

**FORM 51-102F3**  
**MATERIAL CHANGE REPORT**

**Item 1. Name and Address of Company**

Loon Energy Corporation (the “**Company**” or “**Loon**”)  
1100, 700 -4<sup>th</sup> Avenue S.W.  
Calgary, Alberta T2P 3J4

**Item 2. Date of Material Change**

November 30, 2021.

**Item 3. News Release**

Press release issued by the Company on November 30, 2021 in respect to the material change referred to in this report via a Canadian news wire service, a copy of which has been filed via SEDAR.

**Item 4. Summary of Material Change**

The Company is pleased to announce that, further to its news release dated November 16, 2021, the Company has entered into a definitive acquisition agreement dated November 30, 2021 (the “**Definitive Agreement**”) with Optimind Pharma Inc. (“**Optimind**”), a private company incorporated under the Province of Ontario, whereby Loon has agreed to acquire all of the issued and outstanding shares (the “**Target Shares**”) of Optimind (the “**Transaction**”). Under the terms of the Definitive Agreement, all of the Target Shares will be exchanged on the basis of one common share of the Company for each Target Share. Optimind currently has 66,552,008 Target Shares outstanding, prior to completion of the Concurrent Financing (described below).

**Item 5. Full Description of Material Change**

The Transaction will be completed by way of a three-cornered amalgamation under the Business Corporations Act (Ontario), whereby 1000033135 Ontario Inc., a wholly owned subsidiary of Loon (“**Subco**”) will amalgamate with Optimind (the “**Amalgamation**”).

As part of the Transaction, the Company has agreed to settle up to \$175,000 of debt with certain creditors of the Company by way of issuance of common shares of the Company at a price of \$0.095 per share (the “**Debt Settlement**”). The Debt Settlement will only be completed immediately prior to closing of the Transaction in order for the Company not to have any material liabilities on closing. Following the Debt Settlement, but prior to the Amalgamation, Loon will complete a share consolidation on the basis of one (1) new share for such number of old shares which shall result in 7,500,000 Loon common shares being issued and outstanding following the consolidation.

The Company will make an application to voluntarily delist its common shares from the TSX Venture Exchange (“**TSXV**”) and seek a listing of its common shares

on the Canadian Securities Exchange ("CSE") as part of the Transaction. The delisting of the Company's common shares is subject to majority of the minority vote of shareholders of the Company. The Company has scheduled a shareholders' meeting to be held on January 4, 2022.

#### Concurrent Financing

Optimind intends to complete a non-brokered subscription receipt financing for minimum gross proceeds of \$1 million at an issue price of \$0.25 per subscription receipt. Immediately prior to the Amalgamation, each subscription receipt will be automatically exchanged for one Target Share.

#### Management and Board

In connection with the closing of the Transaction, the board of directors and officers of the Company will be reconstituted as follows: Tom Sipos, President and CEO; Dr. Mike Hart, Chief Operating Officer; Rakesh Malhotra, Chief Financial Officer; Marshall I. Morris, Director; and, Tushar Arora, Director. Below are bios for each of the incoming officers and directors:

##### Tomas Sipos, Chief Executive Officer

Mr. Sipos is a seasoned investment banker who understands the vast intricacies of investor relations and investment banking. He has held several senior positions throughout his career including Vice President of Mergers and Acquisitions at Ernst and Young (Toronto), Managing Director of Investment Banking at the European Privatization & Investment Corporation and Senior Investment Banker for the International Finance Corporation. Mr. Sipos presently serves as a director of DeepSpatial Inc. and Predictmedix Inc., both of which are listed on the Canadian Securities Exchange. Mr. Sipos holds a (Honors) Bachelor of Science in chemical engineering from Queen's University and a MBA from the University of Toronto, Rotman School of Business.

##### Dr. Mike Hart, Chief Operating Officer

Dr. Hart is well-known for his outspoken advocacy for medicinal cannabis, with both a medical degree from the Saba School of Medicine in the Netherlands Antilles (2010) and a family medicine residency from Western University (2012). He founded the first physician-led Cannabis Clinic in London Ontario. In 2016, he founded the Readytogo Medical Clinic and remains their lead physician and medical director, bringing both that clinic's Ketamine treatments and his experience to Optimind Pharma Inc.

##### Rakesh Malhotra, Chief Financial Officer

Mr. Malhotra's principal occupation is a US certified public accountant (CPA) and a Canada Public Accountant (CPA, CA). He presently serves as a Chief Financial Officer of Nerds on Site Inc. (TSXV:NERD), a Chief Financial Officer of Aion Therapeutic Inc. (CSE; AION), a Chief Financial Officer of Predictmedix Inc. (CSE:PMED; OTCQB:PMEDF), a Chief Financial Officer of Binovi Technologies Inc. (TSXV: VISON) and a Chief Financial Officer of DeepSpatial Inc. (CSE:DSAI; OTCQB:DSAI). He also serves as a consultant to various public companies listed

across Canada and the USA. In addition to the accreditations mentioned above, Mr. Malhotra holds his Bachelor of Commerce (Honors) from the University of Delhi.

Marshall I. Morris, Independent Director

Mr. Morris is a supply chain executive with over 20 years of diverse leadership experience in logistics, operations and executive management. Mr. Morris has specialized experience in quality and cost control, human resource and asset management, transportation management, customer service and information technology. Mr. Morris currently serves as an independent business consultant for numerous companies and formerly served as an executive vice president of customer satisfaction and information technology for McGraw-Hill Ryerson, Limited.

Tushar Arora – Independent Director

Mr. Arora is a chartered accountant and member of the Institute of Chartered Accountants of India. Mr. Arora currently works as a senior accountant at Kushwah Accounting and is experienced in preparing financial statements and filing tax returns for non-profit and for profit entities pursuant to Canadian taxation laws. Mr. Arora previously worked with BDO Canada LLP and Ernst & Young LLP where he specialized in transfer pricing and international taxation

### **Further Information**

Trading in the Company's shares has been halted and is not expected to resume trading until completion of the Transaction.

The Company will provide further details in respect of the Transaction in due course by way of press release. All information contained in this press release with respect to the Company and Optimind was supplied by the respective party for inclusion herein, without independent review by the other party, and each party and its directors and officers have relied on the other party for any information concerning the other party.

Completion of the Transaction is subject to a number of conditions, including but not limited to, acceptance of the CSE and TSXV. There can be no assurance that the Transaction will be completed as proposed or at all. The TSXV has in no way passed upon the merits of the proposed Transaction and has neither approved nor disapproved the contents of this press release.

This press release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**") or any state securities laws and may not be offered or sold within the United States or to or for the account or benefit of U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

### **About Optimind Pharma**

Optimind pharma is a Canadian pharmaceutical company in the psychedelics space with two key business verticals 1) Clinic Model: Optimind has developed a clinic

based business model for psychedelic assisted psychotherapy for the treatment of depression, anxiety, and PTSD. 2) Partnership with First Nations: Optimind has set up a joint venture with Manitari Pharma, an Indigenous owned pharmaceutical company, to help bring awareness to the benefits of psychedelic-assisted psychotherapy and advocate for federal approvals to treat depression and anxiety which remains a disproportionately large issue for the indigenous community. Manitari Pharma corporation operates under the guidance of the Navigator Program which ensures the fair treatment of Indigenous business relations. The company has a 1,300 square foot facility and bonded excise warehouse on six acres of land in Kanestake by the Ottawa River and as part of the joint venture, has applied for psilocybin dealer's license with Health Canada.

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

Not Applicable.

**Item 7. Omitted Information**

No information has been omitted from this material change report.

**Item 8. Executive Officer**

The following senior officer of Loon Energy Corporation is knowledgeable about the material change and the Report and may be contacted as follows:

Harvey McKenzie, Chief Financial Officer  
Telephone: 416-400-8003

**Item 9. Date of Report**

November 30, 2021.