12,128,931 | 1,362,120 | 8,661,290 | 1,327,023 | (7,116,400) | (4,427,258) |

See accompanying notes to the financial statements.

MindBio Therapeutics Australia and NZ Group

Statement of Cash Flows

(Expressed in Australian dollars)

For the twelve months ended June 30, 2022, with the comparative period being May 12, 2021 to June 30, 2021.

| | 12 months ending 30 June, 2022 | 2 months ending 30 June, 2021 |
|--|-----------------------------------|----------------------------------|
| Loss for period | (5,862,536) | (466,925) |
| Finance costs and unrealised foreign exchange loss and amortisation of borrowings | 328,481 | - |
| Movement in trade and other receivables | (4,244) | - |
| Movement in trade and other payables | 857,474 | 466,925 |
| Net cashflow from operating activities | (4,719,825) | 0 |
| Investment in SAFE notes | (33,226) | - |
| Net cashflow from investing activities | (33,226) | 0 |
| Proceeds from borrowings | 6,375,783 | 480,000 |
| Payment of dividend | (786,940) | - |
| Net cashflows from financing activities | 5,588,843 | 480,000 |
| Net increase/decrease in cash held | 834,792 | 480,000 |
| Cash at the beginning of the year | 480,000 | - |
| Cash at the end of the year | 1,314,792 | 480,000 |

See accompanying notes to the financial statements.

MINDBIO THERAPEUTICS AUSTRALIA and NZ Group.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Australian Dollars)

For the twelve months ended June 30, 2022

1. INCORPORATION AND NATURE OF OPERATIONS

Basis of preparation

These financial statements are being prepared as a single combined entity for the purposes of fulfilling the historical financial information disclosures requirements in Blackhawk Growth Corporation's forthcoming documentation to fulfil the listing requirements with the Canadian Stock Exchange (CSE), in October 2022.

The combined entity includes the following:

- Mindbio Therapeutics Pty Ltd, (Mind Aust), which was incorporated on May 12, 2021 under the Australian Corporations Act 2001. Mind Aust is a clinical stage drug development company that is pioneering legal psychedelic micro dosing research and is advancing emerging therapies to treat a range of debilitating health conditions such as depression, anxiety, chronic pain, cognitive impairment and PTSD;
- Digital Mind Technologies Pty Ltd (DMT), which was incorporated on September 13, 2021 under the Australian Corporations Act 2001. DMT is a digital technology and research business with a core focus on establishing and executing research protocols through formal clinical trials that are facilitated via digital therapeutic platforms. The aim of the business is to create evidence based medical interventions for various medical conditions using digital technologies; and
- Mindbio Therapeutics NZ Limited (Mind NZ), which was incorporated as a wholly owned subsidiary of Mind Aust on November 23, 2021 under the New Zealand Corporations Act. Mind NZ is a research and technology business that focusses on the establishment and execution of research protocols through clinical trials. The core of the research is based on the investigation of psychedelic substances as a potential treatment regimen for the management of a broad range of mental health conditions. The business is also focused on developing technologies that will assist with the administration of psychedelic substances as part of an established treatment regimen.

Blackhawk Growth Corporation (Blackhawk), a Canadian entity of 885 West Georgia Street, Vancouver BC acquired 100% of the shares held by Mindbio Therapeutics Pty Ltd on September 3, 2021, and on December 17, 2021, Blackhawk acquired 100% of the shares held by Digital Mind Technologies Pty Ltd.

These financial statements are being prepared as one single combined entity, notwithstanding the fact that, aside from their common shareholder, there is no direct legal ownership relationship between Mind Aust and Mind NZ. Together, these three entities are referred to in these financial statements as The Mindbio Therapeutics Australia and NZ Group (or the Group).

Any transactions or balances existing between these entities throughout the reporting period and at period end consequently have been eliminated in full on consolidation

As set out above, all entities were incorporated on or after May 2021. As a consequence, the comparative information only includes the results of Mind Therapeutics Australia Pty Ltd.

Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

The financial statements of the Company for the period ended June 30, 2022 were approved and authorised for issue by the Board of Directors on September 14, 2022.

Basis of measurement and functional currency

The financial statements have been prepared on the historical cost basis except for financial instruments measured at fair value through profit or loss. Historical cost is generally based on the fair value of the consideration given in exchange for assets. In addition, these financial statements have been prepared using the

MINDBIO THERAPEUTICS AUSTRALIA and NZ Group.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Australian Dollars)

For the twelve months ended June 30, 2022

accrued basis of accounting, except for cash flow information.

The Group measures the transactions using the currency of the primary economic environment in which it operates in. These financial statements are presented in Australian dollars – this is the functional currency of both Mind Aust and DMT.

The preparation of financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis of the valuation of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Significant areas of financial reporting that require management's estimates and judgments are as follows:

Going concern

These 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 year ended 30 June 2022 the Group incurred a loss from operations of \$5,862,535 and incurred cash outflows from operations of \$4719,825.

Notwithstanding this, the directors have forecasted that the Group will have sufficient working capital to meet future operating cash outflows with the following key assumptions:

- As at the date of this report, it has available working capital of approximately \$475,700;
- The directors also have the ability to scale back expenditures relating to the research and development program, together with corporate and administrative overheads. As set out in Note 13, it has largely completed the majority of its expenditure commitments with the University of Auckland, with the final tranche of expenditure under the program of approximately \$NZD 700,000 due in mid-2024; 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.

Non-recognition of deferred tax assets

Deferred tax assets from timing differences and carry-forward losses are recognized only to the extent that their recoverability from the Australian Taxation Office is probable. Given the uncertainty as to when any of the Group entities will earn taxable income, and whether existing losses may be applied against any of such taxable income, no deferred tax asset has been recognized.

Accounting for convertible notes

The Group has accounted for convertible notes, including their underlying host contract and conversion options together at fair value, with changes in fair value of the notes between each accounting period taken to the profit or loss. Given that the notes had relatively short-term maturities, the directors have evaluated that the most

MINDBIO THERAPEUTICS AUSTRALIA and NZ Group.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Australian Dollars)

For the twelve months ended June 30, 2022

appropriate fair valuation basis is its underlying cost, including any interest accrued into the underlying debenture. Due to this fair valuation methodology, no reasonable movement in any market-based input that may impact the fair valuation of the notes.

In determining that the entire note, host contract and conversion option, could be valued together, the directors of the Group considered that owing to the Group's shares not being quoted on any market or exchange, that the conversion option could not be reliably valued and/or separate

2 Significant accounting policies

Accounting policies that are significant to the Group are the following:

Cash

Cash and cash equivalents in the statements of financial position comprise cash at banks and on hand, and short-term deposits with an original maturity of three months or less, which are readily convertible into a known amount of cash. The Company's cash and cash equivalents are invested with major financial institutions in business accounts and is available on demand by the Company for its programs. Cash include cash on hand and in banks currently held by financial institutions with high credit worthiness.

Investment in SAFE notes

This investment is recorded at fair value, with changes in fair value at each reporting date taken to profit or loss. Fair value is measured at the best estimate. For this investment, which is not quoted on any exchange, the directors have considered that the best estimate and most reliable valuation for its fair value as at report date was its cost, owing to the fact that the investment was acquired 11 March and the relatively short time period lapsed between this date and report date and also to no new publicly available information being made concerning the investment's value in that time period. Accordingly, the directors consider this investment to be a level 3 hierarchy valuation investment.

Financial liabilities

The Group recognises a financial liability when it becomes party to the contractual provisions of the instrument. At initial recognition, the Group measures financial liabilities at their fair value plus transaction costs that are directly attributable to their issuance, with the exception of financial liabilities subsequently measured at fair value through profit or loss for which transaction costs are immediately recorded in profit or loss.

Subsequent to initial recognition, all financial liabilities are measured at amortized cost using the effective interest rate method. Interest, gains and losses relating to a financial liability are recognized in profit or loss.

The Group derecognises a financial liability only when its contractual obligations are discharged, cancelled or expire.

Foreign currency translation

Transactions denominated in foreign currencies are translated to the respective functional currencies of each entity within the Group at exchange rates in effect at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate prevailing at that date. The foreign currency gain or loss on monetary items is the difference between amortized cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortized cost in foreign currency translated at the exchange rate in effect at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate prevailing at the date that the fair value was determined. Non-monetary items denominated in a foreign currency that are measured based on historical cost are translated using the exchange rate in effect at the date of the transaction.

MINDBIO THERAPEUTICS AUSTRALIA and NZ Group.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Australian Dollars)

For the twelve months ended June 30, 2022

Foreign currency differences arising on translation of foreign currency balances into the functional currency are recognized in the consolidated statements of loss and comprehensive loss.

Share capital

The Group records proceeds from share issuances net of share issue costs. Proceeds and issue costs from unit placements are allocated between shares and warrants issued according to their residual value. The residual value is attributed to the value of the warrants. Common shares are classified as equity. Incremental costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity, net of any tax effects.

The shareholders of MindBio Therapeutics Pty Ltd and Digital Mind Technologies Pty Ltd have the right to the dividends and voting for the entities that they hold shares in. Similarly, in the event of a wind up, the shareholders will access their share of the residual value in the entity that they hold shares in.

Capital Management policy

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital, as well as the level of dividends to ordinary shareholders.

The current evolution of the Group requires the capital management to be measured in light of the listing aspirations of the group. Early investors into the group are exposed to the risks associated with this proposed course and this has been reflected in the returns attributed to the discounts offered in the convertible notes issued in the past 12 months.

The Group also has issued debt to investors which has a higher interest rate than the market, which also is reflective of the early stage risk associated with the group.

3. Dividend payment

On August 30, 2021, MindBio Therapeutics Pty Ltd declared and paid a dividend of \$0.103 per share. This dividend payment was unfranked.

MINDBIO THERAPEUTICS AUSTRALIA and NZ Group.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Australian Dollars)

For the twelve months ended June 30, 2022

4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

| | June 30 | June 30 |
|---|------------------|----------------|
| | 2022 | 2021 |
| | \$ | \$ |
| <i>Current</i> | | |
| Accounts payable and accruals - third parties | 47,600 | 69,025 |
| Accrued directors' fees | 10,000 | - |
| Accrued Audit | 45,000 | 9,500 |
| Accrued fees - 958 Consulting* | | 350,000 |
| Accrued fees - consulting and advisory* | 871,799 | 38,400 |
| Current | <u>974,399</u> | <u>466,925</u> |
| <i>Non-current</i> | | |
| Accrued fees - 958 Consulting* | 350,000 | - |
| | <u>350,000</u> | <u>-</u> |
| Total current and non-current | <u>1,324,399</u> | <u>466,925</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 June, 2023.

With the exception of the above, all payables were due for payment within 60 day terms as at 30 June 2022 (30 June 2021: 60 day terms).

5. CONVERTIBLE NOTES PAYABLE

During the period, the Group completed the issue of convertible notes through Mind Aust and DMT, which had a face value of \$2,687,000. During the period those notes converted to equity, as disclosed in the Statement of Changes in Equity.

The unsecured notes had 10% p.a. interest terms with a maturity date being a listing or a significant transaction. The notes converted into shares just prior to the acquisition of the Group by Blackhawk Group Corp. Note holders acquired an additional 30% to 50% shares in either Mind Aust or DMT upon conversion.

6. INVESTOR LOANS

Mind Aust has issued loans to investors totaling \$1,370,984 as at June 30 2022. The terms of the debt are as follows:

- The unsecured loans attract interest of 10% per annum;

MINDBIO THERAPEUTICS AUSTRALIA and NZ Group.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Australian Dollars)

For the twelve months ended June 30, 2022

- They are repayable after 18 months of MindBio Therapeutics, 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
- On a 1:5 basis, the loans are entitled bonus shares upon a listing or exit event in Canada. These will be priced at CAD \$0.08 per share. The bonus shares will be issued by 1286409 B.C. Ltd just prior to listing. 1286409 B.C. Ltd has not sought any compensatory agreement with any entity in the Group for these bonus shares.

DMT has issued loans to investors totaling \$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 18 months of a successful listing of the Group. In the event of the listing of the Group being unsuccessful, the loan is repayable within 30 business days. The loan agreement does not set out when a listing may be unsuccessful, however the directors consider the loan to be non-current as they anticipate that the Group, through Blackhawk, will have at least 12 months from the date of this report to pursue the listing; and
- There are no bonus issue of shares attributable to the terms of this loan.

On January 31, 2022, Mind NZ was extended a CAD 1,700,000 unsecured loan facility by Blackhawk Growth Corp of Vancouver BC. 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.

None of the investor loan agreements have any equity conversion rights with the exception of the bonus shares applicable on the Mind Aust loans.

7. FINANCE CHARGES

The finance charges to the statement of profit and loss are as follows:

| In relation to borrowings: | June 30, 2022 |
|--|----------------------|
| | \$ |
| Interest expense for investor loans | 138,059 |
| In relation to conversion of Convertible notes: | |
| 10% Coupon Interest – Mind Bio Note | 21,121 |
| 10% Coupon Interest – DMT Note | 21,600 |
| Total Finance Charge | 180,780 |

8. SAFE INVESTMENT

The Group has invested in technology growth company, Quantified Citizen Technologies Inc (incorporated in Canada, Quantified Citizen) through a simple agreement for future equity (SAFE). Under this agreement, the SAFE will convert to common shares in Quantified Citizen either on the occurrence of two events:

- Qualified Financing – when the company issues preference shares to investors. The SAFE holders will be

MINDBIO THERAPEUTICS AUSTRALIA and NZ Group.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Australian Dollars)

For the twelve months ended June 30, 2022

issued preference shares at a price contingent on the future preference share price; or

- Liquidity event – when the company lists on a stock exchange. The safe holder will participate in ordinary share issue at a price contingent on the price per share listed.

9. SUBSEQUENT EVENTS

With the exception of matters discussed in the Going Concern note, there were no material subsequent event transactions or events relevant to the Group.

10. 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, is in the completion stages of Phase 1 clinical trials micro dosing psychedelic medicines in 80 patients, has two Phase 2 clinical trials in development and is also developing wearable devices to collect biometric data in mental health patients taking psychedelic medicines. 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.

11. NAMES OF KEY MANAGEMENT PERSONNEL

The key personnel of the companies in the Group are as follows:

| | |
|---------------|--|
| Justin Hanka | Executive Director and CEO. (appointed July 27, 2022). |
| Colin Keating | CEO and Managing Director (resigned July 27, 2022). |
| Zena Burgess | Non Executive Director |
| Gavin Upiter | Non Executive Director and Chairman |

MINDBIO THERAPEUTICS AUSTRALIA and NZ Group.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Australian Dollars)

For the twelve months ended June 30, 2022

12. RELATED PARTY TRANSACTIONS

The following related transactions occurred and were reflected in the consolidated financial statements for the 12 months ended 30 June, 2022:

Remuneration of key management personnel

Amounts accrued to key management personnel for fees and remuneration during the year was \$745,051 (2021: \$350,000). No amounts were attributable to post-employment benefits and there was no share-based payment compensation (2021: nil), however members of key management personnel received founder shares for nil fair value).

Other transactions with key management personnel

A total of \$82,098 was paid to reimburse members of key management personnel for expenses of the Group in respect of travel expenses (2021: \$Nil).

During the period the Group paid out dividends totalling \$786,940. Of these dividends, a total of \$285,065 was paid to parties controlled directly or indirectly by key management personnel.

Amounts owing to key management personnel

Refer to disclosures in Note 4.

Transactions with parent entity

The Group's ultimate holding company, Blackhawk Growth Corp, has provided the group with a loan facility of CAD 1,700,000 (ref note 6) and has charged the Group a fee of \$CAD 205,000 for the facilitation of this loan. This loan is non-interest bearing.

13. COMMITMENT WITH THE UNIVERSITY OF AUCKLAND

On the 17th May, 2021, the Group signed an agreement with the University of Auckland where the Group would fund research conducted by the University into developing new and innovative ways for managing and responding to mental illness via the use of medicinal psychedelics. The total funding expected is NZD\$3,500,000. Currently, NZD \$2,727,320 (AUD \$2,458,374) has been paid. The remaining payments are subject to the progress of the ongoing research. The Group has the ability, if funding is not available to limit or veto the progress of this research through budgetary approval processes built into the agreement. In addition to this, the University of Auckland under the agreement is entitled to a royalty of 2% on any future sales revenue that arises from the commercialization of intellectual property and medicinal sales, arising as an outcome from work completed under the agreement.

The funds the Group has expended in New Zealand are of a research and development (R&D) nature. The New Zealand Government provides R&D grants that may be available to the Group. The group is currently perusing its eligibility to qualify for the R&D grant.

Similar grants are available in the Australian market and the Group is also assessing its eligibility to qualify for R&D grants in Australia.

MINDBIO THERAPEUTICS AUSTRALIA and NZ Group.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Australian Dollars)

For the twelve months ended June 30, 2022

13. FINANCIAL INSTRUMENTS

The Group's financial instruments consist of cash, payables and investor loans. The Group director's (the Board) are responsible for managing risks relating to its financial instruments. The Board considers the following financial risks are material to the financial statements:

Interest rate risk

The Group has interest and non-interest-bearing loans as set out in the Investor Loans note (note 6). The interest-bearing loans have fixed interest terms and therefore are not subject to any volatilities in market interest rates.

Foreign exchange risk

The Blackhawk loan set out in Note 6 is denominated in Canadian Dollars, which is different from the presentation and functional currency of the Group entities. As at year-end, a 5% depreciation of the AUD relative to the CAD result in an additional repayment required by the group of AUD 54,766 to extinguish the debt and vice versa in the event of an appreciation of the AUD relative to the CAD.

Foreign exchange risks are managed by the Board through cashflow forecasting techniques.

Liquidity risk

Liquidity risk relates to the risk that Group entities do not have sufficient liquid resources to pay debts as and when they fall due. A formal evaluation of this position, as at 30 June 2022 is set out in the Going Concern note.

The contractual maturities of the Group's financial liabilities are set out in Note 4 and 6. Liquidity risks are managed by the Board through cashflow forecasting techniques.

The Mindbio Therapeutics Australia and NZ Group

A consolidation of:

- **MindBio Therapeutics Pty Ltd,**
- **MindBio Therapeutics NZ Limited and**
- **Digital Mind Technology Pty Ltd**

Management's Discussion and Analysis For the financial year ended June 30, 2022

OVERVIEW

The following Management's Discussion and Analysis ("MD&A") provides additional analysis of the operations, financial position and financial performance of MindBio Therapeutics Pty Ltd. ("MindBio" or the "Company") for the financial year ended June 30, 2022. It is supplementary information and should be read in conjunction with the Company's consolidated financial statements and accompanying notes for the financial year ended June 30, 2022, and from May 12, 2021, (date of incorporation) to June 30, 2021 (fiscal year end).

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.

MindBio has a wholly owned subsidiary MindBio Therapeutics NZ Limited incorporated pursuant to the Companies Act 1993 on November 23, 2021 with NZBN (New Zealand Business Number) 9429050057849. Its registered office is located at Level 4, 21 Queen Street Auckland 1010, New Zealand.

DMT is a digital technology and research business with a core focus on establishing and executing research protocols through formal clinical trials that are facilitated via digital therapeutic platforms. The aim of the business is to create evidence based medical interventions for various medical conditions using digital technologies

DMT is consolidated with MindBio Therapeutics as the three entities will be acquired by one purchaser, and will be publicly listed as one group.

MindBio is a mental health company creating novel and emerging treatments for mental health conditions. MindBio has developed a multi-disciplinary platform for developing treatments and is involved in psychedelic medicine development, has completed Phase 1 clinical trials microdosing psychedelic medicines in 80 patients, has two Phase 2 clinical trials in development

and is also developing machine learning algorithms and Artificial Intelligence models to collate and analyse biometric and psychometric data in mental health patients taking psychedelic medicines. The aim is to use this data to create a predictive treatment model in patients with various mental health disorders. MindBio 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

FORWARD-LOOKING STATEMENTS

Matters may be included in this MD&A that constitute "forward-looking" information within the meaning of Canadian securities law. Such forward-looking statements may be identified by words such as "plans", "proposes", "estimates", "intends", "expects", "believes", "may" or words of a similar nature. There can be no assurance that such statements will prove to be accurate. Actual results and future events could differ materially from such statements. Factors that could cause actual results to differ materially include among others, regulatory risks, risk inherent in foreign operations, commodity prices and competition. Most of these factors are outside the control of the Company. All subsequent forward-looking statements attributable to the Company or its agents are expressly qualified in their entirety by these cautionary comments. Except as otherwise required by applicable securities statutes or regulation, the Company expressly disclaims any intent or obligation to update publicly forward-looking information, whether as a result of new information, future events or otherwise.

STRUCTURE AND HOLDINGS

MindBio Therapeutics Pty Ltd was incorporated on 12th May 2021.

On 17th May 2021, MindBio Therapeutics Pty Ltd signed a binding term sheet with the University of Auckland in New Zealand (the University) which provided a global first right and option to commercialize the intellectual property that arises from microdosing clinical trials using medicinal psychedelics at the University. Discussions and negotiations with the University of Auckland started in September 2020 and when final terms of the agreement were agreed by both parties, the management of MindBio Therapeutics incorporated the company and then finalized and signed the binding term sheet.

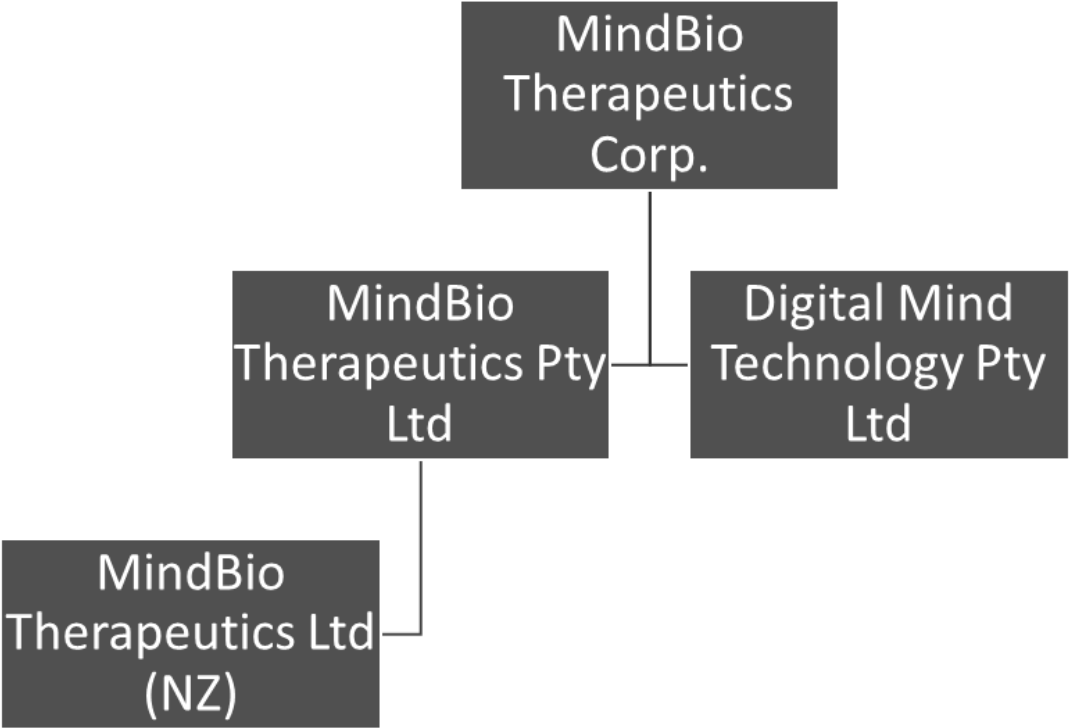
MindBio Therapeutics Pty Ltd raised AUD\$1.3M from Australian accredited investors to fund working capital. The private placement closed on 30 July 2021.

On 31 August 2021, MindBio Therapeutics Pty Ltd was acquired by Canadian Securities Exchange listed Blackhawk Growth Corp (CSE:BLR), ("BLR"). BLR completed a share swap with MindBio in a 100% script for script transaction where all of the shareholders in MindBio became shareholders in BLR, leaving BLR as the 100% shareholder in MindBio.

On 23 November 2021 MindBio Therapeutics NZ Limited was incorporated as a subsidiary of MindBio Therapeutics Pty Ltd. On 21 December 2021, MindBio Therapeutics NZ Limited signed a Funding and Commercialization Agreement with the University, immediately exercised its right and first option to commercialize all of the intellectual property that arises from the psychedelic microdosing clinical trials.

As the entities have a common owner, the entities have been presented as a consolidated entity (the Group) under IFRS 10

The following chart shows the structure and holdings of the Company as of the date of the MD&A:



RESULTS OF OPERATIONS

For the financial year ended June 30, 2022

For the financial year ended June 30, 2022, the Company had no revenue and a net Loss and comprehensive loss of \$5,862,535, compared with no revenue and a net Loss and comprehensive loss of \$466,925 for the period of May 12, 2021, (date of incorporation) to June 30, 2021.

Clinical Trials for the financial year ended June 30, 2022 increased from nil (May 12, 2021, (date of incorporation) to June 30, 2021) to \$969,334. This was due to the group investing into research into the investigation of psychedelic substances as a potential treatment regimen for the management of a broad range of mental health conditions. The business is also focused on developing technologies that will assist with the administration of psychedelic substances as part of an established treatment regimen.

Research and Development expenses totalled \$1,489,040 for the current financial year compared with \$nil for the prior period starting May 12, 2021, (date of incorporation) to June 30, 2021. This was a result of investment into digital interventions to improve mental health and wellbeing for patients engaged in clinical trials and in the future, more broadly to the wider community through its proprietary tools.

Investor relations expenses for the financial year ended June 30, 2022 increased from nil (May 12, 2021, (date of incorporation) to June 30, 2021) to \$182,081. This was a result of the completion of the equity and debt structure of the group which has facilitated the approach from a party to list on a public exchange.

Consulting and Accounting expenses for the financial year ended June 30, 2022 increased from nil (May 12, 2021, (date of incorporation) to June 30, 2021) to \$220,082. This was a result of an increase in the financial reporting requirements for an entity complying with the public accounting compliance framework.

Consulting and advisory expenses for the financial year ended June 30, 2021 increased from \$441,800 nil (May 12, 2021, (date of incorporation) to June 30, 2021) to \$1,889,258. This was a result of the services provided for the capital structuring of the group .

Finance charge for the financial year ended June 30, 2022 increased from nil (May 12, 2021, (date of incorporation) to June 30, 2021) to \$180,780. This was mainly a result the interest incurred on the convertible notes issued and converted during the period..

Directors' fees for the financial year ended June 30, 2022 increased from nil (May 12, 2021, (date of incorporation) to June 30, 2021) to \$243,333. This was a result of adding professional directors to the group which is required to have the appropriate corporate governance for the entity.

Marketing expense for financial year ended June 30, 2022 increased from nil (May 12, 2021, (date of incorporation) to June 30, 2021) to \$114,996. This was a result of an increase in the marketing of the group for the period.

Legal expenses for the financial year ended June 30, 2022 increased from nil (May 12, 2021, (date of incorporation) to June 30, 2021) to \$97,361. This was a result of an increase in professional legal services required to raise finance for the group.

Audit fee for the financial year ended June 30, 2022 increased from nil (May 12, 2021, (date of incorporation) to June 30, 2021) to \$45,000. This was a result of a professional auditor being engaged.

Other operating expenses for the financial year ended June 30, 2022 increased from nil (May 12, 2021, (date of incorporation) to June 30, 2021) to \$284,734. This was a result of an increase in general activity in the groups operations.

As a result of the foregoing, the Company recorded a net loss and comprehensive loss of \$ 5,862,535 (\$0.28) per share) for the financial year ended June 30 2022 compared with a net loss of \$466,925 ((\$466) per share) for the period starting May 12, 2021, (date of incorporation) to June 30, 2021.

SUMMARY OF SELECTED QUARTERLY INFORMATION

| | Q4 June 30, 2022 | Q3 March 31, 2022, | Q2 December 31, 2022, | Q1 September 30, 2021 |
|---|------------------------|--------------------------|-----------------------------|-----------------------------|
| Income | nil | nil | nil | nil |
| Net Income (Loss and comprehensive loss) for the period | (2,477,466) | (2,678,963) | (368,841) | (337,265) |
| Per Share | (0.119) | (0.129) | (0.018) | (0.016) |
| Per Share diluted | (0.119) | (0.129) | (0.018) | (0.016) |

*

FINANCING ACTIVITIES

Share Capital

MindBio Therapeutics Pty Ltd.

On 12 May, 2021 the company completed the first tranche of a private placement of 1,000 ordinary shares for a total of \$1,000.

On the 3rd September, 2021 the company split the 1,000 shares into 7,673,249 shares.

On 13 December, 2021 the company issued 4,520,931 ordinary shares to the convertible note holders, according to the terms of the note. The ordinary shares on issue do not have any flow through units attached.

Digital Mind Technology Pty Ltd.

On 13 September 2021, the company issued ordinary shares to foundation shareholders. A total of 4,227,435 shares were issued for a total of \$423.

On 7 December, 2021, the company issued 4,433,855 ordinary shares to the convertible note holders, according to the terms of the note. The ordinary shares on issue do not have any flow through units attached.

Loans issued

Mindbio Therapeutics Pty Ltd issued loans to investors totaling \$1,370,984 as at June 30, 2022. The terms of the debt are as follows:

The loan attracts interest of 10% per annum.

The loan is repayable after 18 months of MindBio Therapeutics being listed as a public company, or at 18 months of a listing not being successful.

The loan attracts bonus shares which will be payable to the lender, prior to the equating to the loan amount divided by CAD \$0.08c. The bonus shares will be issued by Mindbio Therapeutics Pty Ltd just prior to listing.

This loan is unsecured.

Digital Mind Technologies Pty Ltd issued loans to investors totaling \$1,405,000. The terms of the debt are as follows:

The loan attracts interest payment of 10% upfront and is repayable within 18 months of a successful listing of the Group. In the event of the listing of the Group being unsuccessful, the loan is repayable within 30 business days. .

There is no bonus issue of shares attributable to the terms of this loan.

This loan is unsecured, and the repayment date has been extended to 18 months past the signing date

On January 31, 2022, MindBio Therapeutics NZ Ltd was lent CAD 1,700,000 from Blackhawk Growth Corp of Vancouver BC. 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 capitalised and amortised over the term of the loan.

This loan is unsecured.

LIQUIDITY, FINANCIAL POSITION AND CAPITAL RESOURCES

Cash and cash equivalents, increased to \$1,314,792 as of June 30, 2022, from \$480,000 as of June 30, 2021.

The increase in cash and cash equivalents was mainly due to an increase in cash of \$5,588,843 from finance activities during the financial year ending June 30, 2022 from June 30, 2021, less investments payment of \$33,226 and cash outflow from operations for the financial year of \$4,719,825.

Short term assets, prepaid interest, accounts receivable and equity assets, all increased to \$135,324 from \$1,000.

Current liabilities were \$974,399 as of June 30, 2022, compared to \$946,925 at the end of the first fiscal year 2021.

ANALYSIS OF FINANCIAL CONDITION AND FINANCIAL PERFORMANCE

The financial condition of the Company as of June 30, 2022, and the financial performance in the financial year ended June 30, 2022, both increased from the corresponding prior periods mainly as a result of the proceeds from borrowings of \$5,588,843.

As of June 30, 2022, the Company had cash and cash equivalents of \$1,314,792 (June 30, 2021 - \$480,000) and current liabilities of \$974,399 (June 30, 2021 - \$946,925).

DIRECTORS AND OFFICERS COMPENSATION

The following table sets out all compensation payable to directors of the Corporation for their services as directors in the financial year ended June 30, 2022.

| Name | Fees earned (\$) | Share-based awards (\$) | Option-based awards (\$) | Non-equity incentive plan compensation (\$) | Pension value (\$) | All other compensation (\$) | Total (\$) |
|---------------|-------------------------|--------------------------------|---------------------------------|--|---------------------------|------------------------------------|-------------------|
| Zena Burgess | 36,000 | Nil | Nil | Nil | Nil | Nil | 36,000 |
| Justin Hanka | 120,000 | Nil | Nil | Nil | Nil | Nil | 120,000 |
| Colin Keating | 145,791 | Nil | Nil | Nil | Nil | 9,123 | 154,915 |
| Gavin Upiter | 25,000 | Nil | Nil | Nil | Nil | Nil | 25,000 |

RELATED PARTY TRANSACTIONS

The following related party transactions occurred and were reflected in the consolidated financial statements for the financial year ended June 30, 2022, and May 12, 2021, (date of incorporation) to June 30, 2021, as follows:

A consulting firm, 958 Consulting is owned and controlled by a director and shareholder. This firm was engaged at the beginning of this group's formation, and was a main driver of the foundation of this group. 958 Consulting continues to provide services to the group. 958 Consulting Pty Ltd also has an amount owing to it of \$350,000 in fees, accrued at 30 June 2021, which has been deferred and is payable June 30, 2024.

During the period the Group paid out dividends totalling \$786,940. Of these dividends, a total of \$666,490 was paid to parties controlled directly or indirectly by key management personnel.

The Group's ultimate holding company, Blackhawk Growth Corp, has provided the group with a loan facility of CAD 1,700,000 and has charged the Group a fee of \$CAD 205,000 for the facilitation of this loan.

REMUNERATION OF KEY PERSONNEL

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.

SUBSEQUENT EVENTS

At the date of signing, the Group is pursuing a listing on the Canadian Stock Exchange through its ultimate holding company Blackhawk Growth Corp.

SIGNIFICANT ACCOUNTING POLICIES

The Company's financial statements for the financial year ended June 30, 2022, 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, 2022.

RISK FACTORS AND RISK MANAGEMENT

MindBio shareholders and potential investors in MindBio should carefully consider the following risk factors and all the other information contained in this MD&A when evaluating MindBio and its common shares.

An investment in the Company's shares involves a number of risks, many of which are beyond its control. The risks and uncertainties set out below are all of the known risks, which are deemed to be material to the Company's business or the results of its operations. When reviewing forward-looking statements and other information contained in this prospectus, investors and others should carefully consider these factors, as well as other uncertainties, potential events and industry-specific factors that may adversely affect the Company's future results. If any of these risks should actually occur, the Company's business, financial condition, results of operations, cash flows and prospects could be harmed. Such risks and uncertainties are not the only ones the Company faces. Additional risks and uncertainties of which the Company is currently unaware or that are deemed immaterial may also adversely affect the Company's business, financial condition, results of operations, cash flows and prospects.

Liquidity and Negative Cash Flows

The Company's cash on hand, cash equivalents as at June 30, 2022 was \$1,314,792. 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.

Competition

There are a growing number of competitors entering the market many with financial resources far greater than the Company which may make it difficult for the Company to compete effectively in the market against these competitors.

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.

Legal Claims and Other Contingencies

The Company and its investee companies may become parties to law suits, claims and litigation arising in the ordinary course of business. Such lawsuits could result in significant costs and the outcome of such law suits could have a material negative impact on the Company's financial position, operating results, or the Company's ability to continue to carry on its business activities.

Lack of Market for the Company's Shares

Although the Company's common shares are listed and traded on the TSX Venture Exchange, there may not be a liquid market for the shares and any market price for the shares may not reflect the underlying value of the Company's business and assets.

Covid-19

The corona virus known as Covid-19 which spread throughout the world in the first quarter of 2021 has had a dramatic negative effect on the economies of Australia, New Zealand, Canada and the United States which might in turn negatively affect Mindbio's investments in its subsidiaries.

INTERNAL CONTROLS**Disclosure controls and procedures**

Management of the Company is responsible for establishing and maintaining disclosure controls and procedures 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.

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.

International Financial Reporting Standards

The Company's financial statements for the financial year ended June 30, 2022, and the period ended May 12, 2021, (date of incorporation) to June 30, 2021, and the comparative information presented in such financial statements have been prepared in accordance with IFRS applicable to the presentation of financial statements.

STRATEGY AND FUTURE DIRECTION

The ultimate objective of the Company will be to create evidence-based digital interventions to improve mental health & wellbeing for patients engaged in clinical trials and in the future, more broadly to the wider community through its proprietary tools.

OUTSTANDING SHARE DATA

The Company has authorized an unlimited number of common shares and an unlimited number of preferences shares issuable in series. During the financial year ending, 2022 the Company issued

1. Executed a share split where the 1,000 shares on issue were split into 7,608,000 shares
2. 4,227,435 common shares at \$0.0001 per share for \$422
3. 4,433,855 common shares for the conversion of a convertible debt of \$1,326,600.
4. 4,520,931 common shares for the conversion of a convertible debt of \$1,361,120.

and as of June 30, 2022 and as of date of this MD&A there were 20,790,221 outstanding common shares.

OTHER INFORMATION

Additional information related to the Company may be found on SEDAR at www.sedar.com.

September, 2022

**APPENDIX F
SPINCO OPTION PLAN**

1286409 B.C. Ltd.

STOCK OPTION PLAN

1. THE PLAN

A stock option plan (this “**Plan**”) pursuant to which options to purchase common shares (“**Common Shares**”) in the capital stock of 1286409 B.C. Ltd. (the “**Corporation**”) may be granted to the directors, officers, employees and consultants of the Corporation or any of its subsidiaries or affiliates is hereby established on the terms and conditions herein set forth.

2. PURPOSE

The purpose of this Plan is to advance the interests of the Corporation by encouraging the directors, officers, employees and consultants of the Corporation or any of its subsidiaries or affiliates to acquire Common Shares, thereby: (i) increasing the proprietary interests of such persons in the Corporation; (ii) aligning the interests of such persons with the interests of the Corporation’s shareholders generally; (iii) encouraging such persons to remain associated with the Corporation or any of its subsidiaries or affiliates; and (iv) furnishing such persons with an additional incentive in their efforts on behalf of the Corporation or any of its subsidiaries or affiliates.

3. ADMINISTRATION

- (a) This Plan shall be administered by the board of directors of the Corporation (the “**Board**”).
- (b) Subject to the terms and conditions set forth herein, the Board is authorized to provide for the granting, exercise and method of exercise of Options (as hereinafter defined), all on such terms (which may vary between Options granted from time to time) as it shall determine. In addition, the Board shall have the authority to: (i) construe and interpret this Plan and all option agreements entered into hereunder; (ii) prescribe, amend and rescind rules and regulations relating to this Plan; and (iii) make all other determinations necessary or advisable for the administration of this Plan. All determinations and interpretations made by the Board shall be binding on all Optionees (as hereinafter defined) and on their legal personal representatives, beneficiaries and successors, subject to such shareholder approval as may be required by any stock exchange on which the Common Shares are listed.
- (c) Notwithstanding the foregoing or any other provision contained herein, the Board shall have the right to delegate the administration and operation of this Plan, in whole or in part, to a committee of the Board. Whenever used herein, the term “Board” shall be deemed to include any committee or officer to which the Board has, fully or partially, delegated responsibility and/or authority relating to this Plan or the administration and operation of this Plan pursuant to this Section 3.
- (d) Options to purchase the Common Shares granted hereunder (“**Options**”) shall be evidenced by an agreement, signed on behalf of the Corporation and by the person to whom an Option is granted, which agreement shall be in such form as the Board shall approve. Initially, the form of agreement shall be in the form attached hereto as Exhibit “A”, subject to such changes and amendments to the terms and conditions thereof as the Board may approve from time to time, and may contain such terms as may be considered necessary to comply with any provisions respecting Options in the income tax or other laws in force in any jurisdiction of which the Optionee may from time to time be a resident or citizen or the rules of any regulatory body having jurisdictions over the Corporation,

with the execution of an option agreement by an officer of the Corporation constituting conclusive evidence as to the approval of all such terms and conditions.

4. ELIGIBILITY AND PARTICIPATION

- (a) The Board may, in its discretion, select any of the following persons to participate in this Plan:
 - (i) directors of the Corporation or any of its subsidiaries or affiliates;
 - (ii) officers of the Corporation or any of its subsidiaries or affiliates;
 - (iii) employees of the Corporation or any of its subsidiaries or affiliates;
 - (iv) consultants of the Corporation or any of its subsidiaries or affiliates, provided such consultants have performed and/or continue to perform services for the Corporation or any of its subsidiaries or affiliates on an ongoing basis or are expected to provide a service of value to the Corporation or any of its subsidiaries or affiliates; and
 - (v) members of any advisory board of the Corporation.

Any such person having been selected for participation in this Plan by the Board is herein referred to as an "Optionee".

- (b) The Board may from time to time, in its discretion, grant an Option to any Optionee, upon such terms, conditions and limitations as the Board may determine, including the terms, conditions and limitations set forth herein, provided that Options granted to any Optionee shall be approved by the shareholders of the Corporation if the rules of any stock exchange on which the Common Shares are listed require such approval.
- (c) Options will not be granted to a director, officer, employee or consultant of the Corporation, or any subsidiary or affiliate, unless such Optionee is a bona fide director, officer, employee or consultant.

5. COMMON SHARES SUBJECT TO PLAN

- (a) Subject to Section 16, the securities that may be acquired by Optionees under this Plan shall consist of authorized but unissued Common Shares. Whenever used herein, the term "Common Shares" shall be deemed to include any other securities that may be acquired by an Optionee upon the exercise of an Option the terms of which have been modified in accordance with Section 16.
- (b) The aggregate number of Common Shares reserved for issuance under this Plan shall be equal to 20% of the aggregate Common Shares issued and outstanding as of the time of approval of this Plan (calculated on a non-diluted basis).
- (c) If any Options granted under this Plan expire or terminate for any reason without having been exercised in full, any unpurchased Common Shares to which such Options relate shall be available for the purposes of granting Options under this Plan.

6. MAINTENANCE OF SUFFICIENT CAPITAL

The Corporation shall at all times during the term of this Plan ensure that the number of Common Shares it is authorized to issue shall be sufficient to satisfy the Corporation's obligations under all outstanding Options granted pursuant to this Plan.

7. EXERCISE PRICE

The Board shall, at the time an Option is granted under this Plan, fix the exercise price at which Common Shares may be acquired upon the exercise of such Option provided that such exercise price shall not be less than that from time to time permitted under the rules of any stock exchange on which the Common Shares are listed.

8. NUMBER OF OPTIONED COMMON SHARES

The number of Common Shares that may be acquired under an Option granted to an Optionee shall be determined by the Board as at the time the Option is granted, provided that:

- (a) the aggregate number of Common Shares reserved for issuance under this Plan, together with any other security based compensation arrangement of the Corporation, shall not, at the time of grant, exceed 20% of the aggregate number of Common Shares issued and outstanding as of the date of adoption of this Plan (calculated on a non-diluted basis) unless the Corporation receives the permission of any stock exchange on which the Common Shares are listed to exceed such threshold;
- (b) Options may not be granted to any one Optionee entitling that Optionee to acquire more than 5% of the issued and outstanding Common Shares in any 12-month period (unless the Corporation has obtained disinterested shareholder approval for such grant);
- (c) Options may not be granted to any one consultant entitling that consultant to acquire more than 2% of the issued and outstanding Common Shares in any 12-month period;
- (d) Options may not be granted to any one person conducting investor relations activities entitling that person to acquire more than an aggregate of 2% of the issued and outstanding Common Shares persons in any 12-month period; and
- (e) the Corporation obtains disinterested shareholder approval where, together with all of the Corporation's previously established and outstanding stock option plans or grants: (i) the number of Common Shares reserved for issuance under stock options granted to insiders exceeds 10% of the issued and outstanding Common Shares; (ii) the grant to insiders, within any 12-month period, of Options entitling those insiders to acquire more than 10% of the issued and outstanding Common Shares; or (iii) the grant to any one Optionee, within a 12-month period, of Options entitling that Optionee to acquire more than 5% of the issued and outstanding Common Shares.

9. TERM

The period during which an Option may be exercised (the "**Option Period**") shall be determined by the Board at the time the Option is granted, subject to any vesting limitations which may be imposed by the Board in its sole discretion at the time such Option is granted, and subject to Sections 12, 13 and 17, provided that:

- (a) no Option shall be exercisable for a period exceeding five (5) years from the date the Option is granted unless the Corporation receives the permission of any stock exchange on which the Common Shares are listed and as specifically provided by the Board;
- (b) Options granted to consultants performing investor relations activities on the Corporation's behalf must vest in stages over a period of 12 months with no more than 1/4 of the Options vesting in any three (3) month period;
- (c) no Option in respect of which shareholder approval is required under the rules of any stock exchange on which the Common Shares are listed shall be exercisable until such time as the Option has been approved by the shareholders of the Corporation;
- (d) the Board may, subject to the receipt of any necessary regulatory or stock exchange approvals, in its sole discretion, accelerate the time at which any Option may be exercised, in whole or in part; and

- (e) any Options granted to any Optionee must expire within 60 days after the Optionee ceases to be an Optionee, and within 30 days for any Optionee engaged in investor relations activities after such Optionee ceases to be engaged to provide investor relations activities.

10. EXTENSION OF OPTIONS DURING BLACKOUT PERIOD

If the normal expiry date of any Options falls within any Black-Out Period (as hereinafter defined) or within seven (7) business days following the end of any Black-Out Period (“**Black-Out Options**”), then the expiry date of such Black-Out Options shall, without any further action, be extended to the date that is seven (7) business days following the end of such Black-Out Period provided that the term of the Option cannot be extended so that the effective term of the Option exceeds 10 years from the date of grant. The foregoing extension applies to all Options whatever the date of grant and shall not be considered an extension of the term of the Options as referred to in Section 19(a).

For the purpose of this Plan, “Black-Out Period” means the period during which the relevant Optionee is prohibited from exercising an Option due to trading restrictions imposed by the Corporation pursuant to any policy of the Corporation respecting restrictions on trading in effect at that time.

11. METHOD OF EXERCISE OF OPTION

- (a) Except as set forth in Sections 12 and 13 or as otherwise determined by the Board, no Option may be exercised unless the holder of such Option is, at the time the Option is exercised, a director, officer, employee or consultant of the Corporation or any of its subsidiaries or affiliates.
- (b) Options that are otherwise exercisable in accordance with the terms thereof may be exercised in whole or in part from time to time.
- (c) Any Optionee (or the Optionee’s legal personal representative) wishing to exercise an Option shall deliver to the Corporation, at its principal office:
 - (i) a written notice expressing the intention of such Optionee (or the Optionee’s legal personal representative) to exercise such Option and specifying the number of Common Shares in respect of which the Option is exercised; and
 - (ii) a cash payment, cheque or bank draft representing the full purchase price of the Common Shares in respect of which the Option is exercised.
- (d) Upon the exercise of an Option as aforesaid, the Corporation shall use its reasonable efforts to forthwith deliver, or cause the registrar and transfer agent of the Common Shares to deliver, to the relevant Optionee (or the Optionee’s legal personal representative) or to the order thereof, one or more certificates or direct registration statements representing the aggregate number of fully paid and non-assessable Common Shares as the Optionee (or the Optionee’s legal personal representative) shall have then paid for.
- (e) Common Shares shall not be issued pursuant to the exercise of an Option unless the exercise of such Option and the issuance and delivery of Common Shares pursuant thereto shall comply with all relevant provisions of applicable securities laws, including, without limitation, the *United States Securities Act of 1933*, as amended, the *United States Securities and Exchange Act of 1934*, as amended, applicable U.S. state laws, the rules and regulations promulgated thereunder, and the requirements of any stock exchange or consolidated stock price reporting system on which prices for the Common Shares are quoted at any given time. As a condition to the exercise of an Option, the Corporation may require the person exercising such Option to represent and warrant at the time of any such exercise that the Common Shares are being purchased only for investment and without any present intention to sell or distribute such Common Shares if, in the opinion of counsel for the Corporation, such a representation is required by law.

12. CEASING TO BE A DIRECTOR, OFFICER, EMPLOYEE OR CONSULTANT

Subject to any written agreement between the Corporation and an Optionee providing otherwise, if any Optionee ceases to hold the position or positions of director, officer, employee or consultant of the Corporation or any of its subsidiaries or affiliates for any reason other than death or permanent disability of the Optionee, the Option granted to the Optionee will terminate at 5:00 p.m. (Vancouver time) on the earlier of the date of the expiration of the Option Period and 60 days after the date such Optionee ceases to hold the position or positions of director, officer, employee or consultant or, as the case may be, ceases to actively perform services for the Corporation. An Option granted to an Optionee who performs investor relations activities on behalf of the Corporation shall terminate on the date of termination of the employment or cessation of services being provided and shall be subject to any exchange policies and procedures for the termination of Options for investor relations activities. For greater certainty, the termination of any Option held by the Optionee, and the period during which the Optionee may exercise any Option, shall be without regard to any notice period arising from the Optionee's ceasing to hold the position or positions of director, officer, employee or consultant of the Corporation or any of its subsidiaries or affiliates.

Neither the selection of any person as an Optionee nor the granting of an Option to any Optionee under this Plan shall: (i) confer upon such Optionee any right to continue as a director, officer, employee or consultant of the Corporation or any of its subsidiaries or affiliates; or (ii) be construed as a guarantee that the Optionee will continue as a director, officer, employee or consultant of the Corporation or any of its subsidiaries or affiliates.

13. DEATH AND PERMANENT DISABILITY OF AN OPTIONEE

Subject to any written agreement between the Corporation and an Optionee providing otherwise, in the event of the death or permanent disability of an Optionee, any Option previously granted to the Optionee shall be exercisable until the end of the Option Period or until the expiration of 12 months after the date of death or permanent disability of such Optionee, whichever is earlier, and then only:

- (a) by the person or persons to whom the Optionee's rights under the Option shall pass by the Optionee's will or applicable law; and
- (b) to the extent that the Optionee was entitled to exercise the Option as at the date of the Optionee's death or permanent disability.

14. RIGHTS OF OPTIONEES

No person entitled to exercise any Option granted under this Plan shall have any of the rights or privileges of a shareholder of the Corporation in respect of any Common Shares issuable upon the exercise of such Option until such Common Shares have been paid for in full and issued to such person.

15. PROCEEDS FROM EXERCISE OF OPTIONS

The proceeds from any sale of Common Shares issued upon the exercise of Options shall be added to the general funds of the Corporation and shall thereafter be used from time to time for such corporate purposes as the Board may determine and direct.

16. ANTI-DILUTION

- (a) Certain Adjustments. In the event of:
 - (i) any subdivision, redivision or change of the Common Shares at any time during the term of an Option into a greater number of Common Shares, the Corporation shall deliver, at the time of any exercise thereafter of the Option, such number of Common Shares as would have resulted from such subdivision, redivision or change if the exercise of the Option had been made prior to the date of such subdivision, redivision or change;

- (ii) any consolidation or change of the Common Shares at any time during the term of an Option into a lesser number of Common Shares, the number of Common Shares deliverable by the Corporation on any exercise thereafter of the Option shall be reduced to such number of Common Shares as would have resulted from such consolidation or change if the exercise of the Option had been made prior to the date of such consolidation or change;
 - (iii) any reclassification of the Common Shares at any time outstanding or any change of the Common Shares into other shares, or in case of the consolidation, amalgamation or merger of the Corporation with or into any other corporation (other than a consolidation, amalgamation or merger which does not result in a reclassification of the outstanding Common Shares or a change of the Common Shares into other shares), or in case of any transfer of the assets of the Corporation as an entirety or substantially as an entirety to another corporation, at any time during the term of an Option, the Optionee shall be entitled to receive, and shall accept, in lieu of the number of Common Shares to which the Optionee was theretofore entitled upon the exercise of the Option, the kind and amount of shares and other securities or property which such Optionee would have been entitled to receive as a result of such reclassification, change, consolidation, amalgamation, merger or transfer if, on the effective date thereof, the Optionee had been the holder of the number of Common Shares to which the Optionee was entitled upon exercise of the Option; or
 - (iv) upon the distribution by the Corporation to holders of the Common Shares of shares of any class (whether of the Corporation or another corporation, but other than Common Shares), rights, options or warrants, evidences of indebtedness or cash (other than dividends in the ordinary course), or other securities or other assets, the Corporation will deliver upon the exercise of an Option, in addition to the number of Common Shares in respect of which the right to purchase is being exercised and without the Optionee making any additional payment, such other securities, evidence of indebtedness or assets as result from such distribution.
- (b) Successive Adjustments. Adjustments shall be made successively whenever any event referred to in this Section 16 shall occur. For greater certainty, the Optionee shall pay for the number of shares, other securities or property as aforesaid, the amount the Optionee would have paid if the Optionee had exercised the Option prior to the effective date of such subdivision, redivision, consolidation or change of the Common Shares or such reclassification, consolidation, amalgamation, merger or transfer, as the case may be. No fractional Common Shares shall be issued upon the exercise of an Option following the making of any such adjustment.

17. CHANGE OF CONTROL

The Board shall have the power, in the event of a Change of Control (as hereinafter defined) to make such arrangements as it shall deem appropriate for the exercise of outstanding Options or continuance of outstanding Options, including to accelerate and amend any stock option agreement to permit the exercise of any or all of the remaining Options prior to the completion of any such transaction. If the Board shall exercise such power, the Option shall be deemed to have been amended to permit the exercise thereof in whole or in part by the Optionee at any time or from time to time as determined by the Board prior to the completion of such transaction.

For the purpose of this Plan, “Change of Control” means and shall be deemed to have occurred upon:

- (a) the acquisition of:
 - (i) shares of the Corporation; and/or
 - (ii) securities convertible into, exercisable for or carrying the right to purchase shares of the Corporation (“**Convertible Securities**”);

as a result of which a person, group of persons or persons acting jointly or in concert, or persons that are associates or affiliates of any such person, group of persons or any of such persons (collectively “**Acquirors**”), beneficially own shares of the Corporation or Convertible Securities such that, assuming only the conversion or exercise of Convertible Securities beneficially owned by the Acquirors, the Acquirors would beneficially own shares which would entitle them to cast more than 50% of the votes attaching to all shares in the capital of the Corporation which may be cast to elect directors of the Corporation; or

- (b) approval by the shareholders of the Corporation of:
 - (i) an amalgamation, arrangement, merger or other consolidation of the Corporation with another corporation pursuant to which the shareholders of the Corporation immediately prior thereto do not immediately thereafter own shares of the successor or continuing corporation which entitle them to cast more than 50% of the votes attaching to all shares in the capital of the successor or continuing corporation which may be cast to elect directors of that corporation;
 - (ii) a liquidation, dissolution or winding-up of the Corporation; or
 - (iii) a sale, lease or other disposition of all or substantially all of the assets of the Corporation; or
- (c) such other transaction or event as the Board deems, in its sole discretion, to constitute a Change of Control.

18. TRANSFERABILITY

All benefits, rights and Options accruing to any Optionee in accordance with the terms and conditions of this Plan shall be non-transferable and non-assignable unless specifically provided herein. During the lifetime of an Optionee, any Options granted hereunder may only be exercised by the Optionee and in the event of the death or permanent disability of an Optionee, by the person or persons to whom the Optionee’s rights under the Option pass by the Optionee’s will or applicable law.

19. TERMINATION AND AMENDMENT

- (a) Compliance with Law. The Board may amend or terminate this Plan or any outstanding Option granted hereunder at any time without the approval of the shareholders of the Corporation or any Optionee whose Option is amended or terminated, in order to conform this Plan or such Option, as the case may be, to applicable law or regulation or the requirements of any stock exchange on which the Common Shares are listed or any relevant regulatory authority, whether or not such amendment or termination would affect any accrued rights, subject to the approval of any stock exchange on which the Common Shares are listed or such regulatory authority.
- (b) Other Reasons. The Board may amend or terminate this Plan or any outstanding Option granted hereunder for any reason, other than the reasons set forth in Section 19(a), subject to the approval of any stock exchange on which the Common Shares are listed or any relevant regulatory authority and the approval of the shareholders of the Corporation if required by any stock exchange on which the Common Shares are listed or such regulatory authority. No such amendment or termination will, without the consent of an Optionee, alter or impair any rights which have accrued to such Optionee prior to the effective date thereof.
- (c) Initial Stock Exchange Approval. This Plan, and any amendments thereto, shall be subject to acceptance and approval by any stock exchange on which the Common Shares are listed. Any Options granted prior to such approval and acceptance shall be conditional upon such approval and

acceptance being given and no such Options may be exercised unless and until such approval and acceptance are given.

20. NECESSARY APPROVALS

The obligation of the Corporation to issue and deliver Common Shares in accordance with this Plan and options granted hereunder is subject to applicable securities legislation and to the receipt of any approvals that may be required from any regulatory authority or stock exchange having jurisdiction over the securities of the Corporation. If Common Shares cannot be issued to an Optionee upon the exercise of an Option for any reason whatsoever, the obligation of the Corporation to issue such Common Shares shall terminate and any funds paid to the Corporation in connection with the exercise of such Option will be returned to the relevant Optionee as soon as practicable.

21. STOCK EXCHANGE RULES

This Plan and any option agreements entered into hereunder shall comply with the requirements from time to time of any stock exchange on which the Common Shares are listed.

22. RIGHT TO ISSUE OTHER COMMON SHARES

The Corporation shall not by virtue of this Plan be in any way restricted from declaring and paying stock dividends, issuing further Common Shares, varying or amending its share capital or corporate structure or conducting its business in any way whatsoever.

23. NOTICE

Any notice required to be given under this Plan shall be in writing and shall be given by registered mail, postage prepaid or delivered by courier or by email transmission addressed, if to the Corporation, at its principal address, Attention: President; or if to an Optionee, to such Optionee at his address as it appears on the books of the Corporation or in the event of the address of any such Optionee not so appearing then to the last known address of such Optionee; or if to any other person, to the last known address of such person.

24. PREVIOUSLY GRANTED STOCK OPTIONS

This Plan shall apply to any previously granted stock options to the extent permitted by law and to the extent permitted by the terms and conditions contained in any agreements relating thereto, and to the extent that the Board is permitted to exercise any discretion under any such agreements, it shall exercise that discretion in a manner consistent with this Plan.

25. WITHHOLDING TAX

Upon the exercise of an Option, an Optionee will, upon notification of the amount due and prior to or concurrently with the delivery of any certificates or direct registration statements representing the Common Shares issuable upon such exercise, pay to the Corporation any amounts necessary to satisfy applicable withholding tax requirements or otherwise make arrangements satisfactory to the Corporation for such requirements. In order to implement this provision, the Corporation or any related entity will have the right to retain and withhold from any payment of cash or Common Shares under this Plan the amount of taxes required to be withheld or otherwise deducted and paid in respect of such exercise. At its discretion, the Corporation may require an Optionee receiving Common Shares upon the exercise of an Option to reimburse the Corporation for any taxes required to be withheld by the Corporation and withhold any distribution to the Optionee in whole or in part until the Corporation is so reimbursed. In lieu thereof, the Corporation will have the right to withhold from any cash amount due or to become due from the Corporation to the Optionee an amount equal to such taxes. The Corporation may also retain and withhold or the Optionee may elect, subject to approval by the Corporation at its sole discretion, to have the Corporation retain and withhold a number of Common Shares having a market value not less than the amount of taxes required to be withheld by the Corporation to reimburse the Corporation for any such taxes and cancel (in whole or in part) any such Common Shares issuable upon the exercise of an Option so withheld.

26. INTERPRETATION

This Plan will be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

27. EFFECTIVE DATE

This Plan shall be effective as of [●].

EXHIBIT "A"

STOCK OPTION AGREEMENT

THIS AGREEMENT is made as of [●], 20[●]

BETWEEN:

1286409 B.C. Ltd.

(the "**Corporation**")

AND:

[●]

(the "**Optionee**")

THIS AGREEMENT WITNESSES that in consideration of the sum of \$1 paid by each party to the other and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. The Corporation hereby grants the Optionee the option to purchase [e] common shares in the capital of the Corporation (each, a "**Share**") at a price of \$[e] per Share for a term expiring at 5:00 p.m. (Vancouver time) on [●], 20[●] (the "**Options**").
2. The Options shall not be transferable or assignable, and shall vest and be exercisable in accordance with the following schedule:

Number of Options

Vesting Terms

3. The inability of the Corporation to obtain authority from any stock exchange or regulatory body having jurisdiction, which authority is deemed by the Corporation's counsel to be necessary to the lawful issuance and sale of any Shares hereunder, shall relieve the Corporation of any liability in respect of the failure to issue or sell such Shares as to which such requisite authority shall not have been obtained.
4. Capitalized terms used but not defined herein shall have the meanings set forth in the Corporation's stock option plan made effective [●] (the "**Plan**").
5. By signing this Agreement, the Optionee acknowledges that the Optionee has read and understands the Plan and has been provided with an opportunity to seek independent legal advice with respect to the Plan and the options being granted hereunder. The Optionee agrees to be bound by all the terms and provisions of the Plan.

6. Other provisions (if any):

7. This Agreement may be executed and delivered in counterparts and by electronic transmission, each of which shall constitute an original and all of which together shall form one document.

IN WITNESS WHEREOF the parties have executed this Agreement as of the date first written above.

1286409 B.C. Ltd.

Per:

Authorized Signatory

OPTIONEE

Name: [●]
Title (if applicable): [●]



Blackhawk Growth Corp.