



# ALBERT LABS INTERNATIONAL CORP.

## CSE FORM 2A LISTING STATEMENT

IN RESPECT OF A BUSINESS COMBINATION TRANSACTION  
INVOLVING THE LISTING OF  
ALBERT LABS INTERNATIONAL CORP.

### NOTICE TO READER

**Psilocybin is currently a Schedule III drug under the *Controlled Drugs and Substances Act (Canada)* and it is a criminal offence to possess substances under the *Controlled Drugs and Substances Act (Canada)* without a prescription.**

**Health Canada has not approved psilocybin as a drug for any indication.**

**Albert Labs Inc. does not deal with psychedelic substances except within laboratory and clinical trial settings conducted within approved regulatory frameworks in order to identify and develop treatments for medical conditions and does not have any direct or indirect involvement with illegal selling, production or distribution of any substances in jurisdictions in which it operates.**

**While Albert Labs Inc. believes psychedelic substances can be used to treat certain medical conditions, it does not advocate for the legalization of psychedelic substances for recreational use**

March 7, 2022

## TABLE OF CONTENTS

1.	ABOUT THIS LISTING .....	1
2.	CORPORATE STRUCTURE .....	7
3.	GENERAL DEVELOPMENT OF THE BUSINESS .....	10
4.	NARRATIVE DESCRIPTION OF THE BUSINESS .....	14
5.	SELECTED FINANCIAL INFORMATION .....	25
6.	MANAGEMENT'S DISCUSSION AND ANALYSIS.....	28
7.	MARKET FOR SECURITIES .....	28
8.	CONSOLIDATED CAPITALIZATION.....	28
9.	OPTIONS TO PURCHASE SECURITIES.....	29
10.	DESCRIPTION OF SECURITIES .....	30
11.	ESCROWED SECURITIES .....	32
12.	PRINCIPAL SHAREHOLDERS .....	34
13.	DIRECTORS AND OFFICERS .....	34
14.	CAPITALIZATION .....	46
15.	EXECUTIVE COMPENSATION.....	49
16.	INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS.....	53
17.	RISK FACTORS.....	53
18.	PROMOTERS.....	74
19.	LEGAL PROCEEDINGS .....	75
20.	INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS.....	75
21.	AUDITORS, TRANSFER AGENT AND REGISTRAR .....	76
22.	MATERIAL CONTRACTS .....	76
23.	INTEREST OF EXPERTS .....	77
24.	OTHER MATERIAL FACTS .....	77
25.	FINANCIAL STATEMENTS.....	77
	CERTIFICATE OF ME RESOURCE CORP. ....	79
	CERTIFICATE OF ALBERT LABS INC. ....	80
	APPENDIX A – SHARE EXCHANGE AGREEMENT/ADDENDUM.....	A-1
	APPENDIX B – AUDITED FINANCIAL STATEMENTS OF MEC .....	B-1
	APPENDIX C – AUDITED FINANCIAL STATEMENTS OF ALBERT LABS INC .....	C-1
	APPENDIX D – REVIEWED FINANCIAL STATEMENTS OF MEC FOR PERIOD ENDING SEPTEMBER 30, 2021, ....	D-1
	APPENDIX E - REVIEWED FINANCIAL STATEMENTS OF ALBERT LABS PERIOD ENDING SEPTEMBER 30, 2021, .....	E-1
	APPENDIX F – MANAGEMENT DISCUSSION & ANALYSIS FOR ALBERT LABS INC .....	F-1
	APPENDIX G – PRO-FORMA CONSOLIDATED FINANCIAL STATEMENTS OF MEC .....	G-1

## 1. ABOUT THIS LISTING

---

### 1.1 General

This Listing Statement (this "**Listing Statement**") was furnished by and on behalf of the management of ME Resource Corp. ("**MEC**") in order to qualify for listing the securities of MEC regarding a proposed fundamental change under the policies of the Canadian Securities Exchange (the "**Exchange**").

The information contained or referred to in this Listing Statement with respect to Albert Labs Inc. ("**Albert Labs**") and its related businesses has been provided by its respective management and is the responsibility of such entities. MEC has reviewed information and documents provided by Albert Labs Inc., including audited financial statements of Albert Labs Inc. Management and directors of MEC have relied upon Albert Labs Inc. for the accuracy of information provided by Albert Labs Inc., respectively.

In this Listing Statement, unless otherwise indicated:

- a) Words importing the singular, where the context requires, include the plural and vice versa, and words importing any gender include all genders;
- b) References to "including" should be read as meaning "including without limitation", "including, but not limited to: and similar permutations thereof;
- c) References to "\$" or "C\$" refer to Canadian dollars;
- d) All information is stated as at May 29, 2021, unless otherwise indicated.

### 1.2 Glossary of General Terms

In this Listing Statement, the following terms will have the meaning ascribed thereto as set out below:

"**Albert Labs**" means Albert Labs Inc., prior to giving effect to the Transaction, a company existing under the BCBCA via articles of incorporation dated September 16, 2020;

"**Audit Committee**" means MEC's audit committee;

"**BCBCA**" means the *Business Corporation Act* (British Columbia);

"**Board**" means the board of directors of MEC;

"**Board Reconstitution**" has the meaning ascribed thereto in Section 2.4 hereof;

"**Canadian Criminal Code**" means the *Criminal Code*, RSC 1985, c. C-46;

"**CDSA**" means the *Controlled Drugs and Substances Act* (Canada);

"**CEO**" means chief executive officer;

"**CFO**" means chief financial officer;

"**Closing**" means completion of the Share Exchange;

"**Closing Date**" has the meaning ascribed thereto in the Share Exchange Agreement;

"**Consideration Shares**" has the meaning ascribed thereto in Section 2.4 hereof;

"**Consolidation**" means the consolidation of the MEC Shares on the basis of the Consolidation Ratio, to be completed on or prior to Closing;

"**Consolidation Ratio**" means one (1) post-Consolidation MEC Share for each ten (10) pre-Consolidation MEC Shares outstanding;

"**Criminal Code**" means the Criminal Code, R.S.C., 1985, c. C-46;

"**CSE**" means the Canadian Securities Exchange;

"**CSO**" means chief science officer;

"**Dealers License**" means a Dealer License under the *Food and Drugs Regulations* (Part J) to the *Food and Drugs Act* (Canada);

"**Debt**" has the meaning ascribed thereto in Section 2.4 hereof;

"**Debt Shares**" has the meaning ascribed thereto in Section 2.4 hereof;

"**Debt Settlement**" has the meaning ascribed thereto in Section 2.4 hereof;

"**EMA**" means the European Medicines Agency, an agency of the European Union (EU) in charge of the evaluation and supervision of medicinal products;

"**Facility**" means the offices and labs at Suite 202, 6996 Merritt Avenue, Burnaby, British Columbia, V5J 4R6;

"**ft<sup>2</sup>**" means square feet;

"**IFRS**" means generally accepted accounting principles set out in the Canadian Institute for Chartered Accountants Handbook for an entity that prepares its financial statements in accordance with International Financial Reporting Standards;

"**Interim MD&A**" means MEC's interim MD&A for the three (3) months ended September 30, 2021;

"**Letter Agreement**" means the letter agreement between MEC and Albert Labs dated January 5, 2021;

"**Licenses**" means licenses the Resulting Issuer has applied, or will apply for, with Health Canada including the Dealer's License;

"**Listing Statement**" has the meaning ascribed thereto in Section 1 hereof;

"**Management of the Resulting Issuer**" has the meaning ascribed thereto in Section 13 hereof;

"**MD&A**" means management's discussion and analysis;

"**MEC**" means ME Resource Corporation, prior to giving effect to the Transaction, a company existing under the BCBCA via articles of incorporation dated October 16, 2009 as amended on September 2, 2011, and February 26, 2019;

"**MEC Preferred Shares**" means Class B preferred shares in the capital of MEC;

"**MEC Shareholders**" means holders of MEC Shares;

"**MEC Shares**" means Class A Voting Common Shares Without Par Value in the capital of MEC;

"**MHRA**" means the Medicines and Healthcare products Regulatory Agency, an agency in the UK that regulates medicines, medical devices and blood components for transfusion;

"**Name Change**" means an amendment to MEC's articles to change its name from "ME Resource Corp." to "Albert Labs International Corp." or such other name as may be acceptable to Albert Labs Inc. and the regulatory authorities;

"**NI 43-101**" means National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*;

"**NP 46-201**" means National Policy 46-201 – *Escrow for Initial Public Offerings*;

"**NI 52-110**" means National Policy 52-110 – *Audit Committees*;

"**Option Plan**" means MEC's rolling stock option plan as of the date of this Listing Statement;

"**Private Placement**" means a private placement of subscription receipts of Albert Labs (each a "**Subscription Receipt**") for gross proceeds of up to \$4,000,000 at a price of \$0.25 per Subscription Receipt, with each Subscription Receipt automatically converting into one (1) post-Consolidation MEC Share on or after Closing;

"**PTSD**" means post-traumatic stress disorder, as defined in Diagnostic and Statistical Manual of Mental Disorder, Fifth Edition.

"**Purchased Shares**" has the meaning ascribed thereto in Section 2.4 hereof;

"**Related Entity**" means, in respect of a Listed Issuer:

- (a) a person (i) that is an affiliated entity of the Listed Issuer, or (ii) of which the Listed Issuer is a control block holder;
- (b) a management company or distribution company of a mutual fund that is a Listed Issuer; or
- (c) a management company or other company that operates a trust or partnership that is a Listed Issuer;

"**Related Person**" means, in respect of a Listed Issuer:

- (a) a Related Entity of the Listed Issuer;
- (b) a partner, director or officer of the Listed Issuer or Related Entity;
- (c) a promoter of or person who performs investor relations activities for the Listed Issuer or Related Entity;

(d) any person that beneficially owns, either directly or indirectly, or exercises voting control or direction over at least 10% of the total voting rights attached to all voting securities of the Listed Issuer or Related Entity; and

(e) such other person as may be designated from time to time by the Exchange;

"**Resulting Issuer**" means ME Resource Corp., as re-named "Albert Labs International Corp.", or such other name as may be acceptable to Resulting Issuer Board and the regulatory authorities, a company existing under the BCBCA on Closing;

"**Resulting Issuer Board**" means the board of directors of the Resulting Issuer;

"**Resulting Issuer Common Shares**" means common shares in the capital of the Resulting Issuer;

"**Reverse Takeover**" has the meaning set out in National Instrument 51-102 – Continuous Disclosure Obligations of the Canadian Securities Administrators;

"**RWE**" means Real World Evidence Study;

"**Section 56 Exemption**" means a Section 56 Exemption under the *Controlled Drugs and Substances Act*

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval at [www.sedar.com](http://www.sedar.com), the mandatory electronic document filing and retrieval system for Canadian public companies;

"**Share Exchange**" has the meaning ascribed thereto in Section 2.4 hereof;

"**Share Exchange Agreement**" has the meaning ascribed thereto in Section 3.2 hereof;

"**SubLease**" means the sublease agreement between the Resulting Issuer and Canpac Analytical & Research Laboratory Corp. for its offices and laboratory facility;

"**Transaction**" means the share exchange between Albert Labs Inc. and MEC pursuant to the terms of the Share Exchange Agreement, which constitutes a Reverse Takeover of MEC by Albert Labs;

"**TSX-V**" means the TSX Venture Exchange;

"**U.S.**" means the United States of America;

"**U.S. Person**" has the meaning ascribed to it in Regulation S under the U.S. Securities Act; and

"**U.S. Securities Act**" means the *United States Securities Act of 1933*, 15 U.S.C. § 77a et seq.

### **1.3. Cautionary Forward-Looking Statements**

The information provided in this Listing Statement, including information incorporated by reference, may contain "forward-looking statements" about the Resulting Issuer. All statements, other than statements of historical fact, made by the Issuer that address activities, events or developments that the Issuer expects or anticipates will or may occur in the future are forward-looking statements, including statements preceded by, followed by or that include words such as "may", "will", "would", "could", "should", "believes",

“estimates”, “projects”, “potential”, “expects”, “plans”, “intends”, “anticipates”, “targeted”, “continues”, “forecasts”, “designed”, “goal”, or the negative of those words or other similar or comparable words.

Forward-looking statements may relate to future financial conditions, results of operations, plans, objectives, performance or business developments. These statements speak only as at the date they are made and are based on information currently available and on management’s current expectations and assumptions concerning the Resulting Issuer’s future events, financial conditions, results of operations, plans, objectives, performance, business developments, objectives or milestones. Forward-looking statements in this Listing Statement include statements related to:

- the impact of the COVID-19 pandemic;
- the business objectives of the Resulting Issuer and its research and development activities;
- the acceptance in the medical community of psilocybin and other psychedelic substances as effective treatment for cancer-related anxiety, depression, PTSD, addiction and other mental health conditions;
- the funds available to the Resulting Issuer and the use of such funds;
- the ability of the Resulting Issuer to operate as a going concern if there are any changes in laws or regulatory requirements;
- the healthcare industry in Canada and the United Kingdom;
- the approval of regulatory bodies of psychedelic substances, including psilocybin, for the treatment of various health conditions;
- the grant and impact of any license or supplemental license to conduct activities with psychopharmacological products or any amendments thereof;
- the ability of the Resulting Issuer to complete and operate the Facility;
- the ability of the Resulting Issuer to complete and operate its clinical trials;
- the ability of the Resulting Issuer to achieve anticipated revenues from its operations;
- the ability of the Resulting Issuer to secure qualified employees, contractors and other required personnel;
- the ability of the Resulting Issuer to offer technology-enabled, psilocybin-enhanced psychotherapy, psychedelic-enhanced psychotherapy and psychedelic-integration psychotherapy services;
- the ability of the Resulting Issuer to develop proper protocols to incorporate the use of additional psychedelic medicines as they are legalized and approved for use;
- the development, patentability and viability of licensed psilocybin-based medicines;
- the ability of the Resulting Issuer to create a pharmaceutical product pipeline by initiating additional clinical trials;
- the ability of the Resulting Issuer to enroll an increasing number of patients to meet eligibility requirements in a scenario where its product candidates advance to clinical testing and through to more complex clinical trials;
- the ability of the Resulting Issuer to obtain regulatory approvals prior to each Real World Evidence Study;
- the ability of the Resulting Issuer to create sufficient patient acquisitions and retention;
- compliance with applicable laws and the ability to obtain any permits or other authorizations that may be required in the future;
- the timing, progress and timely completion of various stages of the regulatory approval process;
- expectations regarding acceptance of psychedelic-assisted therapies and technologies by the market;
- expectations regarding product safety and efficacy;
- the expected adoption of any incentive option plans or other equity incentive plans;
- the expected entry into any employment contracts;
- controlled substances laws; and
- reliance on third parties.

The forward-looking statements contained herein are based on certain key management expectations and assumptions, including with respect to expectations and assumptions concerning: (i) receipt of required shareholder and regulatory approvals in a timely manner or at all; (ii) receipt and/or maintenance of required licenses and third-party consents in a timely manner or at all; and (iii) the success of the operations of the Resulting Issuer.

Forward-looking statements are subject to a number of known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from that which are expressed or implied by such forward-looking statements. These risks and uncertainties include those related to: the ability of the Resulting Issuer to secure additional financing for current and future operations and capital projects, as needed; the Resulting Issuer's dependence on management and key personnel; general economic, market and business conditions, early-stage industry growth rates, the risks associated with competition from other companies directly or indirectly engaged in the Resulting Issuer's industry; foreign currency exchange rate fluctuations and its effects on the Resulting Issuer's operations; the risks and costs associated with being a publicly traded company, the market demand for the Resulting Issuer Common Shares, and the liquidity and dilution of the Resulting Issuer Common Shares; the impact of the COVID-19 pandemic; the Resulting Issuer's limited operating history; the speculative nature of an investment in the Resulting Issuer Common Shares; risks inherent in the nature of the health clinic industry; non-compliance with laws; medical personnel operating out of Resulting Issuer's clinics; unfavourable publicity or consumer perception; patient acquisitions; development risks; substantial risks of regulatory or political change; the ability to obtain necessary government permits and licences; psilocybin as a pharmaceutical; non-referral of patients; negative cash flow from operating activities; management of growth; dependence on management team; reliance on third parties; intellectual property; competition; litigation; insurance coverage; the Resulting Issuer being a holding company; a significant number of Resulting Issuer Common Shares being owned by a limited number of existing shareholders; the industry being difficult to forecast; market volatility; use of funds; conflicts of interest; enforcement of legal rights; emerging market risks; agriculture risks; violations of laws and regulations related to drug development; reliance on third parties for drug development; ability to produce commercial grade pharmaceuticals; clinical testing; regulatory approval process; cyber-attacks; reliance upon insurers and governments; difficulty in enforcing judgments and effecting service of process on directors and officers; any other risks described in this Listing Statement and described from time to time in documents filed by the Resulting Issuer with Canadian securities regulatory authorities; and other factors beyond the Resulting Issuer's control.

Such risks and uncertainties are further described under the heading "Risk Factors" in this Listing Statement. Although the Resulting Issuer believes that the expectations and assumptions on which such forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements, because no assurance can be given that they will prove to be correct. Consequently, all forward-looking statements made in this Listing Statement and other documents of the Resulting Issuer are expressly qualified by such cautionary statements and there can be no assurance that the anticipated results or developments will actually be realized or, even if realized, that they will have the expected consequences to or effects on the Resulting Issuer. The forward-looking statements in this Listing Statement are made as at the date hereof, and the Resulting Issuer does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, other than as required under applicable Canadian securities laws.

### **1.3. Market and Industry Data**

This Listing Statement includes market and industry data that has been obtained from third-party sources, including industry publications. The Resulting Issuer believes that the industry data is accurate and that is



estimates and assumptions are reasonable, but there is no assurance as to the accuracy or completeness of this data. Third-party sources generally state that the information contained therein has been obtained from sources believed to be reliable, but there is no assurance as to the accuracy or completeness of included information. Although the data is believed to be reliable, the Resulting Issuer has not independently verified any of the data from third-party sources referred to in this Listing Statement or ascertained the underlying economic assumptions relied upon by such sources. The Resulting Issuer does not intend, and undertakes no obligation, to update or revise any such information or data, whether as a result of new information, future events or otherwise, except as, and to the extent required by, applicable Canadian securities laws.

## **2. CORPORATE STRUCTURE**

---

### **2.1 Corporate Name and Head and Registered Office**

The Listing Statement has been prepared in connection with the proposed listing on the CSE of the Resulting Issuer Common Shares.

The corporate name of the Resulting Issuer is “Albert Labs International Corp.”.

The registered office of the Resulting Issuer is located at Suite 201, 6996 Merritt Avenue, Burnaby, British Columbia, V5J 4R6.

The head office of the Resulting Issuer is located at Suite 201, 6996 Merritt Avenue, Burnaby, British Columbia, V5J 4R6.

Prior to the completion of the Transaction:

MEC:                                    The full corporate name of MEC is "ME Resource Corp.". The head and registered office of MEC is #201 – 6996 Merritt Avenue, Burnaby, British Columbia V5J 4R6.

Albert Labs Inc.:                    The registered office of Albert Labs Inc. is Unit 114B, 8988 Fraseron Court, Burnaby, British Columbia, V5J 5H8

### **2.2 Jurisdiction of Incorporation**

#### *MEC*

MEC was incorporated on October 16, 2009, under the BCBCA under the name "QMI Seismic Inc.". On September 2, 2011, MEC amended its articles to change its name from "QMI Seismic Inc." to "ME Resource Corp.". Other than as disclosed in this Listing Statement, MEC has not made any material amendments to its articles or notice of articles since incorporation.

February 26, 2019, MEC amended its articles to consolidate the MEC shares, pursuant to which every ten pre-consolidation common shares were exchanged for one post-consolidation MEC Share.

## Albert Labs Prior to Transaction

### *Albert Labs Inc.*

Albert Labs Inc. was incorporated on September 16, 2020, under the BCBCA under the name "Albert Labs Inc.". Other than as disclosed in this Listing Statement, Albert Labs has not made any material amendments to its articles or notice of articles since incorporation.

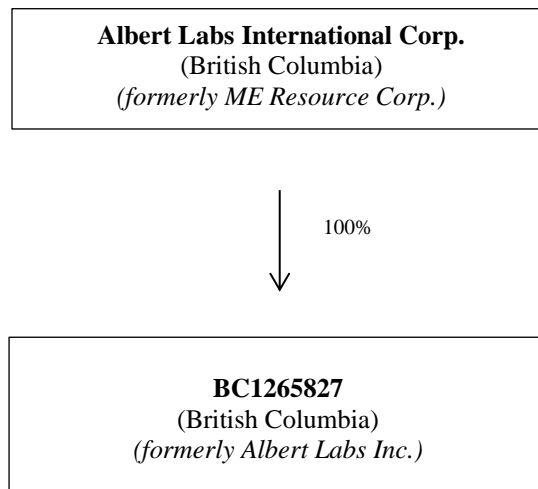
## Resulting Issuer Following the Transaction

Upon completion of the Transaction, and subject to the approval of the CSE, the business of the Corporation will be business of Albert Labs Inc. The proposed name of the Resulting Issuer will be "Albert Labs International Corp." or such other name as may be agreed to by the Resulting Issuer Board and approved by the CSE. The head office of the Resulting Issuer will be the present head office of MEC at Suite 201, 6996 Merritt Avenue, Burnaby, British Columbia, V5J 4R6.

## 2.3 Intercorporate Relationships

- (a) MEC does not have any subsidiaries.
- (b) Albert Labs does not have any subsidiaries:

The chart below represents the proposed corporate structure of the Resulting Issuer and the intercorporate relationship between the Resulting Issuer and Albert Labs Inc.:



Management of MEC is reviewing the current proposed structure and may make immaterial changes to optimize the Resulting Issuer's structure from a legal and tax perspective.

## 2.4 Fundamental Change or Acquisition

On January 5, 2021, MEC entered into the Letter Agreement with Albert Labs, an arm's length party, pursuant to which MEC and Albert Labs proposed to combine their respective business by way of a share exchange or similar arrangement (the "**Share Exchange**").

On March 5, 2021, MEC entered into the Share Exchange Agreement with Albert Labs and all of the Albert Labs' Shareholders, which superseded and replaced the Letter Agreement in its entirety. On February 28, 2022, an Amendment to the Share Exchange Agreement was executed. Pursuant to the Share Exchange Agreement Amendment, MEC intends to acquire an aggregate of 57,611,300 Albert Labs' shares (the "**Purchased Shares**"), being all of the issued and outstanding Albert Labs Shares, in exchange for the issuance of 57,611,300 post-Consolidation MEC Shares (the "**Consideration Shares**").

Pursuant to the Share Exchange Agreement, MEC will complete the following:

- (a) On or before Closing, MEC will complete the Consolidation;
- (b) On or before Closing, MEC will complete the Name Change;
- (c) On or before Closing, MEC will complete the Debt Settlement Agreements; and
- (d) On Closing, MEC will reconstitute the Board as follows: (i) Richard Skaife (ii) Frank Lane; (iii) Chand Jagpal; (iv) Dr. Michael Raymont; and (v) Robert Kang, and will cause its remaining officers to resign effective on Closing (the "**Board Reconstitution**").

On Closing, MEC will change its trading symbol on the Exchange from "MEC" to "ABRT".

As of the date of this Listing Statement, there are 63,671,935 MEC Shares issued and outstanding as fully-paid and non-assessable shares and nil MEC Options outstanding.

Immediately following the Consolidation and prior to the Consideration Shares being issued to the Albert Labs' Shareholders pursuant to the Share Exchange Agreement, MEC expects that there will be 6,367,193 post-Consolidation MEC Shares issued and outstanding as fully-paid and non-assessable shares. Completion of the Share Exchange will constitute a fundamental change and a major acquisition of MEC under CSE Policy 8 – *Fundament Changes and Changes of Business*.

MEC has entered into debt settlement agreements with the creditors to settle an aggregate \$1,650,771 in debt (the "**Debt**"). In settlement of the Debt, MEC will issue an aggregate of no more than 3,301,542 common shares in the capital of MEC (the "**Debt Shares**") at a deemed price of \$0.50 per Debt Share (the "**Debt Settlement**"). The Debt will be completely satisfied and extinguished upon the issuance of the Debt Shares. All securities issued in connection with the Debt Settlement are subject to a statutory hold period of four months plus a day from the date of issuance in accordance with applicable securities legislation.

On March 4, 2022, Albert Labs closed a debt settlement and private placement offering of 18,947,500 Albert Labs' Shares at a price per of \$0.25 per share for gross proceeds of \$4,736,875. The proceeds of the financing will be used for general working capital purposes. The break-down of the private placement offering is as follows:

	<b>Number of Shares</b>	<b>Proceeds</b>
Albert Labs Subscription	10,762,464	\$2,690,616
Albert Labs Debt Settlement(s)	8,185,036	\$2,046,259

Immediately following Closing, MEC expects that there will be 67,280,035 post-Consolidation MEC Shares issued and outstanding as fully-paid and non-assessable shares (not including the post-Consolidation MEC Shares issuable in the Private Placement, if any) of which Albert Labs' Shareholders are expected to own the Consideration Shares, or approximately 86% of the then issued and outstanding securities, the current MEC Shareholders are expected to own 9,668,735 post-Consolidation MEC Shares, or approximately 14% of the then issued and outstanding securities.

The Share Exchange is expected to be completed on Closing Date. Following Closing, The Resulting Issuer will assume the business of Albert Labs Inc., being the research and development of psychopharmacological products, including the formulation of standardized psychoactive compounds derived from fungi which Albert Labs proposes to supply to third parties for use in clinical trials.

## **2.5 Incorporation outside of Canada**

This section is not applicable.

## **3. GENERAL DEVELOPMENT OF THE BUSINESS**

### **3.1 General Development of the Business**

#### *MEC History*

MEC is a natural resource development company that primarily focuses on oil and gas exploration, development and production. MEC has the following two (2) distinct lines of business: (i) the identification and acquisition of oil and gas assets in oil and gas producing regions of Canada and other international regions; and (ii) conducting research and development work on new technologies that can be used to economically transform wasted or stranded natural gas to engineered fuels and clean power. MEC also seeks to acquire undervalued natural resource properties and apply these new technologies to increase the value of its resource properties. In particular, MEC focuses on micro refinery and mobile refinery technologies.

In January 2015, MEC and its research collaborator, Ecole Polytechnique de Montreal, successfully completed a research and development program that provided support for the scientific claims filed in MEC's patent application to the Gulf Cooperation Council. The patent application related to the protection of a novel technology of converting methane gas to chemical products within a single dual stage vessel.

On July 9, 2015, MEC announced its involvement with National Research Council Canada's Industrial Research Assistance Program to support MEC's research and development of MRU technology.

On September 14, 2015, MEC entered into various settlement agreements with twelve (12) creditors. Under the terms of the settlement agreements, MEC issued an aggregate of 4,897,380 MEC Shares to the creditors at a price of \$0.10 per share in settlement of \$489,738 of outstanding indebtedness.

On November 4, 2015, MEC collaborated with leaders in the oil and gas industry to consult and provide feedback and service contributions and technical expertise on the development and design of MEC's field demonstration unit, a scaled version of its commercial MRU technology.

On November 19, 2015, MEC entered into various settlement agreements with six (6) creditors. Under the terms of the settlement agreements, MEC issued an aggregate of 850,000 MEC Shares to the creditors at a price of \$0.10 per share in settlement of \$85,000 of outstanding indebtedness. MEC also closed a non-brokered private placement offering of 2,000,000 MEC Shares at a price of \$0.10 per share for gross proceeds of \$200,000. The proceeds of the financing were used for general working capital purposes.

On March 11, 2016, pursuant to the Option Plan, MEC granted 5,890,000 MEC Options, exercisable into up to 5,890,000 MEC Shares at a price of \$0.20 per share, to certain directors, officers and consultants of MEC. The MEC Options vest and are exercisable as follows: (i) 20% on March 11, 2016; (ii) 20% on March 11, 2017; (iii) 20% on March 11, 2018; (iv) 20% on March 11, 2019; and (v) 20% on March 11, 2020.

On October 20, 2016, MEC entered into various settlement agreements with eleven (11) creditors. Under the terms of the settlement agreements, MEC issued an aggregate of 5,650,000 MEC Shares to the creditors at a price of \$0.10 per share in settlement of \$565,000 of outstanding indebtedness.

On October 27, 2016, MEC announced a collaboration with Ineratec for the development of a small-scale MRU technology using MEC's patent. Ineratec contributed its expertise involving ultra-compact chemical reactor technology and end-to-end solutions for demanding chemical reactions. This small-scale MRU technology was completed in April 2017, and MEC is currently in the process of constructing a larger-scale MRU technology for the next step of commercialization of MRU technology.

On March 14, 2017, MEC closed a non-brokered private placement offering of 1,050,000 MEC Shares at a price per of \$0.10 per share for gross proceeds of \$105,000. The proceeds of the financing were used for general working capital purposes.

On May 14, 2018, MEC entered into the Share Exchange Agreement with 1113131 BC Ltd., pursuant to which MEC intends to acquire all the Purchased Shares in exchange for the issuance of the Consideration Shares. The Share Exchange is expected to be completed on the Closing Date. Following Closing, the Resulting Issuer will assume the business of 1113131 BC Ltd, its indirect, wholly owned subsidiary, being the cultivation, production and retail distribution of medical cannabis products.

On February 22, 2019, MEC announced the termination of the agreement with 1113131 BC Ltd.

On June 4, 2019, MEC cancelled all its existing stock options. As of this date there were no issued stock options in the Company.

### Albert Labs Inc. History

Albert Labs Inc., a private corporation, was formed on September 16, 2020, under the BCBCA.

Albert Labs has a limited operating history. Albert Lab’s principal business is as a biotechnology company engaged in the business of the research and development and the commercialization of licensed psilocybin-based medicines, supported by Real World Evidence Studies. Albert Labs intends for its compounds to be used to develop innovative therapies to improve mental health indications, starting with cancer-related distress.

Alberts Labs business was founded in response to the urgent need to combat the spiraling mental health crisis facing Canada and the world, which is partly a result of the limited effectiveness of current pharmacologic treatments.

On September 16, 2020, the founding shareholders purchased an aggregate of 4,000,000 Albert Labs Inc Common shares at a price of \$0.0001 per Albert Labs Common Share for aggregate gross proceeds of \$400.00. The issuance of 4,000,000 Albert Labs’ Common Shares at a price of \$0.0001 per Albert Labs common share, represents 8.28% out of 48,304,036 Post-Consolidation MEC Shares issued and outstanding.

On September 20, 2020, Albert Labs entered into a consulting agreement with Prados Embalados Unipessoal LDA and its consultants to design a Real World Evidence (the “RWE”) Study with protocols and preliminary background research to be delivered on or before December 31, 2020. Total cost to design the RWE study was \$200,000 and proposal was completed and delivered to Albert Labs on December 30, 2020.

On October 5, 2020, Albert Labs entered into a consulting agreement with Canpac Analytical & Research Laboratory Corp. and it’s engineering consultants to provide engineering consulting services, including design of lab layout and equipment supply, formulation of lab research objectives and strategy and preparation of Health Canada application. Total cost for engineering services was \$140,000 and the proposal was completed and delivered to Albert Labs on December 31, 2020.

On December 1, 2020, Albert Labs Inc. entered into an agreement with Canpac Analytical & Research Laboratory Corp. to sub-lease 2,000 sq. ft of secure laboratory facilities. This location is licenced under Health Canada (LIC-6HYJ6BED3I-2019) in accordance with the Cannabis Act and Cannabis Regulations. The above-mentioned licence authorizes to possess cannabis for the purpose of analytic testing.

The table sets forth material terms of the lease agreement for the laboratory facility:

<b>Location</b>	<b>Size (Sq. Foot)</b>	<b>Gross Monthly Rent<sup>(1)</sup></b>	<b>Expiry</b>
Burnaby, B.C.	2,020 + common area	\$3,000	Dec 1, 2024

**Notes:**

- (1) Gross monthly rent is free for one year.

The laboratory facility will be dedicated to the study of psychoactive fungi, specifically the cultivation, extraction and analysis of the psychoactive molecules contained within the mycelia of these complex organisms with a view to identifying and quantifying psilocybin and other tryptamine analogues that may play a role in the psychedelic experience and serve as promising candidates for drug development. It is anticipated that the research at the lab will be conducted by on-site employees and third-part consultants.

On December 1, 2020, Albert Labs closed a non-brokered private placement for aggregate gross proceeds of \$353,274 through the issuance of an aggregate of 17,663,700 Albert Labs Common Shares at a price of \$0.02 per Albert Labs Common Share.

On December 31, 2020, Albert Labs entered into a Debt Conversion Agreement with Prados Embalados Unipessoal LDA and its consultants to convert the \$200,000 debt to 10,000,000 Albert Labs' Common Shares at a price of \$0.02 per share. All Related Party common shares shall be escrowed as per the regulations of NP-46-201.

On December 31, 2020, Albert Labs entered into a Debt Conversion Agreement with Analytical & Research Laboratory Corp. and its consultants to convert the \$140,000 debt to 7,000,000 Albert Labs' Common Shares at a price of \$0.02 per share. All Related Party common shares shall be escrowed as per the regulations of NP-46-201.

### **3.2 Significant Acquisitions and Dispositions.**

#### *Share Exchange Agreement*

On January 5, 2021, MEC entered into the Letter Agreement with Albert Labs, an arm's length party, pursuant to which MEC and Albert Labs proposed to complete the Share Exchange.

On March 5, 2021, MEC entered into the Share Exchange Agreement with Albert Labs and all of the Albert Labs' Shareholders, which superseded and replaced the Letter Agreement in its entirety. Pursuant to the Share Exchange Agreement, MEC intends to acquire an aggregate of 57,611,300 Albert Labs' Common Shares (Purchased Shares), being all of the issued and outstanding Albert Labs' Shares, in exchange for the issuance of the Consideration Shares, subject to the terms and conditions of the Share Exchange Agreement. Completion of the Share Exchange will constitute a fundamental change and a major acquisition for MEC under CSE Policy 8 – *Fundament Changes and Changes of Business*.

On March 4, 2022, Albert Labs closed a debt settlement and private placement offering of 18,947,500 Albert Labs' Shares at a price per of \$0.25 per share for gross proceeds of \$4,736,875. The proceeds of the financing will be used for general working capital purposes. The break-down of the private placement offering is as follows:

	<b>Number of Shares</b>	<b>Proceeds</b>
Albert Labs Subscription	10,762,464	\$2,690,616
Albert Labs Debt Settlement(s)	8,185,036	\$2,046,259

Immediately following Closing, MEC expects that there will be 67,280,035 post-Consolidation MEC Shares issued and outstanding as fully-paid and non-assessable shares (not including the post-Consolidation MEC Shares issuable in the Private Placement, if any) of which Albert Labs' Shareholders are expected to own the Consideration Shares, or approximately 86% of the then issued and outstanding securities, the current MEC Shareholders are expected to own 9,668,735 post-Consolidation MEC Shares, or approximately 14% of the then issued and outstanding securities.

The Share Exchange is expected to be completed on the Closing Date. Following Closing, the Resulting Issuer will assume the business of Albert Labs, being a biotechnology company engaged in the business of the research and development and the commercialization of licensed psilocybin-based medicines, supported by Real World Evidence Studies. Albert Labs intends for its compounds to be used to develop innovative therapies to improve mental health indications, starting with cancer-related distress.

The summary of the Share Exchange Agreement and Amendment contained in this Listing Statement is qualified in its entirety by the text of the Share Exchange Agreement, a copy of which is attached as Appendix A hereof and which has also been filed on SEDAR at [www.sedar.com](http://www.sedar.com).

#### *Representations, Warranties and Covenants*

The Share Exchange Agreement contains customary representations and warranties made by each of the parties in respect of their respective assets, liabilities, financial position, business and operations. Both MEC and Albert Labs also provided covenants in favour of each other in the Share Exchange Agreement which govern the conduct of the operations and affairs of each respective party prior to Closing.

#### *Closing Conditions*

The Share Exchange is subject to a number of approvals that need to be obtained, and conditions, which need to be met, on or prior to its implementation, including approvals related to the following:

- (a) The completion of the Consolidation;
- (b) The completion of the Name Change;
- (c) The completion of the Board Reconstitution;
- (d) The receipt of all necessary corporate, regulatory and third-party approvals including the approval of the Exchange and the MEC Shareholders, as applicable, and compliance with all applicable regulatory requirements and conditions in connection with the Share Exchange;
- (e) There being no material adverse changes in the business affair, financial condition or operations of MEC or Albert Labs; and
- (f) Each of MEC and Albert Labs having completed its due diligence on the respective business of the other party, on terms satisfactory to the party completing such due diligence.

### **3.3 Trends, Commitments, Events or Uncertainties**

The most significant trends and uncertainties that management expects could impact the Resulting Issuer's business and financial condition are listed under Section 17 – *Risk Factors*.

## **4. NARRATIVE DESCRIPTION OF THE BUSINESS**

---



## 4.1 Description of the Business

### General

Assuming successful completion of the Share Exchange, the Resulting Issuer will have substantially the same business that Albert Labs had prior to Closing. The principal business intended to be carried on by the Resulting Issuer, will be that of a biotechnology company engaged in the research and development of psychopharmacological products, including the formulation of standardized psychoactive compounds derived from fungi. The Resulting Issuer will leverage Real World Evidence Studies to accelerate access to psychedelic medicines in hospital settings across the United Kingdom and Europe for niche indications with urgent and high unmet needs. The Resulting Issuer intends for its compounds to be used to develop innovative psilocybin-assisted therapies to improve mental health conditions, including anxiety, depression and oncology-related distress. The Resulting Issuer also intends to seek merger and acquisition opportunities where possible, in order to accelerate its business expansion plans and drive value. See "*General Development of the Business*" in Section 3.1 hereof.

### Background

Although Albert Labs Inc. was incorporated on September 16, 2020, the underpinning of its business plans and path to potential commercialization of its planned research efforts stretch back a number of years through the collective academic research, psychedelic industry initiative and experience of its founders and scientific team. Below is a brief biographical description of each relevant member of the team, highlighting such individual's credentials, as well as their contribution to the development of Resulting Issuer's business plans and objectives.

### Facility

The Resulting Issuer subleases a secure laboratory facility (the "**Facility**") under a SubLease Agreement dated December 1, 2020, with Canpac Analytical & Research Laboratory Corp. The Resulting Issuer's monthly rent payments will be \$3,000 per month commencing after the one-year free rent period, January 1, 2022. (terms of the SubLease Agreement include one-year free rent).

The initial term of the SubLease Agreement ended on December 31, 2021, and has been renewed for an additional three year term.

The Resulting Issuer is building out the Facility to a purpose-built licensed research laboratory. The Facility will conduct advanced formulation development, documentation, standardized testing protocols and quality control of psychoactive compounds derived from fungi.

The Facility is licensed under Health Canada (LIC-6HYJ6BED3I-2019) in accordance with the *Cannabis Act and Cannabis Regulations*. The above-mentioned license authorizes the Facility to possess cannabis for the purpose of analytic testing.

The Facility has the following characteristics that make it an advantageous location for the Resulting Issuer:

- The Facility provides the Resulting Issuer with opportunity for expansion;
- All security requirements of the Facility conform to Health Canada's Directive on Physical Security Requirements for Controlled Substances;

### *Licenses*

The below table summarizes the additional licenses that the Resulting Issuer intends to obtain for its operations at the Facility (the “**Licenses**”):

<b>Description of Type and Purpose of License</b>	<b>Jurisdiction and Applicable Governmental Authority</b>	<b>Anticipated Timeline to Apply for and Obtain License <sup>(1)</sup></b>	<b>Description of Application Process</b>
Dealer’s License under the <i>Food and Drugs Regulations</i> (Part J). This license is required to transport and sell controlled substances.	Government of Canada through Health Canada	Resulting Issuer submitted a revised application on May 20, 2021, with an anticipated approval of April 2022 by Health Canada.	Resulting Issuer prepares and submits application to Health Canada

**Notes:**

- (1) Although the Resulting Issuer does not currently anticipate that the COVID-19 pandemic will cause material delays in the timelines set out above, due to the evolving nature of COVID-19 and its impacts, these timelines may require adjustment in the future.

See “*Risk Factors – Impact of COVID-19 Pandemic*” in Section 17.1 hereof.

### *Real World Evidence Studies*

The Resulting Issuer intends to utilize a Real World Evidence approach to patient access. Randomized Clinical Trials (RCT) can take between 5-12 years to deliver meaningful results with associated costs of over half a billion dollars. The Resulting Issuer’s RWE approach accelerates the development and commercialization of its therapies. The Resulting Issuer will have an initial focus on cancer related distress (anxiety, depression, existential crisis), an area of unmet need with a national mental health focus, followed by other clinical indications. The Resulting Issuer will launch its RWE program in the United Kingdom and has established key partnerships with UK national bodies, hospital networks and academic institutions important to the development of patient access and clinical trials. The Resulting Issuer intends to leverage its proprietary Real World Data for healthcare system funding and patient reimbursement via established mechanisms. The Resulting Issuer will utilize the RWE clinical trial pathway to enable speed to market and revenue generation through early reimbursement by the UK healthcare system.

### *Business Objectives of the Resulting Issuer*

In the twelve (12) months following the Closing Date, the Resulting Issuer intends to:

	<b>Objective</b>	<b>Cost</b>
1	Renovate Canadian lab facilities and apply for Health Canada licenses by developing current business operations.	Complete
2	Lab Develop research protocols and medicinal products in order to commercialize licensed psilocybin-based medicines.	\$400,000
3	Complete Real World Evidence Study in the United Kingdom.	\$489,600

### *Significant Events and Milestones*

The following table sets forth details of how the Resulting Issuer will achieve its business objectives:

<b>Objective</b>	<b>Milestone Description</b>	<b>Estimated Cost (\$)</b>	<b>Timeframe for Completion<sup>(1)</sup></b>
Laboratory Facility/Research and Protocol Development	Research facility renovations completed	\$400,000	Complete
	Dealer and R&D License Submission		Complete
	Procurement of major equipment		Complete
	Source and secure staff		Complete
	Initiate experimental trials		Complete
	Cultivation Development		Complete
	Extraction Development		On-going
	Formulation Development		On-going
	Scaled Production of API		Q2 2022
Real World Evidence Study	Appoint Clinical Advisory Board	\$489,600	Complete
	Identify Lead Trial Centre		Complete
	Set-up Office Location in the UK		Complete
	Engage with regulatory bodies		On-going
	Finalize RWE protocol		On-going
	Commence RWE Study – First Patient-in		Q3 2022
	Publish Interim Results		Q4 2022
	RWE Trial Ends		Q1 2023

**Notes:**

(1) Based on calendar year-end.

Other than as described in this Listing Statement, there are no other particular significant events or milestones that must occur for the Resulting Issuer's business objectives to be accomplished. However, there is no guarantee that the Resulting Issuer will meet its business objectives or milestones described above within the specific time periods, within the estimated costs or at all. The Resulting Issuer may, for sound business reasons, reallocate its time or capital resources, or both, differently than as described above.

### *Total Funds Available*

At the Closing Date, the Resulting Issuer anticipates it will have an estimated \$1,576,000 in funds available, comprised of:

Description	Amount (\$)
Estimated working capital of Resulting Issuer as at March 7, 2022	100,000
Gross Proceeds of Offering <sup>(1)</sup>	1,476,000
Finder's Fee/Transaction Costs	(215,000)
<b>TOTAL:</b>	<b>\$1,361,000</b>

**Notes:**

- (1) Albert Labs closed a debt settlement and private placement offering of 18,947,500 Albert Labs' Shares at a price per of \$0.25 per share for gross proceeds of **\$4,736,875**. Total available funds is \$1,576,000. First tranche of private placement proceeds of \$1,115,117 were utilized for year ending 2021 working capital liabilities. Management salaries for year ending 2021 were accrued as debt and converted to 3,274,640 common shares for a value of \$818,660. The Resulting Issuer's Management team has accepted a deferred salary for 12 months following the Closing Date. This deferred salary was converted to shares of the Resulting Issuer at a price of \$0.25 per share and escrowed for a period of 12 months. The total deferred salaries totalled \$1,228,000 and converted to 4,910,396 common shares of the Resulting Issuer.

*Purpose of Funds*

The Resulting Issuer intends to use its estimated available funds, over the twelve (12) months following the Closing Date, as follows:

Use of Available Funds	Amount (\$)
Laboratory Research and Development Facilities/Drug Development	400,000
Real World Evidence Studies	489,600
Management Salaries Deferral <sup>(1)</sup> \$1,228,000	0
General & Administrative Costs	180,000
Financing & Related Fees	215,000
Unallocated Working Capital	291,400
<b>TOTAL:</b>	<b>\$1,576,000<sup>(2)</sup></b>

**Notes:**

- (2) The Resulting Issuer's Management team has accepted a deferred salary for 12 months following the Closing Date. This deferred salary was converted to shares of the Resulting Issuer at a price of \$0.25 per share and escrowed for a period of 12 months. The total deferred salaries totalled \$1,228,000 and converted to 4,910,396 common shares of the Resulting Issuer.
- (3) Albert Labs closed a debt settlement and private placement offering of 18,947,500 Albert Labs' Shares at a price per of \$0.25 per share for gross proceeds of **\$4,736,875**. Total available funds is \$1,576,000. First tranche of private placement proceeds of \$1,115,117 were utilized for year ending 2021 working capital liabilities. Management salaries for year ending 2021 were accrued as debt and converted to 3,274,640 common shares for a value of \$818,660.

The Resulting Issuer estimates that its current cash and cash equivalents will be sufficient to meet its cash requirements set out above for the next 12 months. The Resulting Issuer may require additional financing to fund its administrative expenses and any proposed acquisitions, if applicable. The Resulting Issuer has historically satisfied its capital needs by issuing equity securities.

Notwithstanding the proposed uses of available funds discussed above, there may be circumstances where, for sound business reasons, a reallocation of funds may be necessary. It is difficult, at this time, to

definitively project the total funds necessary to effect the planned activities of the Resulting Issuer. For these reasons, management of the Resulting Issuer considers it to be in the best interests of the Resulting Issuer and its shareholders to afford management a reasonable degree of flexibility as to how the funds are deployed among the uses identified above, or for other purposes, as the need arises. If, as a result of changes in the Resulting Issuer's business, assets, operations or circumstances, the Board and management of the Resulting Issuer should determine that the available funds should be deployed other than as set forth above, the funds shall be allocated to such other business activities and assets as the Board and management reasonably determine. Further, the above uses of available funds should be considered estimates. See Section 17 – *Risk Factors*.

### ***Principal Products and Services***

#### *Controlled Psychoactive Products*

There has been significant recent interest in the use of psychedelics for various indications, including mental health care, post-traumatic stress disorder, anxiety related to advanced-stage cancer, and anti-inflammatory therapies, which interest is reflected in the increase in the number of clinical trials of psychoactive compounds underway and proposed in Canada and the United Kingdom.

For researchers to fully understand the therapeutic potential of psychoactive compounds, and how a particular fungi genus can be utilized to treat disease and mental conditions, methods must be developed to ensure the researchers have access to safe, standardized, quality-controlled derivatives and formulations. The standardized methodology is essential for growing, extracting and synthesizing these compounds.

The Resulting Issuer proposes to develop a set of patentable methodologies to enable the safe, standardized, quality-controlled cultivation and production of psilocybin and the extraction of other bioactive compounds found in this mushroom genus. The Resulting Issuer plans to undertake research to develop the research protocols to cover the production of psilocybin in sterile conditions, the extraction and purification of psilocybin, psilocin, baeocystin and other compounds found in the genus, and quality control and testing necessary for safety and formulation protocols. The Resulting Issuer plans to develop a psilocybin-based medicine which can be licensed as regulated pharmaceutical with the MHRA, EMA and other regulatory authorities.

The Resulting Issuer anticipates that it will take one year to complete the patented process to produce psilocybin-based medicines. In parallel, the Resulting Issuer will develop the RWE protocols to initiate patient selection for its trials in the oncology centres in the United Kingdom. The Resulting Issuer anticipates its proprietary Real World Data will be available to the Clinical Advisory Board for analysis and publication by Q4 2022. The results of this peer reviewed research will provide evidence of the safety and efficacy to the MHRA, EMA and other regulatory bodies of the Resulting Issuer's psilocybin-based medicine. The Resulting Issuer intends to seek a license as a regulated pharmaceutical. The Resulting Issuer will continue to develop new psychoactive pharmaceutical products using RWE studies.

#### *Canadian Legal Environment with Respect to Psychedelics*

Psychedelics are classified as “controlled substances” under the *Controlled Drugs and Substances Act* (the “CDSA”). Under the CDSA, controlled substances are separated into schedules based on a number of factors, with Schedule I representing the substances that have been determined by the federal government to carry the highest potential for abuse. Most psychedelics are characterized as Schedule II substances (for example, LSD, psilocybin, psilocin, mescaline and DMT), with the exception of Ketamine and MDMA, which are Schedule I substances. Although the CDSA prohibits the possession and use of controlled substances including psychedelics, exemptions may be granted by Health Canada for a medical or scientific

purpose or where it would otherwise be in the public interest under Section 56 of the CDSA (“**Section 56 Exemption**”), or for clinical or research purposes under the *Food and Drug Regulations* and *Narcotic Control Regulations*.

### *Psychedelics*

Psychedelics are a class of drugs that affect the brain’s serotonin receptors, triggering a variety of changes in sight, hearing and thought and producing an altered state of consciousness. Drugs commonly included in this category are LSD (acid), psilocybin (magic mushrooms), MDMA (ecstasy) and DMT (dimethyltryptamine).

In recent years, there has been a growing interest in the beneficial uses of psychedelics within the scientific community and mainstream society as a new generation of individuals reach out to explore the human development potential of substances such as psilocybin, LSD, ayahuasca, and MDMA. MDMA was granted breakthrough therapy designation by the FDA for the treatment of PTSD in 2017 and is currently in Phase 3 clinical trials. Psilocybin was granted breakthrough therapy designation for both treatment-resistant depression and major depressive disorder in 2018 and 2019 respectively. LSD is being evaluated for its ability to relieve anxiety, psilocybin for the cessation of smoking, the treatment of depression and reducing the fear of death in individuals with terminal illness, and ayahuasca for its ability to combat depression.

### *Psilocybin Academic Studies*

The therapeutic potential of psilocybin in anxiety and depressive conditions has been demonstrated in a number of academic-sponsored studies over the past decade. In these studies, psilocybin, when administered in conjunction with psychological support, provided rapid reductions in symptoms after a single high dose, with antidepressant and anxiolytic effects occurring on the day of administration and lasting up to the six-month follow-up period for a number of participants. These studies used a range of widely used and validated scales to assess symptoms related to anxiety and depression. Some of these scales are self-reported and others are rated by clinicians. These studies have shown psilocybin to be generally well-tolerated, with low toxicity and no serious events, or SAEs reported. The low toxicity profile of psilocybin is corroborated by early non-clinical studies that indicate that very high levels of psilocybin, in excess of 200mg/kg when administered intravenously, are required to induce toxic effects in rodents. A 2004 study estimated a lethal dose to be 6,000mg of psilocybin in an average, healthy 70kg adult, which vastly exceeds a therapeutic dose range.

Psilocybin is categorized as a Schedule II drug in Canada and a Class A drug in the UK, due to its abuse potential reported in the 1960s. However, despite evidence of recreational use of natural sources of psilocybin, a recent and comprehensive review used the structure of the eight factors of the U.S. Controlled Substance Act to assess the abuse potential of medically administered psilocybin. It suggested that in a medical context, psilocybin does not have a high abuse potential and that there is no clear evidence for physical dependence potential, based on animal and human data.

The totality of these data suggest that psilocybin therapy may exhibit clinical activity in patients with anxiety and depression, when administered with psychological support from specially trained therapists. The table below summarizes the key findings from academic-sponsored studies that the Resulting Issuer believes supports the use of psilocybin therapy for treating mental health conditions.

	<b>University of California Los Angeles Grob et al (2011) (n=12)<sup>(a)</sup></b>	<b>New York University Ross et al (2016) (n=29)<sup>(a)</sup></b>	<b>Johns Hopkins Griffiths et al (2016) (n=51)<sup>(a)</sup></b>	<b>Imperial College London Carhart-Harris et al (2016, 2018) (n=20)<sup>(a)</sup></b>	<b>Johns Hopkins Griffiths et al (Ongoing) (n=21)<sup>(a)(d)</sup></b>
Disorder	Anxiety related to advanced-stage cancer	Anxiety or depression related to cancer	Anxiety or depression in life-threatening cancer	TRD	MDD
Design	Double-blinded, placebo-controlled	Randomized, double-blinded, placebo-controlled	Randomized, double-blinded	Open-label	Randomized
Dose	14mg/70kg	21mg/70kg	Low (1 or 3mg/70kg) High (22 or 30mg/70kg)	10 mg and subsequently 25 mg	20 mg/70kg (first) 30mg/70kg (second) <sup>(b)</sup>
Outcome Measures	BDI, STAI, POMS	HADS, BDI, STAI	GRID-HAM-D, HAM-A	QIDS-SR-16	GRID-HAM-D
Safety Findings	No SAEs attributed to psilocybin administration	No SAEs attributed to psilocybin administration	No SAEs attributed to psilocybin administration	No SAEs attributed to psilocybin administration; only mild and transient adverse events	No SAEs attributed to psilocybin administration
Efficacy Findings	<ul style="list-style-type: none"> <li>▪ <b>BDI:</b> 30% improvement at 1 and 6 months vs baseline and significant reduction from mild to minimal depression</li> <li>▪ <b>POMS:</b> Trend reduced adverse mood at week 2, returned to baseline at 6 months</li> <li>▪ <b>STAI:</b> Sustained decrease in trait anxiety sub-score at every time point for 6 months</li> </ul>	<ul style="list-style-type: none"> <li>▪ Significant reductions (mild/moderate to normal/minimal) in HADS, BDI and STAI measures</li> <li>▪ ~60-80% of participants continued with clinically significant responses<sup>(c)</sup> on depression and anxiety measures</li> </ul>	<ul style="list-style-type: none"> <li>▪ At 5 week and 6 months, 92% and 79% of high-dose participants, respectively, continued to show clinically significant responses<sup>(c)</sup> on depression and anxiety measures</li> </ul>	<ul style="list-style-type: none"> <li>▪ QIDS-SR-16 scores showed significant improvement at all post-treatment time points</li> <li>▪ Max effect at 5 weeks with 65% response (including 20% remission)</li> <li>▪ No patients sought conventional antidepressant treatment within 5 weeks after psilocybin therapy</li> </ul>	<ul style="list-style-type: none"> <li>▪ 62% of participants had a clinically significant response<sup>(d)</sup> in depression scores and 39% achieved clinical remission<sup>(d)</sup> at both 1 and 4 weeks</li> </ul>

- (a) "N" numbers indicate the number of patients that completed at least one administration session. In some studies, not all administration sessions and/or follow-up measures were completed for all patients. Reasons provided for patients not completing the studies included patients becoming too ill due to cancer progression, death due to cancer, or resumption of antidepressant medications.
- (b) Some patients received the 20mg/70kg dose again for their second dose.
- (c) As used herein, "clinically significant response" is defined as a >50% reduction in depression or anxiety scores relative to baseline. "Clinical remission" in the ongoing Griffiths et al study is defined as GRID-HAMD scores <7. Responses and remission shown for ongoing Griffiths et al study are for "Immediate treatment" group that had already received psilocybin therapy.
- (d) Data as of December 2019.

Abbreviations: BDI, Beck Depression Inventory; GRID-HAM-D, GRID Hamilton Depression Rating Scale; HADS, Hospital Anxiety and Depression Scale; HAM-A, Hamilton Anxiety Rating Scale; HAM-D, Hamilton Depression Rating Scale; STAI, State-Trait Anxiety Inventory; POMS, Profile of Mood States Questionnaire; QIDS-SR-16, Quick Inventory of Depressive Symptomatology

## ***Production and Sales***

The Resulting Issuer proposes to develop psilocybin therapy for the treatment of a range of mental health conditions, with an initial focus on oncology-related distress. There is a large unmet need for new therapies to improve the response rate and durability of response for patients suffering from anxiety related to advanced stage cancer. The Resulting Issuer's psilocybin-assisted therapies, if successfully developed and approved, represents a promising therapeutic option for cancer-related anxiety, as well as potentially for other mental health and neurological conditions.

The Resulting Issuer expects to utilize contract licensed manufacturing services in the United Kingdom to import, manufacture, label and distribute its psychedelic-assisted therapies. The Resulting Issuer may, in the future, move manufacturing of its products to its own facility (subject to obtaining required licenses).

The Resulting Issuer expects to generate revenue in the following ways:

1. Reimbursement as an unlicensed medicine – Hospital trusts will reimburse the Resulting Issuer for patients enrolled in the RWE studies suffering from cancer related anxiety. Ethical

committees at each Oncology Center (UK) will determine the safety and efficacy of the RWE study and make recommendations to provide the trial medication to those patients who have unmet medical needs;

2. Reimbursement as a licensed medicine – After regulatory approval by the MHRA, the Resulting Issuer will be generating revenue as a traditional pharmaceutical company; and
3. Expansion into new markets – The Resulting Issuer plans to seek accelerated regulatory approval in other global jurisdictions.

### ***Regulatory Oversight***

The Resulting Issuer's business will be engaged in the use of psychoactive compounds or materials that contain psychoactive compounds, namely the transportation, testing storage and sale of such compounds and product, as such will be subject to various regulatory authorities.

Certain psychoactive compounds, such as psilocybin, are considered controlled substances under the CDSA. Specifically, Psilocin (3-[2-(dimethylamino)ethyl]-4-hydroxyindole) and a salt thereof and Psilocybin (3-[2-(dimethylamino)ethyl]-4-phosphoryloxyindole) and any salt thereof, are listed under Section III of the CDSA. The possession, sale or distribution of controlled substances is prohibited unless specifically permitted by the government. Penalties for contravention of the CDSA related to Schedule I substances are the most punitive, with Schedule II being less punitive than Schedule I, Schedule III being less punitive than Schedule I and II and so forth. A party may seek government approval for a Section 56 Exemption to allow for the possession, transport or production of a controlled substance for medical or scientific purposes.

Products that contain a controlled substance such as psilocybin cannot be made, transported or sold without proper authorization from the government. A party can apply for a Dealer's License under the *Food and Drug Regulations* (Part J). In order to qualify as a licensed dealer, a party must meet all regulatory requirements mandated by the regulations including having compliant facilities, compliant materials and staff that meet the qualifications under the regulations of a senior person in charge and a qualified person in charge. Assuming compliance with all relevant laws (*Controlled Drugs and Substances Act, Food and Drug Regulations*) and subject to any restrictions placed on the license by Health Canada, an entity with a Dealer's License may produce, assemble, sell, provide, transport, send, deliver, import or export a restricted drug (as listed in Part J in the *Food and Drug Regulations* – which includes psilocybin and psilocin).

Drug products in Canada are regulated by Health Canada under the *Food and Drugs Act* and *Food and Drug Regulations*. Health Canada regulates, among other things, research and development activities and the testing, approval, manufacture, quality control, safety, effectiveness, labeling, storage, record keeping, advertising and promotion of any product candidates or commercial products.

Failure to comply with any of the above applicable regulations, regulatory authorities or other requirements may result in civil or criminal penalties, recall or seizure of products, injunctive relief including partial or total suspension of production.

### ***Propriety Protection***

As of the date of this Listing Statement, the Resulting Issuer does not rely on trade secrets and proprietary knowledge. Following completion of the Share Exchange, the Resulting Issuer will rely on trade secrets and proprietary knowledge comprising the Intellectual Property of the Resulting Issuer.

### ***Intellectual Property***



The Resulting Issuer has invested significant resources towards developing a recognizable and unique brand and is in the process of seeking registration of trademarks with the Canadian Intellectual Property Office. The Resulting Issuer owns the website domain [www.albertlabs.com](http://www.albertlabs.com), and social media accounts on Facebook, LinkedIn, Twitter and Instagram.

The Resulting Issuer maintains strict standards and operating procedures regarding its intellectual property, including the standard use of non-disclosure, confidentiality, and intellectual property assignment agreements.

### ***Economic Dependence***

The Resulting Issuer is not economically dependent on any customers or suppliers. Its short-term business will be dependent on the Health Canada's Section 56 Exemption. The Resulting Issuer's long-term business will be dependent on being granted a Dealer's License from Health Canada and the ability to export to the United Kingdom and other countries.

### ***Cyclical or Seasonal Impacts***

The business of psychedelic therapy and patient services is neither cyclical nor seasonal.

### ***Employees***

As of the date of this Listing Statement, the Resulting Issuer has 10 employees, including consultants and part-time employees, distributed among the following departments:

<b>Department</b>	<b>Number of Employees</b>
Administrative	2
Executive	3
Finance	1
Clinical	2
Research and Development	1
Marketing	0
Operations	1
<b>Total</b>	<b>10</b>

### ***Environmental Protection***

The Resulting Issuer's laboratory operations at the Facility will be subject to environmental protections laws and regulations that prescribe methods for storing and disposing of chemicals and controlled compounds, as the operations will involve spores, silica gels, dried mushroom powder, solvents for extraction and chromatographic separations in solvent systems which present potential and low-grad hazard to human health. Prior to commencing its laboratory operations, the Resulting Issuer will establish internal policies to comply will all such environmental laws and regulations.

### ***Competitive Conditions***

The psychedelic therapy business is an emerging industry with high levels of competition. The Resulting Issuer's expects that, due to the urgent need for new and innovative treatments for mental health conditions and the evidence-based studies showing the impact of psychedelics as a treatment for mental health conditions, psychedelics as a treatment for these conditions will become more accepted in the medical community. As such, the Resulting Issuer expects to compete with other similar businesses. While the

Resulting Issuer was an early entrant to the psychedelic-enhanced psychotherapy market, other market participants have emerged. The Resulting Issuer expects to face intense competition from new or existing market participants, some of which may have greater financial resources. Increased competition by larger and better financed competitors could materially and adversely affect the business, financial condition and results of operations of the Resulting Issuer.

See "*Risk Factors – Competition*" in Section 17.1 hereof.

### ***Foreign Operations***

The Resulting Issuer currently has no foreign operations and is not dependent on any relationships with foreign suppliers, customers or partners. The Resulting Issuer intends to supply its psychoactive compounds to cancer patients in the United Kingdom and other foreign jurisdictions and will be subject to applicable local laws and regulations. As a result, there is a risk that regulatory changes as well as economic or political uncertainty could require that the Resulting Issuer re-evaluate its business prospects and could negatively impact upon its ability to conduct its research initiatives.

### ***Lending and Investment Policies and Restrictions***

Not applicable.

### ***Bankruptcy and Receivership***

None of MEC or Albert Labs has been the subject of any bankruptcy or any receivership or similar proceedings or any voluntary bankruptcy, receivership or similar proceedings within the three (3) most recently completed financial years or the current financial year.

### ***Material Restructuring***

#### ***MEC***

MEC has not been subject to any material restructuring transaction within the three (3) most recently completed financial years nor has MEC proposed any material restructuring transaction for the current financial year, other than the Share Exchange (if completed) or as disclosed below.

Immediately following Closing, MEC expects that there will be 67,280,035 post-Consolidation MEC Shares issued and outstanding as fully paid and non-assessable shares (not including the post-Consolidation MEC Shares issuable in the Private Placement, if any).

#### ***Albert Labs Inc.***

Albert Labs has not been subject to any material restructuring transaction within the three (3) most recently completed financial years nor has Albert Labs proposed any material restructuring transaction for the current financial year, other than the Share Exchange (if completed).

### ***Resulting Issuer***

On March 4, 2022, Albert Labs closed a debt settlement and private placement offering of 18,947,500 Albert Labs' Shares at a price per of \$0.25 per share for gross proceeds of \$4,736,875. The proceeds of the financing will be used for general working capital purposes. The break-down of the private placement offering is as follows:

	<b>Number of Shares</b>	<b>Proceeds</b>
Albert Labs Subscription	10,762,464	\$2,690,616
Albert Labs Debt Settlement(s)	8,185,036	\$2,046,259

Immediately following Closing, MEC expects that there will be 67,280,035 post-Consolidation MEC Shares issued and outstanding as fully-paid and non-assessable shares (not including the post-Consolidation MEC Shares issuable in the Private Placement, if any) of which Albert Labs' Shareholders are expected to own the Consideration Shares, or approximately 86% of the then issued and outstanding securities, the current MEC Shareholders are expected to own 9,668,735 post-Consolidation MEC Shares, or approximately 14% of the then issued and outstanding securities.

#### **4.2 Asset Backed Securities Outstanding**

Not applicable.

#### **4.3 Mineral Projects**

Not applicable.

#### **4.4 Oil and Gas Operations**

Not applicable.

## **5. SELECTED FINANCIAL INFORMATION**

---

### **5.1 Annual Information**

The following table sets forth financial information of MEC for the dates indicated. This summary financial information should only be read in conjunction with MEC's financial statements and the notes thereto for the applicable periods, which have been filed on SEDAR at [www.sedar.com](http://www.sedar.com) and are incorporated by reference herein. See Appendix B hereof.

	<b>As at December 31, 2020 (\$)</b>	<b>As at December 31, 2019 (\$)</b>	<b>As at December 31, 2018 (\$)</b>
Total Revenues	-	-	90,354
Net Income (Loss)	(284,025)	(135,025)	(280,107)
Basic and Diluted Earnings (Loss) per Share	(0.00)	(0.00)	(0.00)
Total Assets	-	1	1,745
Total Long-Term Liabilities	-	-	-
Cash Dividends Declared per Share	Nil	Nil	Nil

The following table sets forth financial information of Albert Labs for the financial year ended December 31, 2020. This summary financial information should only be read in conjunction with Albert Labs' financial statements and the notes thereto for the applicable period, which are incorporated by reference herein. See Appendix C hereof.

	<b>As at December 31, 2020 (\$)</b>
Total Revenues	Nil
Net Income (Loss)	(433,177)
Basic and Diluted Earnings (Loss) per Share	(0.00)
Total Assets	291,212
Total Long-Term Liabilities	Nil
Cash Dividends Declared per Share	Nil

## 5.2 Quarterly Information

The following tables sets forth the financial results for each of MEC's eight (8) most recently completed financial quarters ending at the end of the financial year ended December 31, 2020:

Period	Gross Revenue \$	Net Loss \$	Earnings/(Loss) per Share	
			Basic (\$)	Diluted (\$)
Q4 ended December 31, 2020	-	(68,437)	(0.00)	(0.00)
Q3 ended September 30, 2020	-	(75,915)	(0.00)	(0.00)
Q2 ended June 30, 2020	-	(70,884)	(0.00)	(0.00)
Q1 ended March 31, 2020	-	(68,789)	(0.00)	(0.00)
Q4 ended December 31, 2019	-	44,794	(0.00)	(0.00)
Q3 ended September 30, 2019	-	(63,197)	(0.00)	(0.00)
Q2 ended June 30, 2019	-	(96,157)	(0.00)	(0.00)
Q1 ended March 31, 2019	-	(20,465)	(0.00)	(0.00)

## 5.3 Dividends

### *MEC*

As of the date of this Listing Statement, MEC has not declared or paid any dividends on the MEC Shares. MEC does not anticipate paying any dividends on the MEC Shares or the post-Consolidation MEC Shares in the short or medium term.

MEC is subject to certain restrictions on the declaration and payment of dividends as set forth in the BCBCA. In particular, the BCBCA provides that a company will not declare or pay a dividend in property, including in money, if there are reasonable grounds for believing that the company is insolvent or the payment of the dividend would render the company insolvent.

### *Albert Labs*

As of the date of this Listing Statement, Albert Labs has not declared or paid any dividends on the Albert Labs' Shares. Albert Labs does not anticipate paying any dividends on the Albert Labs' Shares in the short or medium term.

Albert Labs is subject to certain restrictions on the declaration and payment of dividends as set forth in the BCBCA. In particular, the BCBCA provides that a company will not declare or pay a dividend in property, including in money, if there are reasonable grounds for believing that the company is insolvent or the payment of the dividend would render the company insolvent.

## 5.4 Foreign GAAP

The financial statements of MEC included in this Listing Statement have been prepared in accordance with IFRS (as applicable to Canadian public enterprises). The financial statements of Albert Labs included in this Listing Statement have been prepared in accordance with IFRS (as applicable to Canadian private enterprises). The financial statements of the Resulting Issuer will be prepared in accordance with IFRS (as applicable to Canadian public enterprises).

## 6. MANAGEMENT'S DISCUSSION AND ANALYSIS

Please refer to Schedule "B" for MEC's for the year Ended December 31, 2020, and for the nine months ended September 30, 2021

Please refer to Schedule "C" for Albert Labs' Management Discussion and Analysis for the period from incorporation on September 16, 2020, to September 30, 2021.

## 7. MARKET FOR SECURITIES

MEC is a reporting issuer in the Provinces of British Columbia, Alberta and Ontario, and the MEC Shares are listed and posted for trading on the Exchange under the symbol "MEC". MEC Shares began trading on the CSE under the symbol "MEC" on September 6, 2011. On January 4, 2018, trading in MEC Shares was halted in connection with a transaction considered a Fundamental Change pursuant to CSE Policy 8. On Closing, MEC will change its trading symbol on the Exchange from "MEC" to "ABRT"

## 8. CONSOLIDATED CAPITALIZATION

As of the date of this Listing Statement, there are 63,671,935 MEC Shares issued and outstanding as fully-paid and non-assessable shares.

The table should be read in conjunction with and is qualified in its entirety by the Resulting Issuer's audited financial statements as at the end of the most recent completed financial period of December 31, 2020, the most recently completed interim financial statements for the period ending September 30, 2021, and the date of this Listing Statement.

	Number Authorized	As at September 30, 2021 (unaudited) (\$)	As at December 31, 2020 (audited)	Outstanding as at the date of this Listing Statement (\$)
<b>Common Shares</b>	63,246,688 <sup>(1)(2)</sup>	\$16,407,368 <sup>(1)(2)</sup>	\$16,407,368 <sup>(1)(2)</sup>	\$16,407,368 <sup>(1)(2)</sup>
<b>Preferred Shares</b>	Nil	Nil	Nil	Nil
<b>Options</b>	Nil	Nil	Nil	Nil
<b>Warrants</b>	Nil	Nil	Nil	Nil

**Notes:**

- (1) These figures are obtained from the Notes to the Pro-Forma Consolidated Statement of Financial Position as at September 30, 2021.
- (2) These figures make the assumption that all Accounts Payables have been settled for shares.

## 9. OPTIONS TO PURCHASE SECURITIES

---

### *MEC*

As of the date of this Listing Statement, MEC has nil (0) MEC Options outstanding.

In connection with the Share Exchange, the Resulting Issuer adopted MEC's stock option plan, as established by MEC (the "**Resulting Issuer Option Plan**"), as the Resulting Issuer's stock option plan. The following is a summary of the material terms of the Resulting Issuer Option Plan.

### *Purpose*

The purpose of the Resulting Issuer Option Plan is to attract and retain employees, directors and consultants, and to ensure that interests of key persons are aligned with the success of the Resulting Issuer and its affiliates

### *Stock Option Plan*

Pursuant to the Option Plan, the Resulting Issuer Board may allocate a maximum of ten percent (10%) of the issued and outstanding Resulting Issuer Shares from time to time for issuance under the Option Plan.

The key features of the Resulting Issuer Option Plan are as follows:

- (a) Resulting Issuer Options may be granted to Resulting Issuer directors, employees and consultants and persons retained to perform investor relation activities by the Resulting Issuer;
- (b) The exercise price of the Resulting Issuer Options granted will be determined by the Resulting Issuer Board in accordance with the policies of the Exchange;
- (c) The Resulting Issuer Board may allocate up to a maximum of ten percent (10%) of the issued and outstanding Resulting Issuer Shares from time to time for issuance under the Option Plan;
- (d) The number of Resulting Issuer Shares reserved for issuance to any one participant may not exceed five percent (5%) of the number of issued outstanding Resulting Issuer Shares in any 12-month period;
- (e) The number of Resulting Issuer Shares reserved for issuance to any one consultant and persons retained to perform investor relation activities may not exceed two percent (2%) of the number of issued outstanding Resulting Issuer Shares in any 12-month period;
- (f) Resulting Issuer Options must be exercised within five (5) years from the date of grant;
- (g) Generally, Resulting Issuer Options will expire within ninety (90) days from the date on which a participant ceases to be a participant under the Option Plan; and
- (h) The vesting terms of the Resulting Issuer's Options, the eligibility of a participant under the Option Plan to receive Resulting Issuer Options and the number of Resulting Issuer Options issued to each

participant will be determined at the sole discretion of the Resulting Issuer Board, subject to the policies of the Exchange.

## **10. DESCRIPTION OF SECURITIES**

---

### **10.1 General**

#### *MEC*

MEC is authorized to issue an unlimited number of MEC Shares and MEC Preferred Shares, of which 63,671,935 MEC Shares and nil MEC Preferred Shares are issued and outstanding as fully paid and non-assessable shares as of the date of this Listing Statement.

#### *MEC Shares*

The MEC Shareholders are entitled to receive notice of and to attend and vote at all general meetings of the MEC Shareholders. and each MEC Share shall confer the right to one (1) vote in person or by proxy at all general meetings of the MEC Shareholders. Subject to the prior rights of the holders of any MEC Preferred Shares, the holders of MEC Shares are entitled to receive, on a proportionate basis, dividends as and when declared by the Board out of funds legally available therefor. In the event of the dissolution, liquidation, winding-up or other distribution of MEC's assets among shareholders, the holders of MEC Shares are entitled to receive, on a proportionate basis, all of the assets remaining after payment of all of MEC's liabilities. The MEC Shares carry no pre-emptive or conversion rights and are not subject to redemption.

#### *MEC Preferred Shares*

There are no MEC Preferred Shares outstanding at this time.

The holders of MEC Preferred Shares are not entitled to receive notice of and to attend and vote at any general meetings of the MEC Shareholders. The holders of MEC Preferred Shares are entitled to receive, in preference to the rights of the MEC Shareholders, on a proportionate basis, dividends as and when declared by the Board out of funds legally available therefor. In the event of the dissolution, liquidation, winding-up or other distribution of MEC's assets among shareholders, the holders of MEC Preferred Shares are not entitled to receive any of the assets remaining after payment of all of MEC's liabilities. The MEC Preferred Shares carry no pre-emptive or conversion rights and are not subject to redemption.

The Board may issue MEC Preferred Shares from time to time in one or more series, with each series to consist of such number of MEC Preferred Shares as may be determined by the Board. Before the issuance of a series of MEC Preferred Shares, the Board may, in its sole discretion, determine the designation, rights, privileges, restrictions and conditions attaching to such series of MEC Preferred Shares.

### **10.2 – 10.4 Debt Securities**

Not applicable.

### **10.5 Modification of Terms**

Not applicable.

### **10.6 Other Attributes**



Not applicable.

### **10.7 Prior Sales**

#### *MEC*

MEC did not issue any MEC Shares or securities convertible into MEC Shares, including MEC Options, during the twelve (12) month period prior to the date of this Listing Statement:

#### *Albert Labs Inc.*

The following table sets forth details of the issuance of Albert Labs' Shares and securities exercisable into Albert Labs' Common Shares since September 16, 2020, being the date of Albert Labs' incorporation.

<b>Date Issued</b>	<b>Class of Albert Labs Security</b>	<b>No. of Albert Labs Shares Issued/Issuable (#)</b>	<b>Aggregate Price and Price/Exercise Price Per Share (\$)</b>
September 16, 2020	Common Shares	100	1 0.01
September 16, 2020	Common Shares	4,000,000 <sup>(4)</sup>	400 0.0001
November 10, 2020	Common Shares	3,017,150 <sup>(1)</sup>	60,343 0.02
November 15, 2020	Common Shares	646,550 <sup>(1)</sup>	12,931 0.02
December 31, 2020	Common Shares	7,000,000 <sup>(2)</sup>	140,000 0.02
December 31, 2020	Common Shares	10,000,000 <sup>(3)</sup>	200,000 0.02
December 31, 2020	Common Shares	14,000,000 <sup>(1)</sup>	280,000 0.02
March 4, 2022	Common Shares	10,762,464 <sup>(5)</sup>	2,692,857 0.25
March 4, 2022	Common Shares	8,185,036 <sup>(6)</sup>	2,046,259 0.25

**Notes:**

- (1) On December 1, 2020, Albert Labs closed a non-brokered private placement for aggregate gross proceeds of \$353,274 through the issuance of an aggregate of 17,663,700 Albert Labs Common Shares at a price of \$0.02 per Albert Labs Common Share.
- (2) Issued to Shareholders in connection with Debt Settlement Agreement.
- (3) Issued to Shareholders in connection with Debt Settlement Agreement.
- (4) Issuance of 4,000,000 Albert Labs' Common Shares at a price of \$0.0001 per Albert Labs Common Share, representing 8.28% out of 48,304,035 post-Consolidated MEC Shares issued and outstanding, are considered Builder Shares as per CSE's Builder Share Policy and are within the permitted 25% threshold of Builder Shares pursuant to section 2.4(a), Appendix A, Policy 2.
- (5) On March 4, 2022, Albert Labs closed a private placement for an aggregate gross proceeds of \$2,692,857 through the issuance of an aggregate of 10,762,464 Albert Labs Common Shares at a price of \$0.25 per Albert Labs Common Share.
- (6) Issued to Shareholders in connection with Debt Settlement Agreement.

## **10.8 Stock Exchange Price**

The MEC Shares are listed and posted for trading on the Exchange under the symbol "MEC". The following table (and note thereto) sets forth, for the periods indicated, the reported high and low sales prices and aggregate volume of trading of the MEC Shares on the Exchange:

<b>Month Ended</b>	<b>High (\$)</b>	<b>Low (\$)</b>	<b>Volume</b>
July 1, 2018 to February 28, 2022 <sup>(1)</sup>	-	-	-
June 30, 2018 <sup>(1)</sup>	-	-	-
May 31, 2018 <sup>(1)</sup>	-	-	-
April 30, 2018 <sup>(1)</sup>	-	-	-
March 31, 2018 <sup>(1)</sup>	-	-	-
February 28, 2018 <sup>(1)</sup>	-	-	-
January 31, 2018 <sup>(1)</sup>	0.075	0.055	35,000
December 31, 2017	0.050	0.015	23,941
November 30, 2017	0.070	0.025	68,134
October 31, 2017	0.045	0.030	29,223
<b>Quarter Ended</b>	<b>High (\$)</b>	<b>Low (\$)</b>	<b>Volume</b>
September 30, 2017	0.080	0.040	123,806
June 30, 2017	0.120	0.035	218,090
March 31, 2017	0.100	0.050	199,767
December 31, 2016	0.140	0.040	711,600
September 30, 2016	0.250	0.020	429,012
June 30, 2016	0.080	0.050	35,515
March 31, 2016	0.100	0.040	32,810

**Note:**

(1) Trading in MEC Shares was halted on January 4, 2018, in connection with a fundamental change.

## **11. ESCROWED SECURITIES**

As of the date of this Listing Statement, none of the MEC Shares are subject to escrow restrictions in accordance with NP 46-201. Assuming completion of the Share Exchange, all post-Consolidation MEC Shares issued to a principal pursuant to the Share Exchange will be subject to escrow restrictions in

accordance with NP 46-201. A principal who holds securities carrying less than 1% of the voting rights attached to MEC's issued and outstanding securities following the Share Exchange will not be subject to the escrow requirements under NP 46-201. Under NP 46-201, a "principal" is defined as:

- (a) a person or company who acted as a promoter of the issuer within two years before the IPO prospectus;
- (b) a director or senior officer of the issuer or any of its material operating subsidiaries at the time of the IPO prospectus;
- (c) a 20% holder – a person or company that holds securities carrying more than 20% of the voting rights attached to the issuer's issued and outstanding securities immediately before and immediately after the issuer's IPO; or
- (d) a 10% holder – a person or company that (i) holds securities carrying more than 10% of the voting rights attached to the issuer's issued and outstanding securities immediately before and immediately after the issuer's IPO and (ii) has elected or appointed, or has the right to elect or appoint, one or more directors or senior officers of the issuer or any of its material operating subsidiaries.

Assuming completion of the Share Exchange, but not including completion of the Private Placement, the following table sets forth the names and municipalities of residence of the securityholders that are subject to escrow pursuant to NP 46-201, the number of post-Consolidation MEC Shares subject to escrow and the percentage those numbers represent of the issued and outstanding post-Consolidation MEC Shares (excluding those directors and officers who will hold less than 1% of the voting rights):

Name of Escrowed Securityholder	Class of Security	Upon Completion of the Share Exchange	
		No. of Post-Consolidation MEC Shares Held in Escrow (#)	Percentage of Class (Undiluted) (%)
Navchand Jagpal	Post-Consolidation MEC Shares	4,630,058	6.9
Michael Raymont VAC Capital <sup>(1)</sup>	Post-Consolidation MEC Shares	3,240,000	4.8
Frank Lane	Post-Consolidation MEC Shares	1,000,000	1.5
Ali Gulamhusein	Post-Consolidation MEC Shares	3,200,000	4.7
Dr. Malcolm Barratt-Johnson	Post-Consolidation MEC Shares	2,782,000	4.1
Graeme McFarlane	Post-Consolidation MEC Shares	2,000,000	3.0
Rob Kang	Post Consolidation MEC Shares	240,000.	0.4
Richard Skaife TCF ILP <sup>(2)</sup>	Post Consolidation MEC Shares	2,000,000	3.0

**Notes:**

- (1) Beneficially owned and controlled by Dr. Michael Raymont, a director and officer of the Resulting Issuer.
- (2) Beneficially owned/controlled by Richard Skaife, a director of the Resulting Issuer.

Following Closing, MEC is expected to be an "emerging issuer" for the purposes of NP 46-201 and accordingly, a principal's escrow securities will be released as follows:

1. On Closing, 1/10 of the escrow securities;
2. 6 months after Closing, 1/6 of the remaining escrow securities;
3. 12 months after Closing, 1/5 of the remaining escrow securities;
4. 18 months after Closing, 1/4 of the remaining escrow securities;
5. 24 months after Closing, 1/3 of the remaining escrow securities;
6. 30 months after Closing, 1/2 of the remaining escrow securities; and
7. 36 months after Closing, the remaining escrow securities.

## **12. PRINCIPAL SHAREHOLDERS**

---

Assuming completion of the Share Exchange, to the knowledge of the management of MEC no person or company is expected to hold, directly or indirectly, or is expected to have control or direction over, or is expected to have a combination of direct or indirect beneficial ownership of or control and direction over, more than ten percent (10%) of the issued and outstanding post-Consolidation MEC Shares on Closing.

## **13. DIRECTORS AND OFFICERS**

---

### **13.1 – 13.3 Directors and Officers**

#### *MEC*

The following table (and notes thereto) sets forth the name, and municipality of residence of each director and executive officer of MEC, all offices of MEC held by him, the period of time for which he has been a director or executive officer of MEC and the number and percentage of MEC Shares beneficially owned by him, directly or indirectly, or over which he exercises control or direction, as at the date of this Listing Statement.

Each director of MEC is elected by the shareholders at the annual general meeting of shareholders and serves until the close of the next annual general meeting of shareholders, unless he resigns or otherwise vacates office before that time.

As of the date of this Listing Statement, the directors, executive officers and promoters of MEC, as a group, hold, directly or indirectly, an aggregate of 14,429,300 MEC Shares, or approximately 22.7% of the issued and outstanding MEC Shares on a pre-Consolidation basis.

Name & Municipality of Residence and Position <sup>(1)</sup>	Principal Occupation and Positions Held during the Last Five Years <sup>(1)</sup>	Director or Officer Since	No. of MEC Shares Owned or Controlled <sup>(2)</sup> (#)	Percentage of Issued and Outstanding MEC Shares (%)
<p><b>Navchand Jagpal<sup>(3)</sup></b> Surrey, British Columbia Canada</p> <p><i>Director, President and CEO</i></p>	<p>Mr. Jagpal has been President, CEO and a director of Lucky Minerals Inc. (TSX-V: "LJ"), a mineral property exploration and development company. He was also a director of Global Hemp Group Inc. (formerly Arris Holdings Inc.) (CSE: "GHG"), a hemp production and manufacturing company, and a director of Grand Peak Capital Corp. (CSE: "GPK"), a merchant banking company. Mr. Jagpal currently sits on the Board of Directors for World-Class Extractions (CSE: "PUMP").</p>	October 16, 2009	6,950,000	10.9
<p><b>Gurdeep Johal<sup>(3)</sup></b> Surrey, British Columbia, Canada</p> <p><i>Director</i></p>	<p>Mr. Johal brings considerable experience within the regulatory and compliance aspects of public companies. He currently acts as a consultant and advisor providing management services for publicly listed companies and sits on the board of various public companies.</p>	February 23, 2011	719,300	1.1
<p><b>Parminder (Par) Singh</b> Surrey, British Columbia, Canada</p> <p><i>Director and Chairman</i></p>	<p>Mr. Singh has over 25 years of professional experience in building, managing &amp; operating businesses for private companies, government clients and multinational corporations. Mr. Singh is currently the President of Intellectual Ventures Canada. Prior to joining Intellectual Ventures, Mr. Singh was the Managing Director for the Microsoft Canada Development Center, located in Richmond, British Columbia. Parminder has held executive positions at companies in Canada and the U.S. including Ensequence Inc., Telesat Canada, Motorola Inc. (NYSE: "MSI"), Teledisc LLC and Microsoft Corporation (NASDAQ: "MSFT"). Additionally, he has consulted for numerous companies including: The Boeing Company (NYSE: "BA"), Acer Inc. (TWSE: "2353"; LSE: "ACID"), AT&amp;T Inc. (NYSE: "T") and Hughes Aircraft Company. He holds a Bachelor's</p>	October 12, 2012	6,310,000	9.9

	degree in Electrical Engineering from the Technical University of Nova Scotia.			
<b>Dr. Michael Raymond</b> <sup>(3)</sup> Comox, British Columbia, Canada  <i>Director</i>	Dr. Raymont is a principal and partner with an Asian-based private equity company where he heads the energy and resources practice. Previously, Mr. Raymont was CEO of EnergyINet Inc., and before that, Acting President and Vice-President, Technology and Industry Support with the National Research Council of Canada. He has extensive international experience in the U.S., East Asia and Europe and holds board positions in a number of public and private technology companies, and is a member of several professional associations.	December 4, 2012	Nil	Nil
<b>Ravinder (Rob) Kang</b> Vancouver, British Columbia, Canada  <i>CFO and Director</i>	Robert Kang, formerly the Director of Listings at the TSX-V, worked for the TSX-V for 23 years and has been involved with numerous corporate finance transactions. He is a corporate finance professional who is experienced in all aspects of TSX-V policy, corporate governance and public company obligations. Mr. Kang is currently a principal at RSJ Consulting Inc., a firm that provides corporate finance advice. Mr. Kang is a Chartered Accountant and holds a Bachelor of Commerce degree from the University of British Columbia.	October 21, 2015	450,000	0.7

Notes:

- (1) The information as to municipality of residence and principal occupation is not within the knowledge of MEC and has been furnished by the respective directors and officers individually.
- (2) The information as to principal occupation, business or employment and MEC Shares beneficially owned or controlled is not within the knowledge of MEC and has been furnished by the respective directors and officers individually.
- (3) Member of the Audit Committee.

*Resulting Issuer*

Assuming completion of the Share Exchange, but not including completion of the Private Placement, the following table (and notes thereto) sets forth the name, and municipality of residence of each proposed director and executive officer of the Resulting Issuer (the "**Management of the Resulting Issuer**"), all expected offices of the Resulting Issuer to be held by him, the period of time for which he has been a director or executive officer of MEC and the expected number and percentage of post-Consolidation MEC Shares to be beneficially owned by him, directly or indirectly, or over which he is expected to exercise control or direction, as at the Closing Date.

Each director of the Resulting Issuer will be elected by the shareholders at the annual general meeting of shareholders and will serve until the close of the next annual general meeting of shareholders, unless he resigns or otherwise vacates office before that time.

Immediately after Closing, including the completion of the Private Placement, the directors, executive officers and promoters of the Resulting Issuer, as a group, are expected to hold, directly or indirectly, an aggregate of 19,092,058 post-Consolidation MEC Shares, or approximately 28.4% of the expected issued and outstanding post-Consolidation MEC Shares.

<b>Name &amp; Municipality of Residence and Position<sup>(1)</sup></b>	<b>Principal Occupation and Positions Held during the Last Five Years<sup>(1)</sup></b>	<b>Director or Officer Since</b>	<b>No. of MEXC Shares Owned or Controlled<sup>(2)</sup> (#)</b>	<b>Percentage of Issued and Outstanding MEC Shares (%)</b>
<b>Navchand Jagpal</b> Surrey, British Columbia Canada  <i>COO and Director</i>	Mr. Jagpal has been President, CEO and a director of Lucky Minerals Inc. (TSX-V: "LJ"), a mineral property exploration and development company. He was also a director of Global Hemp Group Inc. (formerly Arris Holdings Inc.) (CSE: "GHG"), a hemp production and manufacturing company, and a director of Grand Peak Capital Corp. (CSE: "GPK"), a merchant banking company.	October 16, 2009	4,630,058	6.9
<b>Frank Lane<sup>(3)</sup></b> Seattle, Washington, U.S.A  <i>Director</i>	Mr. Lane is currently and officer and principal at CFN Enterprises In. (OTCQB: CNFN), a firm that provides online marketing services (branded as CFN Media) to private and public companies in the cannabis and psychedelics markets worldwide. Mr. Lane founded CFN Media in 2013 and grew the company to become one of the leading paid financial media network and services serving the global cannabis, CBD and psychedelics industries. CFN Media is now CFN Enterprises trading on the OTCQB. Mr. Lane received his BS in Electrical Engineering from Seattle University in Seattle, Washington, USA in 1989	March 8, 2022	1,000,000	1.5
<b>Richard Skaife<sup>(3)</sup></b> Malta  <i>Director</i>  TCF I LP <sup>(4)</sup>	Richard Scaife is a founding partner at The Conscious Fund – a venture fund specializing in the plant based medicine domain. Mr. Scaife serves as the Chair of MicroDose, a leading media company for the business of psychedelics and is a board member of Hive Bio. Mr. Scaife is an advisor to the Psychedelic Medicine Association. Mr. Scaife's previous experience includes being the co-founder of FinTech Pollen VC and the multi-million downloaded app Digipill, a mental health start-up.	March 8, 2022	2,000,000	3.0

<p><b>Dr. Michael Raymont<sup>(3)</sup></b> Comox, British Columbia, Canada</p> <p><i>CEO and Director</i></p>	<p>Dr. Raymont is a principal and partner with an Asian-based private equity company where he heads the energy and resources practice. Previously, Mr. Raymont was CEO of EnergyINet Inc., and before that, Acting President and Vice-President, Technology and Industry Support with the National Research Council of Canada. He has extensive international experience in the U.S., East Asia and Europe and holds board positions in a number of public and private technology companies and is a member of several professional associations.</p>	December 4, 2012	3,240,000	4.8
<p><b>Ravinder (Rob) Kang</b> Vancouver, British Columbia, Canada</p> <p><i>CFO and Director</i></p>	<p>Robert Kang, formerly the Director of Listings at the TSX-V, worked for the TSX-V for 23 years and has been involved with numerous corporate finance transactions. He is a corporate finance professional who is experienced in all aspects of TSX-V policy, corporate governance and public company obligations. Mr. Kang is currently a principal at RSJ Consulting Inc., a firm that provides corporate finance advice and the CFO of Element Lifestyle Retirement Inc. (TSXV: "ELM"). Mr. Kang is a Chartered Accountant and holds a Bachelor of Commerce degree from the University of British Columbia.</p>	October 21, 2015	240,000	0.4
<p><b>Dr. Malcolm Barratt-Johnson</b> London, UK</p> <p><i>Chief Medical Officer</i></p>	<p>Dr. Malcolm Barratt-Johnson has over 22 years of experience in the pharmaceutical industry specializing in medical affairs, product development and regulatory strategy. Dr. Barratt-Johnson has worked extensively in senior positions to both industry and government. Dr. Barratt-Johnson has held senior consultancy positions with a number of companies, including AstraZeneca, Roche, Novartis and GSK. Dr. Barratt-Johnson obtained a degree in Physiology from King's College London and qualified in medicine from St. Bartholomew's Hospital. After postgraduate training in General Medicine and Anesthesiology, Dr. Barratt-Johnson joined the UK Government's Medicine Control Agency (now MHRA), the UK medicines regulatory agency, as a new medicines Medical Assessor. Most recently, Dr. Barratt-</p>	Not Applicable	2,782,000	4.1



	Johnson acts as a Clinical Specialist and Chair to the European Commission's Biomedical Research Program. Dr. Barratt-Johnson has lectured in both Europe and the United States on medicine and drug development.			
<b>Graeme McFarlane</b> London, UK  <i>Chief Commercial Officer</i>	Mr. McFarlane has over 30 years of experience in the pharmaceutical industry. Mr. McFarlane has held senior management positions at AstraZeneca, GlaxoSmithKline and Bristol Myers. Previously, Mr. McFarlane started two B2B companies specializing in Pharma Market Access. Mr. McFarlane has brought in excess of 60 products to market in key areas of mental health, cancer and other national agenda diseases.	Not Applicable	2,000,000	3.0
<b>Ali Gulamhusein</b> Burnaby British Columbia Canada  <i>Chief Development Officer</i>	Mr. Gulamhusein founded AGEIAS Engineered Systems Ltd. (2011), an Engineering, Procurement, and Construction Management (EPCM) company focused on development, process scale up, and commercialization of novel chemical process technologies. Mr. Gulamhusein has over 18 years of experience in the design-build of proof-of-concept, pilot, and demonstration plants and the execution and management of R&D programs.	Not Applicable	3,200,000	4.7

**Notes:**

- (1) The information as to municipality of residence and principal occupation is not within the knowledge of MEC and has been furnished by the respective directors and officers individually.
- (2) The information as to principal occupation, business or employment and the expected post-Consolidation MEC Shares to be beneficially owned or controlled is not within the knowledge of MEC and has been furnished by the respective directors and officers individually.
- (3) Expected member of the Audit Committee.
- (4) Beneficially owned/controlled by Richard Skaife, a director of the Resulting Issuer.

**13.4 Board Committees*****Audit Committee***

The Audit Committee is ultimately responsible for the policies and practices relating to integrity of financial and regulatory reporting, as well as internal controls to achieve the objectives of safeguarding of corporate assets; reliability of information; and compliance with policies and laws. Within this mandate, the Audit Committee's principal duties and responsibilities will be to assist the Resulting Issuer's Board in discharging the oversight of:

- (a) The integrity of the Resulting Issuer’s consolidated financial statements and accounting and financial processes and the audits of our consolidated financial statements;
- (b) The Resulting Issuer’s compliance with legal and regulatory requirements;
- (c) The Resulting Issuer’s external auditor’s qualifications and independence;
- (d) The work and performance of the Resulting Issuer’s financial management and its external auditors; and
- (e) The Resulting Issuer’s system of disclosure controls and procedures and system of internal controls regarding finance, accounting, legal compliance, and risk management established by management and the Resulting Issuer’s Board.

It is anticipated that the Audit Committee will have access to all books, records, facilities and personnel and may request any information about the Resulting Issuer as it may deem appropriate. It will also have the authority to retain and compensate special legal, accounting, financial and other consultants, or advisors to advise the Audit Committee. The Audit Committee is also expected to review and approve all related-party transactions and prepare reports for the Resulting Issuer’s Board on such related-party transactions as well as be responsible for the pre-approval of all non-audit services to be provided by out auditors.

#### *Members of the Audit Committee*

As of the date of this Listing Statement, the following directors of MEC comprise the Audit Committee: (i) Gurdeep Johal (independent); (ii) Navchand Jagpal (non-independent); and (iii) Dr. Michael Raymont (independent). MEC has no other Board committees other than the Audit Committee.

Assuming completion of the Share Exchange, the following directors of the Resulting Issuer are expected to comprise the Audit Committee: (i) Michael Raymont (ii) Frank Lane and (iii) Richard Skaife.

The following table sets out the members of the Resulting Issuer’s Audit Committee and indicates whether they are “independent” and “financially literate” within the meaning of National Instrument 52-110 – *Audit Committees* (“NI 52-110”).

<b>Name of Member</b>	<b>Independent<sup>(1)</sup></b>	<b>Financially Literate<sup>(2)</sup></b>
Michael Raymont	Not Independent	Financially Literate
Frank Lane	Independent	Financially Literate
Richard Skaife	Independent	Financially Literate

#### **Notes:**

- (1) A member of the audit committee is independent if he or she has no direct or indirect ‘material relationship’ with the Resulting Issuer. A material relationship is a relationship which could, in the view of the Board, reasonably interfere with the exercise of a member’s independent judgment. An executive officer of the Resulting Issuer, such as the President or Secretary, is deemed to have a material relationship with the Resulting Issuer.
- (2) A member of the audit committee is financially literate if he or she has the ability to read and understand a set 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 Resulting Issuer’s financial statements.

It is expected that the Resulting Issuer will have no other Board committees other than the Audit Committee.

The Resulting Issuer is a “venture issuer” as defined in NI-52-110 and is relying upon the exemption in section 6.1 of NI-52-110 in respect to the composition of its Audit Committee and in respect of its reporting obligations under NI-52-110.

### **13.5 Other Occupations**

Other occupations of the Management of the Resulting Issuer are set forth herein in Section 13.1 hereof. In addition, the following table sets forth the experiences of the Management of the Resulting Issuer with other reporting issuers or reporting issuer equivalents as of the date of this Listing Statement:

Name	Other Reporting Issuers
Ravinder Kang	Maple Peak Investment Inc., (TSXV: “MAP”): Director, investment issuer.  Confederation Minerals Ltd. (TSXV: “CFM”): Director, metal and mineral exploration issuer.  Congnetivity Neurosciences Ltd. (CSE: “CGN”): Director, a technology company that has created a cognitive testing platform for use in medical, commercial and consumer environments.  AAJ Capital 2 Corp. (CSE: “AAJ.C.P”): Director; a Capital Pool Company.  Eat Beyond Global Holdings (CSE: “EATS”): Director, investment issuer.  ESE Entertainment Inc. (TSXV: “ESE”): Director, Officer, entertainment and technology company focused on gaming.  MegaWatt Lithium and Battery Metals (CSE: “MEGA”): Director, mineral exploration.  New Wave Holdings Corp. (CSE: “SPOR”): Director, investment issuer.
Navchand Jagpal	World-Class Extractions (CSE: “PUMP”) (QTCQB: “WCEXF”): Director, extraction company.
Frank Lane	CFN Enterprises Inc., (OTCQB: “CNFN”): Officer; online marketing.

### **13.6 Cease Trade Orders or Bankruptcy**

To the knowledge of MEC, none of the Management of the Resulting Issuer, or a security holder anticipated to hold sufficient post-Consolidation MEC Shares to materially affect the control of the Resulting Issuer, is or has, within ten (10) years before the date of this Listing Statement, been a director or executive officer of any company (including MEC) that, while that person was acting in that capacity:

- (a) was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than thirty (30) consecutive days;
- (b) was subject to an event that resulted, after the director or executive officer ceased to be director or executive officer, in the company being the subject of a cease trade or similar order or an

- order that denied the relevant company access to any exemption under securities legislation, for a period or more than thirty (30) consecutive days;
- (c) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or became subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets; or
  - (d) 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.

### **13.7 – 13.8 Penalties or Sanctions**

To the knowledge of MEC, none of the Management of the Resulting Issuer, or a security holder anticipated to hold sufficient post-Consolidation MEC Shares to materially affect the control of the Resulting Issuer, is or has, within the ten (10) years before the date of this Listing Statement, been, a director or officer of any other issuer that, while that person was acting in that capacity, has been subject to any:

- (a) penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities' regulatory authority; or
- (b) other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

### **13.9 Personal Bankruptcies**

To the knowledge of MEC, none of the Management of the Resulting Issuer, or a security holder anticipated to hold sufficient post-Consolidation MEC Shares to materially affect the control of the Resulting Issuer, is or has, within the ten (10) years before the date of this Listing Statement, been declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that individual.

### **13.10 Conflicts of Interest**

Other than as disclosed herein, to the knowledge of MEC, there are no known existing or potential conflicts of interest among MEC and the Management of the Resulting Issuer as a result of their outside business interests except that certain of the Management of the Resulting Issuer serve as directors and officers of other companies and therefore, it is possible that a conflict may arise between their duties to MEC and their duties as a director or officer of such other companies. If a conflict of interest arises at a meeting of the Board, such conflicted member of the Management of the Resulting Issuer will disclose his interest and abstain from voting on such matter.

### **13.11 Management**

Set out below are profiles of the Management of the Resulting Issuer, including particulars of their principal occupations for the past five (5) years:

***Dr. Michael Raymont, age 72, CEO and Director***

Dr. Raymont is currently a director of MEC and principal and partner with an Asian-based private equity company where he heads the energy and resources practice. On Closing, Dr. Raymont is expected to be the CEO and a director of the Resulting Issuer.

Previously, Dr. Raymont was President and CEO (2012-2015) and a director (2006-2015) of AVAC Ltd., and a founding partner of Verdex Capital, both of these are private equity companies focused on agricultural technology and food. From 2006 to 2012, Dr. Raymont consulted to various companies in the Far East and North America, while also serving as director/principal of a private family office investment company. Before that, Dr. Raymont was Acting President and Vice-President, Technology and Industry Support, with the National Research Council of Canada (2003-2005). Previously, Mr. Raymont was CEO/President of several technology and private equity companies in Canada and the U.S. (1987-2003), including (partial list) EquipNet Inc., Hamilton Thorne Biosciences, Westaim Biomedical Ceramic Protection Corp. Mr. Raymont has extensive international experience, having spent almost ten (10) years outside Canada in the U.S., East Asia and Europe. Mr. Raymont has held board positions in a number of public companies including (partial list) China Keli Electric Company Ltd. (formerly HSF Capital Corporation) (TSXV: "ZKL" – acquired, no longer listed), IEMR Resources Inc. (formerly Trans National Minerals Inc.) (TSXV: "IRI") and Hamilton Thorne Biosciences (now traded as TSXV: "HTL"). Dr. Raymont has also served on the board of numerous private companies. Over the last 45 years, he has been a member of several professional associations, including the National Association of Venture Capital Companies, the Canadian Venture Capital & Private Equity Association (Direction and Chair International Committee), Licensing Executives Society, the American Management Association, Canadian Society for Chemical Engineering and the American Chemical Society. In addition, Dr. Raymont has served on numerous Government and NGO Committees. Dr. Raymont is a Killam Scholar and has authored over 200 publications and presentations, principally on innovation, technology commercialization and economic development.

Dr. Raymont obtained a Bachelor of Science (Hons) degree in Chemistry from the University of Bristol (1969) and a Doctor of Philosophy degree in chemistry from the University of Calgary (1974). Dr. Raymont expects to work part time for the Resulting Issuer and devote approximately 25% of his time to the Resulting Issuer.

Dr. Raymont has not entered into a non-competition and non-disclosure agreement with the Resulting Issuer.

***Navchand Jagpal, age 53, COO and Director***

Mr. Jagpal is currently President, CEO and a director of MEC. On Closing, Mr. Jagpal is expected to be the COO and a director of the Resulting Issuer.

Mr. Jagpal was President, CEO of Lucky Minerals Inc. (TSXV: "LJ"), a mineral property exploration and development company, from June 2009 to February 2013, and a director of Lucky Minerals Inc. from June 2009 to May 2015. He was also a director of Global Hemp Group Inc. (formerly Arris Holdings Inc.) (CSE: "GHG"), a hemp production and manufacturing company, from June 2009 to May 2015, CFO of Grand Peak Capital Corp. (CSE: "GPK"), a merchant banking company, from July 2006 to February 2009, CEO of Grand Peak Capital Corp from July 2006 to April 2010 and a director of Grand Peak Capital Corp from July 2006 to November 2012. Mr. Jagpal sits on the Board of Directors for World-Class Extractions (CSE: "PUMP").

Mr. Jagpal expects to work full time for the Resulting Issuer and devote approximately 100% of his time to the Resulting Issuer.

Mr. Jagpal has not entered into a non-competition and non-disclosure agreement with the Resulting Issuer.

***Ravinder Kang, age 55, CFO and Director***

Mr. Kang is currently CFO and a director of MEC, a principal at RSJ Consulting Inc., a firm that provides corporate finance advice. On Closing, Mr. Kang is expected to be the CFO and director of the Resulting Issuer.

Mr. Kang, formerly the Director of Listings at the TSX-V, worked for the TSX-V for 23 years, and has been involved with numerous corporate finance transactions. Mr. Kang is a corporate finance professional who is experienced in all aspects of TSX-V policy, corporate governance and public company obligations.

Mr. Kang obtained a Bachelor of Commerce degree from the University of British Columbia in 1988 and is currently a Chartered Accountant. Mr. Kang expects to work part time for the Resulting Issuer and devote approximately 25% of his time to the Resulting Issuer.

Mr. Kang has not entered into a non-competition and non-disclosure agreement with the Resulting Issuer.

***Dr. Malcolm Barratt-Johnson, age 57, Chief Medical Officer***

On Closing, Dr. Barratt-Johnson is expected to be the CMO of the Resulting Issuer.

Dr. Barratt-Johnson has over 22 years of experience as a UK and European based Consultant Pharmaceutical Physician to Industry and Government, specializing in Medical Affairs, Product Development and Regulatory Strategy. Dr. Barratt-Johnson acts as a Clinical Specialist and Chair to the European Commission's Biomedical Research Programme (Horizon 2020). Dr. Barratt-Johnson has worked extensively in senior UK and global consultancy positions with a number of companies including AstraZeneca, Eisai, Roche, Novartis, MSD, GSK, Celgene and Amgen, in addition to having advisory development roles in the wider biotech and generic pharma sectors. Mr. Barratt-Johnson has lectured in both Europe and the United States on medicinal development and is a lecturer on the MSc Drug Development Course at King's College, London.

Following a degree in Physiology at King's College London, Dr. Barratt-Johnson qualified in medicine from St. Bartholomew's hospital in 1993. After postgraduate training in General Medicine and Anaesthesiology, Dr. Barratt-Johnson joined the UK Government's Medicines Control Agency (now MHRA), as a new medicines Medical Assessor in 1997. In 2005, Dr. Barratt-Johnson was the Lead Medical Assessor to the UK Department of Health's Clinical Trials Unit. Leaving full-time employment with the Agency in 2007, Dr. Barratt-Johnson was appointed as an Independent Consultant to the MHRA. Dr. Barratt-Johnson expects to work full time for the Resulting Issuer and devote approximately 90% of his time to the Resulting Issuer.

Dr. Barratt-Johnson has not entered into a non-competition and non-disclosure agreement with the Resulting Issuer.

***Ali Gulamhusein, age 42, Chief Development Officer***

Mr. Gulamhusein is currently President of AGEIAS Engineered Systems Ltd. On Closing, Mr. Gulamhusein is expected to be Chief Development Officer of the Resulting Issuer.

Mr. Gulamhusein founded AGEIAS Engineered Systems Ltd. (2011), an Engineering, Procurement, and Construction Management (EPCM) company focused on development, process scale up, and commercialization of novel chemical process technologies. Mr. Gulamhusein has over 18 years of experience in the design-build of proof-of-concept, pilot, and demonstration plants and the execution and management of commercialization R&D programs.

Mr. Gulamhusein obtained a Bachelor of Applied Science in Chemical Engineering (2002) and is a Registered Professional Engineer with Engineers and Geoscientists British Columbia. Mr. Gulamhusein expects to work full time for the Resulting Issuer and devote approximately 100% of his time to the Resulting Issuer.

Mr. Gulamhusein has not entered into a non-competition and non-disclosure agreement with the Resulting Issuer.

***Graeme McFarlane, age 64, Chief Commercial Officer***

On Closing, Mr. McFarlane is expected to be the Chief Commercial Officer of the Resulting Issuer

Mr. McFarlane has over 30 years of experience in the pharmaceutical industry. Mr. McFarlane has held senior management positions at AstraZeneca, GlaxoSmithKline and Bristol Myers. Previously, Mr. McFarlane started two B2B companies specializing in Pharma Market Access. Mr. McFarlane has brought in excess of 60 products to market in key areas of mental health, cancer and other national agenda diseases. Mr. McFarlane has extensive experience in Market Access in the UK and Europe with a strong focus on new technologies that advance the improvement of healthcare delivery, unmet need and patient centred solutions.

Mr. McFarlane obtained his MBA in 1990 from the University of Dundee. Mr. McFarlane expects to work full time for the Resulting Issuer and devote approximately 100% of his time to the Resulting Issuer.

Mr. McFarlane has not entered into a non-competition and non-disclosure agreement with the Resulting Issuer.

***Richard Skaife, age 48, Director***

Mr. Skaife is currently a Partner at The Conscious Fund. On Closing, Mr. Skaife is expected to be a director of the Resulting Issuer.

Mr. Skaife is a founding partner of The Conscious Fund. The Conscious Fund is one of the most active venture funds in the plant-based medicine domain. Previously, Mr. Skaife was a partner in the UK based Fuel Ventures (2018), and Pollen VC (2012-2017), a firm that provides capital funding for mobile app developers and digital publishers.

Mr. Skaife expects to work part time for the Resulting Issuer and devote approximately 10% of his time to the Resulting Issuer.

Mr. Skaife has not entered into a non-competition and non-disclosure agreement with the Resulting Issuer.

***Frank Lane, age 54, Director***

Mr. Lane is currently and officer and principal at CFN Enterprises In. (OTCQB: CNFN), a firm that provides online marketing services (branded as CFN Media) to private and public companies in the cannabis

and psychedelics markets worldwide. On Closing, Mr. Lane is expected to be a director of the Resulting Issuer.

Mr. Lane has ensured leading companies and brands in emerging industries across the globe thrive in the capital and consumer markets through innovative digital marketing strategies and services. Mr. Lane has spent 15 years disrupting financial media by scaling new platforms and services that drive revenue and growth. Mr. Lane founded CFN Media in 2013 and grew the company to become one of the leading paid financial media network and services serving the global cannabis, CBD and psychedelics industries. CFN Media is now CFN Enterprises trading on the OTCQB.

Mr. Lane received his BS in Electrical Engineering from Seattle University in Seattle, Washington, USA in 1989. Mr. Lane expects to work part time for the Resulting Issuer and devote approximately 10% of his time to the Resulting Issuer.

Mr. Lane has not entered into a non-competition and non-disclosure agreement with the Resulting Issuer.

## 14. CAPITALIZATION

### 14.1 Issued Capital

The following table sets forth the expected number of post-Consolidation MEC Shares that will be available in the Resulting Issuer's public float and freely tradeable float on a diluted and non-diluted basis on Closing, not including post-Consolidation MEC Shares issuable under the Private Placement, if any:

#### Issued Capital Table

<b>On Closing</b>	<b>No. of Post-Consolidation MEC Shares (Non-Diluted) (#)</b>	<b>Percentage of Issued and Outstanding (Non-Diluted) (%)</b>	<b>No. of Post-Consolidation MEC Shares (Fully-Diluted) (#)</b>	<b>Percentage of Issued and Outstanding (Fully-Diluted) (%)</b>
<b>Public Float</b>				
<b>Total Outstanding (A)</b>	67,280,035	100	67,280,035	100
Held by Related Persons or employees of the Resulting Issuer or Related Persons of the Resulting Issuer, or by persons or companies who beneficially own or control, directly or indirectly more than a 5% voting position in the Resulting Issuer (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Resulting Issuer upon exercise or conversion of other securities held) (B)	19,092,058	28.4	19,092,058	28.4



<b>Total Public Float (A-B)</b>	48,187,977	71.6	48,187,977	71.6
<b>Freely-Tradeable Float</b>				
Number of outstanding securities subject to resale restrictions, including restrictions imposed by pooling or other arrangements or in a shareholder agreement and securities held by control block holders (C)	19,092,058	28.4	19,092,058	28.4
<b>Total Tradeable Float (A-C)</b>	48,187,977	71.6	48,187,977	71.6

### **Public Securityholders (Registered)**

The following table sets forth the expected number of "public securityholders" and the total number of post-Consolidation MEC Shares expected to be held by the "public securityholders" on Closing, not including post-Consolidation MEC Shares issuable under the Private Placement, if any. For the purposes of the following table, the expected "public securityholders" are persons other than persons enumerated in category (B) of the Issued Capital Table in Section 14.1 hereof, and only the expected registered holders are listed.

<b>Size and Class of Holdings</b>	<b>No. of Public Securityholders (Registered) (#)</b>	<b>Total No. of Post-Consolidation MEC Shares (#)</b>
1-99 Post Consolidation MEC Shares	57	1,895
100-499 Post Consolidation MEC Shares	8	1,360
500-999 Post Consolidation MEC Shares	Nil	Nil
1,000-1,999 Post Consolidation MEC Shares	Nil	Nil
2,000-2,999 Post Consolidation MEC Shares	3	7,044
3,000-3,999 Post Consolidation MEC Shares	2	6,811
4,000-4,999 Post Consolidation MEC Shares	2	8,095
5,000 or more Post Consolidation MEC Shares	104	51,615,612
<b>Total</b>	176	51,640,817

**Public Securityholders (Beneficial)**

The following table sets forth the expected number of “public securityholders (beneficial)” and the total number of post-Consolidation MEC Shares expected to be held by the “public securityholders (beneficial)” on Closing, not including post-Consolidation MEC Shares issuable under the Private Placement, if any. For the purposes of the following table, the expected “public securityholders (beneficial)” include: (i) beneficial holders expecting to hold post-Consolidation MEC Shares in their own name as registered shareholders; and (ii) beneficial holders expecting to hold post-Consolidation MEC Shares through an intermediary; but does not include “non-public securityholders”, being those persons enumerated in category (B) of the Issued Cap Table in Section 14.1 hereof.

<b>Size and Class of Holdings</b>	<b>No. of Public Securityholders (Beneficial) (#)</b>	<b>Total No. of Post-Consolidation MEC Shares (#)</b>
1-99 Post Consolidation MEC Shares	37	864
100-499 Post Consolidation MEC Shares	11	1,905
500-999 Post Consolidation MEC Shares	9	5,403
1,000-1,999 Post Consolidation MEC Shares	6	7,650
2,000-2,999 Post Consolidation MEC Shares	7	16,620
3,000-3,999 Post Consolidation MEC Shares	6	20,289
4,000-4,999 Post Consolidation MEC Shares	12	52,850
5,000 or more Post Consolidation MEC Shares	47	3,649,251
<b>Total</b>	<b>135</b>	<b>3,754,832</b>

**Non-Public Securityholders (Registered)**

The following table sets forth the expected number of "non-public securityholders" and the total number of post-Consolidation MEC Shares expected to be held by the "non-public securityholders" on Closing, not including post-Consolidation MEC Shares issuable under the Private Placement, if any. For the purposes of the following table, the expected "non-public securityholders" are persons enumerated in category (B) of the Issued Cap Table in Section 14.1 hereof.

<b>Size and Class of Holdings</b>	<b>No. of Non-Public Securityholders (#)</b>	<b>Total No. of Post-Consolidation MEC Shares (#)</b>
1-99 Post Consolidation MEC Shares	Nil	Nil
100-499 Post Consolidation MEC Shares	Nil	Nil
500-999 Post Consolidation MEC Shares	Nil	Nil

1,000-1,999 Post Consolidation MEC Shares	Nil	Nil
2,000-2,999 Post Consolidation MEC Shares	Nil	Nil
3,000-3,999 Post Consolidation MEC Shares	Nil	Nil
4,000-4,999 Post Consolidation MEC Shares	Nil	Nil
5,000 or more Post Consolidation MEC Shares	7	11,881,458
<b>Total</b>	7	11,881,458

## **14.2 Convertible Securities**

See "*Options to Purchase Securities*" in Section 9 hereof.

## **14.3 Other Listed Securities Reserved for Issuance**

Not applicable.

## **15. EXECUTIVE COMPENSATION**

### **15.1 Oversight and Description of Director and Named Executive Officer Compensation**

The objectives, criteria and analysis of the compensation of executive officers of the Resulting Issuer will be determined by the Resulting Issuer Board and, assuming completion of the Share Exchange, are expected to be substantially similar to how MEC compensated its executive officers prior to the Share Exchange.

#### **General**

For the purposes of this Section 15 hereof:

"**Board**" means the board of directors of the Company;

"**CEO**" means an individual who acted as chief executive officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

"**CFO**" means an individual who acted as chief financial officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

"**Company**" means Albert Labs Inc.;

"**company**" includes other types of business organizations such as partnerships, trusts and other unincorporated business entities;

"**equity incentive plan**" means an incentive plan, or portion of an incentive plan, under which awards are granted and that falls within the scope of Section 3870 of the Handbook;

"**Handbook**" means the Handbook of the Canadian Institute of Chartered Accountants, as amended

from time to time;

**"incentive plan"** means any plan providing compensation that depends on achieving certain performance goals or similar conditions within a specified period;

**"incentive plan award"** means compensation awarded, earned, paid or payable under an incentive plan;

**"NEO" or "named executive officer"** means each of the following individuals:

- (a) a CEO;
- (b) a CFO;
- (c) each of the three (3) most highly compensated executive officers other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000; and
- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company, and was not acting in a similar capacity, at the end of that financial year;

**"non-equity incentive plan"** means an incentive plan or portion of an incentive plan that is not an equity incentive plan; and

**"Stock Option Plan"** means the Company's rolling stock option plan.

### *Goals and Objectives*

Given the Company's current stage of development, the Board has not established a formal compensation committee. It is the Board as a whole who is responsible for determining the final compensation (including long-term incentive in the form of stock options) to be granted to the Company's executive officers and directors to ensure that such arrangements reflect the responsibilities and risks associated with each position. Management directors are required to abstain from voting in respect of their own compensation, thereby providing the independent members of the Board with considerable input as to executive compensation.

The Company's executive compensation program focuses primarily on rewarding the efforts of its executives in increasing shareholder value and meeting the Company's goals. The Board reviews on an annual basis the corporate goals and objectives relevant to executive compensation, evaluates each executive officer's performance in light of those goals and objectives and sets the executive officer's compensation level based, in part, on this evaluation. The Board also takes into consideration the Company's overall performance, shareholder returns, the value of similar incentive awards to executive officers at comparable companies and the awards given to the Company's executive officers in past years.

The Board's compensation philosophy is aimed at attracting and retaining quality and experienced people, which is critical to the success of the Company, and may include a "pay-for-performance" element which supports the Company's commitment to delivering strong performance for shareholders.

Executive compensation is comprised of three (3) elements: (i) base fees (including consulting fees or salary); (ii) short-term incentive compensation (discretionary cash bonuses); and (iii) long-term incentive compensation (share options). The Board reviews all three (3) components in assessing the compensation of individual executive officers.

Base fees or salaries and bonuses are intended to provide current compensation and a short-term incentive for executive officers to meet the Company's goals, as well as to remain competitive within the industry.

Base fees or salaries are compensation for job responsibilities and reflect the level of skills, expertise and capabilities demonstrated by the executive officers. Executive officers are also eligible to receive discretionary bonuses as determined by the Board based on each executive officer's responsibilities, his/her achievement of individual and corporate objectives and the Company's overall financial performance.

Cash bonuses are intended to reward the executive officers for meeting or exceeding individual and corporate performance objectives set by the Board.

Stock options are an important part of the Company's long-term incentive strategy for its executive officers, permitting them to participate in any appreciation of the market value of the Company's shares over a stated period of time, and are intended to reinforce commitment to long-term Company growth and shareholder value. Stock options reward overall corporate performance as measured through the price of the Company's shares and enables executive officers to acquire and maintain an ownership position in the Company.

Non-management directors of the Company may receive fees in the form of an annual retainer fee of \$3,000 for their services as directors of the Company. In addition, directors may be paid an honorarium of \$400 per meeting attended in person and \$200 per meeting attended by teleconference. The directors are entitled to be reimbursed for reasonable expenditures incurred in performing their duties as directors and may receive cash bonuses from time to time which the Company awards to directors for serving in their capacity as a member of the board. Executive officers who also act as directors of the Company do not receive any additional compensation for services rendered in their capacity as directors.

Directors are entitled to participate in the Stock Option Plan, which is designed to give each option holder an interest in preserving and maximizing shareholder value over the longer term. Individual grants are determined by an assessment of each individual director's current and expected future performance, level of responsibilities and the importance of their position and contribution to the Company.

#### *Annual Base Salary*

Base salary for the NEOs is determined by the Board primarily by comparison of the remuneration paid by other companies of similar size and within the same industry and with publicly available information on remuneration. The annual base salary paid to the NEOs will be reviewed by the Board as part of the annual review of executive officers for the purpose of establishing appropriate increases to base salary. The decision on whether to grant an increase to an executive officer's base salary and the amount of any such increase will be in the sole discretion of the Board.

#### *Option Based Awards*

Executive officers of the Company, as well as directors, employees and consultants, are eligible to participate in the Stock Option Plan to receive grants of stock options. Individual stock options are granted by the Board as a whole and the number of stock options granted is dependent on, among other things, each executive officer's level of responsibility, authority and importance to the Company and the degree to which an executive officer's long-term contribution to the Company will be crucial to its overall long-term success.

Stock option grants may be made periodically to ensure that the number of options granted to any particular executive officer is commensurate with the executive officer's level of ongoing responsibility within the Company. The Board will evaluate the number of options an executive officer has been granted, the exercise price of such options and the term remaining on those options when considering further grants. Options are usually priced at the closing trading price of the Company's shares on the business day immediately preceding the date of grant, and the current policy of the Board is that options will expire between two (2) and five (5) years from the date of grant.

#### *Director and NEO Compensation, Excluding Compensation Securities*

The following table (and notes thereto) sets forth certain information respecting the compensation paid to each NEO and any director of MEC who is not an NEO for the periods indicated:

Name and Position	Year	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites <sup>(1)</sup> (\$)	Value of all Other Compensation <sup>(2)</sup>	Total Compensation
Navchand Jagpal, CEO and Director	2020	120,000	Nil	Nil	Nil	Nil	120,000
	2019	120,000	Nil	Nil	Nil	Nil	120,000
Ravinder Kang, CFO and Director	2020	60,000	Nil	Nil	Nil	Nil	60,000
	2019	60,000	Nil	Nil	Nil	Nil	60,000
Parminder Singh, Director	2020	60,000	Nil	Nil	Nil	Nil	60,000
	2019	60,000	Nil	Nil	Nil	Nil	60,000
Gurdeep Johal, Director	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil
Dr. Michael Raymont, Director	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil

**Notes:**

- (1) Includes all payments by MEC for: (i) car, car lease, car allowance or car loan; (ii) personal insurance; (iii) parking; (iv) accommodation, including use of vacation accommodation; (v) financial assistance; (vi) club memberships; (vii) use of corporate motor vehicle or aircraft; (viii) reimbursement for tax on prerequisites or other benefits; and (viii) investment-related advice and expenses.
- (2) The amounts in this column represent the fair value of stock options. There are no stock options at this time during the years ended December 31, 2020 and 2019 with the following weighted average assumptions:

Risk-free interest rate	0.80%
Expected life of options	5 years
Annualized volatility	316%
Dividend rate	0.00%

#### *Stock Options and Other Compensation Securities*

Not applicable.

*Stock Option Plans and Other Incentive Plans*

See "Options to Purchase Securities" in Section 9 hereof.

*Employment, Consulting and Management Agreements*

Not applicable.

*Pension Disclosure*

Not applicable.

*Companies Reporting in the U.S.*

Not applicable.

## **16. INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

---

To the knowledge of MEC, none of the Management of the Resulting Issuer, employees of the Resulting Issuer or former directors, executive officers or employees of MEC will be indebted to MEC or is expected to be indebted to the Resulting Issuer, on Closing.

## **17. RISK FACTORS**

---

### **17.1 Risk Factors**

The following risk factors should be carefully considered in evaluating the Resulting Issuer. The risks presented below may not be all of the risks that the Resulting Issuer may face. It is believed that these are the factors that could cause actual results to be different from expected and historical results.

An investment in post-Consolidation MEC Shares should be considered highly speculative, not only due to the nature of Albert Labs existing business and operations, but also due to the uncertainty related to the completion of the Share Exchange and the expected business of the Resulting Issuer following the Closing. In evaluating the Share Exchange, holders of post-Consolidation MEC Shares and investors generally should carefully consider not only the following risk factors relating to post-Consolidation MEC Shares and to the Share Exchange, but the risk factors associated with the business of Albert Labs set out below. The following list of risk factors is not a definitive list of all risk factors associated with the Share Exchange. Additional risks and uncertainties, including those currently known or considered immaterial by the Resulting Issuer may also adversely affect the post-Consolidation MEC Shares and/or the businesses of the Resulting Issuer.

### **General Risks**

*Market Reaction*

The market reaction to the Share Exchange and the future trading prices of the post-Consolidation MEC Shares cannot be predicted.

#### *Termination of the Transaction in Certain Circumstances*

Each of MEC and Albert Labs has the right to terminate the Share Exchange Agreement in certain circumstances. Accordingly, there is no certainty, nor can the parties thereto provide any assurances, that the Share Exchange Agreement will not be terminated by either MEC or Albert Labs. In addition, the completion of the Share Exchange is subject to a number of conditions precedent, certain of which are outside the control of MEC and Albert Labs, including regulatory and shareholder approvals. There is no certainty that all of these conditions will be satisfied on a timely basis or at all. If, for any reason, the Share Exchange is delayed or not completed, the market price of the post-Consolidation MEC Shares may be adversely affected. See "*Risk Factors – Market Reaction*" in Section 17.1 hereof.

#### *Impact of the COVID-19 Pandemic*

COVID-19 is an infectious disease caused by severe acute respiratory syndrome coronavirus 2. Since December 31, 2019, the outbreak of COVID-19 has resulted in governments worldwide, including Canada, 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. Such events may result in a period of business disruption, and in reduced operations, any of which could have a material adverse impact on the Resulting Issuer's profitability, results of operations, financial condition and the trading price of the Resulting Issuer's securities. Governments and central banks have reacted to the COVID-19 pandemic with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 pandemic 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 Resulting Issuer. To date, a number of businesses have suspended or scaled back their operations and development as cases of COVID-19 have been confirmed, for precautionary purposes or as governments have declared a state of emergency or taken other actions. If the operation or development of the Resulting Issuer's business is suspended or scaled back, or if its supply chains are disrupted, it may have a material adverse impact on the Resulting Issuer's profitability, results of operations, financial condition and the trading price of the Resulting Issuer's securities. To the extent that the Resulting Issuer's management or other personnel are unavailable to work due to the COVID-19 pandemic, whether due to illness, government action or otherwise, it may have a material adverse impact on the Resulting Issuer's profitability, results of operations, financial condition and the trading price of the Resulting Issuer's securities. The breadth of the impact of the COVID-19 pandemic on investors, businesses, the global economy and financial and commodity markets may also have a material adverse impact on the Resulting Issuer's profitability, results of operations, financial condition and the trading price of the Resulting Issuer's securities.

#### *Liquidity and Future Financing Risk*

The Resulting Issuer will likely operate at a loss until its business becomes established and it may require additional financing in order to fund future operations and expansion plans. The Resulting Issuer's ability to secure any required financing to sustain operations and expansion plans will depend in part upon prevailing capital market conditions and business success. There can be no assurance that the Resulting Issuer will be successful in its efforts to secure any additional financing or additional financing on terms satisfactory to management. Moreover, future activities may require the Resulting Issuer to alter its capitalization significantly and, if additional financing is raised by issuance of additional shares of the Resulting Issuer from treasury, control may change and shareholders may suffer dilution. The inability of



the Resulting Issuer to access sufficient capital for its operations could have a material adverse effect on the Resulting Issuer's financial condition and results of operations.

#### *Current 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 Resulting Issuer Common Shares will be subject to market trends generally, notwithstanding any potential success of the Resulting Issuer. The value of the Resulting Issuer Common Shares will be affected by such volatility.

#### *Limited Operating History*

The Resulting Issuer has not yet generated material revenue. Albert Labs was incorporated in September 2020 and thus has a limited operating history. The Resulting Issuer 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. This is compounded by the fact that the Resulting Issuer intends to operate in the psychedelic industry, which is a relatively new and rapidly transforming industry. There is no assurance that the Resulting Issuer 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.

#### *Speculative Nature of Investment Risk*

An investment in the securities of the Resulting Issuer carries a high degree of risk and should be considered as a speculative investment. The Resulting Issuer 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.

#### *Litigation*

The Resulting Issuer may become party to litigation from time to time in the ordinary course of their respective businesses which could adversely affect their respective operations. Should any litigation in which the Resulting Issuer become involved be determined against the Resulting Issuer, such a decision may adversely affect the Resulting Issuer's respective abilities to continue operating, adversely affect the market price of the shares and use significant resources of the Resulting Issuer. Even if the Resulting Issuer, as the case may be, is involved in litigation and succeeds, litigation can redirect significant resources of the Resulting Issuer. Litigation may also create a negative perception of the Resulting Issuer's brand.

The Resulting Issuer's participation in the psychedelic therapy industry may lead to litigation, formal or informal complaints, enforcement actions, and inquiries by third parties, other companies and/or various governmental authorities against the Resulting Issuer. Litigation, complaints, and enforcement actions involving the Resulting Issuer could consume considerable amounts of financial and other corporate resources, which could have an adverse effect on the Resulting Issuer's future cash flows, earnings, results of operations and financial condition.

The Resulting Issuer may become party to litigation from time to time in the ordinary course of business, including a medical malpractice claim, or a claim based in related legal theories of negligence or vicarious liability among others if a physician and/or therapist administrating the clinical studies causes injury, which could adversely affect the Resulting Issuer's business. Should any litigation in which the Resulting Issuer

becomes involved be determined against the Resulting Issuer, such a decision could adversely affect the Resulting Issuer's ability to continue operating and the market price for the Resulting Issuer Common Shares. Even if the Resulting Issuer is involved in litigation and wins, litigation can redirect significant resources. Litigation may also create a negative perception of the Resulting Issuer's business.

#### *Limited Market for Securities*

There can be no assurance that an active and liquid market for Resulting Issuer Shares will be maintained, and an investor may find it difficult to resell any Resulting Issuer Shares.

#### *Liquidity Risk*

Liquidity risk is the risk that the Resulting Issuer will not be able to meet its financial obligations as they fall due. The Resulting Issuer has a planning and budgeting process in place to help determine the funds required to support the Resulting Issuer's normal operating requirements on an ongoing basis. The Resulting Issuer will ensure that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash. Historically, MEC's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Resulting Issuer's access to financing will remain uncertain. There can be no assurance of continued access to significant equity funding.

#### *Foreign Currency Risk*

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. A significant portion of the Resulting Issuer's primary business will be conducted in the United Kingdom and thereafter, may expand to other jurisdictions. As a result, the Resulting Issuer will be exposed to foreign currency risk on fluctuations related to cash and accrued liabilities that are denominated in a foreign currency. The depreciation of the Canadian dollar against foreign currencies could increase the actual capital and operating costs of the Resulting Issuer's non-Canadian operations and materially adversely affect the results presented in the Resulting Issuer's financial statements. Currency exchange fluctuations may also materially adversely affect the Resulting Issuer's future cash flow from operations, its results of operations, financial condition and prospects.

### **Risks Related to the Resulting Issuer's Business and Operations**

#### *Risks Inherent in the Nature of the Psychopharmacological Industry*

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

#### *Government Regulations, Permits and Licenses*

The Resulting Issuer'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. The Resulting Issuer intends to fully comply with all governmental laws and regulations. The physicians that recommend psychedelic therapy to the

Resulting Issuer's patients will be subject to various federal, provincial and municipal laws in each jurisdiction. If any permits are required for the Resulting Issuer'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 Resulting Issuer's business.

Psilocybin is currently a controlled substance with no medicinal approved use in Canada or the United Kingdom. If a medical use for psilocybin is not developed or if developed, is not approved for use in Canada, the United Kingdom and other jurisdictions, the commercial opportunity that the Resulting Issuer is pursuing may be highly limited.

The current and future operations of the Resulting Issuer 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 patient therapies, or more stringent implementation thereof, could have a material adverse impact on the Resulting Issuer and cause increases in capital expenditures or costs, or reduction in levels of its business operations.

#### *Change of Laws, Regulations, and Guidelines*

Psychopharmacological laws and regulations are dynamic and subject to evolving interpretations which could require the Resulting Issuer to incur substantial costs associated with compliance or alter certain aspects of its business plan. It is also possible that regulations may be enacted in the future that will be directly applicable to certain aspects of the Resulting Issuer's business. The Resulting Issuer cannot predict the nature of any future laws, regulations, interpretations or applications, nor can it determine what effect additional governmental regulations or administrative policies and procedures, when and if promulgated, could have on the Resulting Issuer's business. Management expects that the legislative and regulatory environment in the psychedelics industry in Canada and internationally will continue to be dynamic and will require innovative solutions to try to comply with this changing legal landscape in this nascent industry for the foreseeable future. Compliance with any such legislation may have a material adverse effect on the Resulting Issuer's business, financial condition and results of operations.

Public opinion can also exert a significant influence over the regulation of the psychopharmacological industry. A negative shift in the public's perception of the psychedelics industry could affect future legislation or regulation in different jurisdictions.

#### *Demand for Psychedelic Therapy and Derivative Products*

The psychedelic therapy industry in Canada and the United Kingdom is at an early stage of its development. Consumer perceptions regarding legality, morality, consumption, safety, efficacy and quality of psychedelic medicinal applications are mixed and evolving and can be significantly influenced by scientific research or findings, regulatory investigations, litigation, media attention and other publicity regarding the consumption of medicinal psychedelic products. 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 psychedelic market or any particular product, or consistent with earlier publicity. Future research reports, findings, regulatory proceeding, 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 psychedelic therapy and on the business, results of operations, financial condition and cash flows of the Resulting Issuer. Further, adverse publicity reports or other media attention regarding psychopharmacology in general or associating the consumption of psychedelic prescriptions with illness or other negative effects or events, could have such a material adverse effect.

Public opinion and support for psychedelic therapy use has traditionally been inconsistent and varies from jurisdiction to jurisdiction. The Resulting Issuer's ability to gain and increase market acceptance of its business may require substantial expenditures on investor relations, strategic relationships and marketing initiatives. There can be no assurance that such initiatives will be successful and their failure to materialize into significant demand may have an adverse effect on the Resulting Issuer's financial condition.

#### *Research Exemption From Health Canada*

The Resulting Issuer has filed a Section 56 Exemption with Health Canada and as of the date of this Listing has not received approval. The Section 56 Exemption permits the Resulting Issuer to possess certain controlled substances. The Section 56 Exemption is subject to ongoing compliance requirements. There can be no assurance that the Resulting Issuer will be able to sustain or renew the Section 56 Exemption once approved. If the Resulting Issuer is unable to sustain or renew the Section 56 Exemption, it will significantly impair the Resulting Issuer's ability to achieve its business objectives.

#### *Violations of Laws and Regulations Related to Drug Development*

In Canada and the United Kingdom, certain psychedelic drugs are classified as Schedule I drugs under *The Controlled Drugs and Substances Act* (Canada) and *The Misuse of Drugs Regulations 2001* (United Kingdom) and as such certain medical and recreational use is illegal under the Canada and U.K. federal laws. As such, all facilities engaged with such substance by or on behalf of the Resulting Issuer do so in compliance with appropriate governmental agencies. While the Resulting Issuer is focused on program using psychedelic inspired compounds, the Resulting Issuer does not have any direct or indirect involvement with the illegal selling, production or distribution of any substances in the jurisdictions in which it operates and does not intend to have any such involvement. However, a violation of any United Kingdom or Canadian laws, could result in significant fines, penalties, administrative sanctions, convictions or settlements arising from civil proceedings initiated by either government entities in the jurisdictions in which the Resulting Issuer operates, or private citizens or criminal charges which could have an adverse effect on the Resulting Issuer's operations.

#### *Drug Development*

Given the early stage of product development, the Resulting Issuer can make no assurance that its research and development programs will result in regulatory approval or commercially viable products. To achieve profitable operations, the Resulting Issuer, alone or with others, must successfully develop, gain regulatory approval for, and market its future products. The Resulting Issuer currently has no products that have been approved by Health Canada or any similar regulatory authority. To obtain regulatory approvals for its product candidates being developed and to achieve commercial success, clinical trials must demonstrate that the product candidates are safe for human use and that they demonstrate efficacy. The Resulting Issuer has not yet completed later stage clinical trials for any of its product candidates.

Many product candidates never reach the stage of clinical testing and even those that do have only a small chance of successfully completing clinical development and gaining regulatory approval. Product candidates may fail for a number of reasons, including being unsafe for human use or due to the failure to provide therapeutic benefits equal to or better than the standard of treatment at the time of testing. Unsatisfactory results obtained from a particular study relating to a research and development program may cause the Resulting Issuer or its collaborators to abandon commitments to that program. Positive results of early pre-clinical research may not be indicative of the results that will be obtained in later stages of preclinical or clinical research. Similarly, positive results from early-stage clinical trials may not be

indicative of favourable outcomes in later-stage clinical trials, and the Resulting Issuer can make no assurance that any future studies, if undertaken, will yield favourable results.

The early stage of product development makes it particularly uncertain whether any of its product development efforts will prove to be successful and meet applicable regulatory requirements, and whether any of its product candidates will receive the requisite regulatory approvals, be capable of being manufactured at a reasonable cost or be successfully marketed. If the Resulting Issuer is successful in developing its current and future product candidates into approved products, the Resulting Issuer will still experience many potential obstacles, which would affect the Resulting Issuer's ability to successfully market and commercialize such approved products, such as the need to develop or obtain manufacturing, marketing and distribution capabilities, price pressures from third-party payors, or proposed changes in health care systems. If the Resulting Issuer is unable to successfully market and commercialize any of its products, its financial condition and results of operations may be materially and adversely affected.

The Resulting Issuer can make no assurance that any future studies, if undertaken, will yield favorable results. Many companies in the pharmaceutical and biotechnology industries have suffered significant setbacks in later-stage clinical trials after achieving positive results in early-stage development, and the Resulting Issuer cannot be certain that it will not face similar setbacks. These setbacks have been caused by, among other things, pre-clinical findings made while clinical trials were underway or safety or efficacy observations made in clinical trials, including previously unreported adverse events. Moreover, preclinical and clinical data are often susceptible to varying interpretations and analyses, and many companies that believed their product candidates performed satisfactorily in preclinical studies and clinical trials nonetheless failed to obtain regulatory approval. If the Resulting Issuer fails to produce positive results in its future clinical trials of its product candidates, the development timeline and regulatory approval and commercialization prospects for its product candidates, would be materially adversely affected which may have materially adversely impact on the Resulting Issuer's business.

#### *Reliance on Third Parties – Drug Development*

The Resulting Issuer will rely on third parties to conduct a significant portion of its pre-clinical and clinical development activities. Pre-clinical activities include vivo studies providing access specific disease models, pharmacology and toxicology studies and assay development. Clinical Development activities include trial design, regulatory submissions, clinical patient recruitment, clinical trial monitoring, clinical data management and analysis, safety monitoring and project management. If there is any dispute or disruption in its relationship with third parties, or if it is unable to provide quality services in a timely manner and at a feasible cost, the Resulting Issuer's active development programs will face delays. Further, if any of these third parties fails to perform as the Resulting Issuer expects or if their work fails to meet regulatory requirements, the Resulting Issuers' testing could be delay, cancelled or rendered ineffective.

Pre-clinical and clinical development activities must be carried out in accordance with Good Laboratory Practices ("GLP"). GLP was originally established by the Organization for Economic Co-operation and Development to promote the quality and validity of test data and to establish a basis for mutual acceptance of data among member states at the international level. GLP was adopted by Health Canada and the Standards Council of Canada, which has monitoring authority for GLP compliance of test facilities within Canada. Labs must adopt these GLP practices to ensure they are producing valuable test results, and each lab has its own set of approaches to staying compliant. If any of these third partner or service provider fails to GLP requirements, the Resulting Issuer's pre-clinical and clinical development activities could be delay, cancelled or rendered ineffective.

The Resulting Issuer has no manufacturing experience and will rely on contract manufacturing organizations to manufacture its product candidates for pre-clinical studies and clinical trials. The Resulting

Issuer will rely on contract manufacturing organizations for manufacturing, filling, packaging, storing and shipping of drug product in compliance with current Good Manufacturing Practices regulations applicable to its products. Health Canada or any equivalent regulatory authority in other jurisdictions ensures the quality of drug products by carefully monitoring drug manufacturer's compliance with current Good Manufacturing Practices regulations. The Good Manufacturing Practices regulations for drugs contain minimum requirements for the methods, facilities and controls used in manufacturing, processing and packing of a drug product.

There can be no assurances that contract manufacturing organizations will be able to meet the Resulting Issuer's timetable and requirements. In the event that the selected provider is unable to scale up production, or if it otherwise experiences any other significant problems and the Resulting Issuer is unable to arrange for alternative third-party manufacturing sources on commercially reasonable terms or in a timely manner, the Resulting Issuer may be delayed in the development of its product candidates. Further, contract manufacturing organizations must operate in compliance with Good Manufacturing Practices and failure to do so could result in, among other things, the disruption of product supplies. The Resulting Issuer's dependence upon third parties for the manufacture of its products may adversely affect its profit margins and its ability to develop and deliver products on a timely and competitive basis.

#### *Commercial Grade Development*

In order to commercialize its product, the Resulting Issuer need to manufacture commercial quality drug supply for use in registration clinical trials. Most, if not all, of the clinical material used in RWE studies must be derived from the defined commercial process, including scale, manufacturing site, process controls and batch size. If the Resulting Issuer has not scaled up and validate the commercial production of its product prior to commencement of clinical trials, it may have to employ a bridging strategy during the trial to demonstrate equivalency of early-stage material to commercial drug product, or potentially delay the initiation or completion of the trial until drug supply is available. The manufacturing of commercial quality drug product has long lead times, is very expensive and require significant efforts, including scale-up of production to anticipated commercial scale, process characterization and validation, analytical method validation, identification of critical process parameters and product quality attributes, and multiple process performance and validation runs. If the Resulting Issuer does not have commercial drug supply available when needed for clinical trials, the Resulting Issuer's regulatory and commercial progress may be delayed, and it may incur increased product development costs. This may have a material adverse effect on the Resulting Issuer's business, financial condition and prospects, and may delay marketing of its product.

#### *Clinical Testing*

Before obtaining marketing approval from regulatory authorities for the sale of the Resulting Issuer's product candidates, it may conduct pre-clinical studies in animals and extensive clinical trials in humans to demonstrate the safety and efficacy of the product candidates. Clinical testing is expensive and difficult to design and implement, can take many years to complete and has uncertain outcomes. The outcome of pre-clinical studies and early clinical trials may not predict the success of later clinical trials, and interim results of a clinical trial do not necessarily predict final results. A number of companies in the pharmaceutical and biotechnology industries have suffered significant setbacks in advanced clinical trials due to lack of efficacy or unacceptable safety profiles, notwithstanding promising results in earlier trials. The Resulting Issuer does not know whether the clinical trials it may conduct will demonstrate adequate efficacy and safety to result in regulatory approval to market any of its product candidates in any jurisdiction. A product candidate may fail for safety or efficacy reasons at any stage of the testing process. A major risk the Resulting Issuer faces is the possibility that none of its product candidates under development will successfully gain market approval from regulatory authorities, resulting in the Resulting Issuer being unable to derive any

commercial revenue from this business segment after investing significant amount of capital in its development.

The Resulting Issuer cannot predict whether any clinical trials will begin as planned, will need to be restructured, or will be completed on schedule, or at all. The Resulting Issuer's product development costs will increase if it experiences delays in clinical testing. Significant clinical trial delays could shorten any periods during which the Resulting Issuer may have the exclusive right to commercialize its product candidates or allow its competitors to bring products to market before the Resulting Issuer, which would impair the Resulting Issuer's ability to successfully commercialize its product candidates and may harm its financial condition, results of operations and prospects. The Resulting Issuer's product development costs will increase if it experiences delays in testing or approval or if the Resulting Issuer needs to perform more or larger clinical trials than planned. Additionally changes in regulatory requirements and policies may occur, and the Resulting Issuer may need to amend study protocols to reflect these changes. Amendments may require the Resulting Issuer to resubmit its study protocols for re-examination, which may impact the cost, timing, or successful completion of that trial. Delays or increased product development costs may have a material adverse effect on the Resulting Issuer's business, financial condition and prospects.

Prior to commencing clinical trials in the United Kingdom or other jurisdictions for any product candidates if developed by the Resulting Issuer, it may be required to have an allowed investigation new drug application ("MIA IMPD") (or equivalent) for each product candidate and to file additional INDs prior to initiating any additional clinical trials. The Resulting Issuer believes that the data from its studies will support the filing of additional INDs to enable the Resulting Issuer to undertake additional clinical studies as it has planned. However, submission of an IND (or equivalent) may not result in the regulatory authorities allowing further clinical trials to begin and, once begun, issues may arise that will require the Resulting Issuer to suspend or terminate such clinical trials. Additionally, even if relevant regulatory authorities agree with the design and implementation of the clinical trials set forth in an IND, these regulatory authorities may change their requirements in the future. Failure to submit or have effective INDs (or equivalent) and commence or continue clinical program will significantly limit its opportunity to generate revenue.

#### *Patients for Clinical Trials*

If the product candidates advance from clinical testing to progressively larger and more complex clinical trials, the Resulting Issuer will need to enroll an increasing number of patients that meet its eligibility criteria. There is significant competition for recruiting patients in clinical trials, and the Resulting Issuer may be unable to enroll the patients it needs to complete clinical trials on a timely basis or at all. Factors that affect the ability to enroll patients are largely uncontrollable and include, but are not limited to, the following:

- size and nature of the patient population;
- eligibility and exclusion criteria for the trial;
- design of the study protocol;
- competition with other companies for clinical sites or patients;
- perceived risks and benefits of the product candidate under study;
- patient referral practices; and

- number, availability, location and accessibility of clinical trial sites.

### *Regulatory Approval Process*

The Resulting Issuer's development and commercialization activities related to its product candidates are significantly regulated by a number of governmental entities, including Health Canada and comparable authorities in other countries, including the United Kingdom. Regulatory approvals are required prior to each clinical trial and the Resulting Issuer may fail to obtain the necessary approvals to commence or continue clinical testing. The Resulting Issuer must comply with regulations concerning the manufacture, testing, safety, effectiveness, labeling, documentation, advertising and sale of products and product candidates and ultimately must obtain regulatory approval before it can commercialize a product candidate. The time required to obtain approval by such regulatory authorities is unpredictable but typically takes many years following the commencement of preclinical studies and clinical trials. Any analysis of data from clinical activities the Resulting Issuer performs is subject to confirmation and interpretation by regulatory authorities, which could delay, limit or prevent regulatory approval. Even if the Resulting Issuer believes results from its clinical trials are favorable to support the marketing of its product candidates, the regulatory authorities may disagree. In addition, approval policies, regulations, or the type and amount of clinical data necessary to gain approval may change during the course of a product candidate's clinical development and may vary among jurisdictions. The Resulting Issuer has not obtained regulatory approval for any product candidate, and it is possible that none of its existing product candidates or any future product candidates will ever obtain regulatory approval.

A regulatory authority may require more information, including additional preclinical or clinical data to support approval, which may delay or prevent approval and the Resulting Issuer's commercialization plan, or we may decide to abandon the development program. If the Resulting Issuer were to obtain approval, regulatory authorities may approve any of its product candidate for few or more limited indications than the Resulting Issuer requests, may grant approval contingent on the performance of costly post-marketing clinical trials, or may approve a product candidate with a label that does not include the labeling claims necessary or desirable for the successful commercialization of that product candidate. Moreover, depending on any safety issues associated with the Resulting Issuer's product candidates that garner approval, the regulatory authority may impose a risk evaluation and mitigation strategy, thereby imposing certain restrictions on the sale and marketability of such products.

### *Product Liability – Ingested Products*

If licensed as a manufacturer and distributor of products designed to be ingested by humans, the Resulting Issuer will face an inherent risk of exposure to product liability claims, regulatory actions and litigation if its products are alleged to have caused significant loss or injury. In addition, the manufacture and sale of products involve the risk of injury to consumers due to tampering by unauthorized third parties or product contamination. Previously unknown adverse reactions resulting from human consumption of its products alone or in combination with other medications or substances could occur. The Resulting Issuer may be subject to various product liability claims, including that its products caused injury or illness, that there were inadequate instructions for use or that there were inadequate warnings concerning possible side effects or interactions with other substances. A product liability claim or regulatory action against the Resulting Issuer could result in increased costs, could adversely affect the Resulting Issuer's reputation with its clients and consumers generally, and could have a material adverse effect on the results of operations and financial condition of the Resulting Issuer. There can be no assurances that the Resulting Issuer will be able to obtain or maintain product liability insurance on acceptable terms or with adequate coverage against potential liabilities. Such insurance is expensive and may not be available in the future on acceptable terms, or at all. The inability to obtain sufficient insurance coverage on reasonable terms or to otherwise protect against



potential product liability claims could prevent or inhibit the commercialization of the Resulting Issuer's products.

### *Product Recalls*

Manufacturers and distributors of products are sometimes subjects to the recall or return of their products for a variety of reasons, including product defects, such as contamination, unintended harmful side effects or interactions with other substances packaging safety and inadequate or inaccurate labeling disclosure. If any of the Resulting Issuer's products are recalled due to an alleged product defect or for any other reason, the Resulting Issuer could be required to incur the unexpected expense of the recall and any legal proceedings that might arise in connection with the recall. The Resulting Issuer may lose a significant amount of sales and may not be able to replace those sales at an acceptable margin or at all. In addition, a product recall may require significant management attention. Although the Resulting Issuer will implement detailed procedures for testing its products, there can be no assurance that any quality, potency or contamination problems will be detected in time to avoid unforeseen product recalls, regulatory action or lawsuits.

Additionally, if one of the Resulting Issuer's future brands were subject to recall the image of that brand and the Resulting Issuer could be harmed. A recall for any of the foregoing reasons could lead to decreased demand for the Resulting Issuer's products and could have a material adverse effect on the results of operations and financial condition of the Resulting Issuer. Additionally, product recalls may lead to increased scrutiny of the Resulting Issuer's operations by regulatory agencies, requiring further management attention and potential legal fees and other expenses.

### *Patient Acquisitions*

The Resulting Issuer's success will depend, in part, on its ability to attract and retain patients. There are many factors which could impact the Resulting Issuer's ability to attract and retain patients, including the successful implementation of the Resulting Issuer's patient-acquisition plans and the continued growth in the aggregate number of patients selecting psychedelic therapy as a treatment option. The Resulting Issuer's failure to acquire patients as client would have a material adverse effect on the Resulting Issuer's business, operating results and financial condition.

### *Regulatory Compliance Risks*

Achievement of the Resulting Issuer's business objectives is contingent, in part, upon compliance with regulatory requirements enacted by governmental authorities and obtaining all regulatory approvals, where necessary, for the sale of its products. The Resulting Issuer may not be able to obtain or maintain the necessary licences, permits, quotas, authorizations or accreditations, or may only be able to do so at great cost, to operate its business. The Resulting Issuer cannot predict the time required to secure all appropriate regulatory approvals for its products, or the extent of testing and documentation that may be required by local governmental authorities.

The Resulting Issuer will incur ongoing costs and obligations related to regulatory compliance. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. The Resulting Issuer may be required to compensate those suffering loss or damage by reason of its operations and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations. In addition, changes in regulations, more vigorous enforcement thereof or other unanticipated events could require extensive changes to the Resulting Issuer's operations,

increased compliance costs or give rise to material liabilities, which could have a material adverse effect on the business, results of operations and financial condition of the Resulting Issuer.

Non-compliance with federal, provincial or municipal laws and regulations, or the expansion of current, or the enactment of new, laws or regulations, could adversely affect the Resulting Issuer's business. The activities of the Resulting Issuer (psychedelic-assisted therapies) are subject to regulation by governmental authorities, and the Resulting Issuer's business objectives are contingent, in part, upon its and its personnel's compliance with regulatory requirements enacted by these governmental authorities, and obtaining all regulatory approvals, where necessary, for the carrying on of business operations. Any delays in obtaining, failure to obtain, or violations of regulatory approvals and requirements would significantly delay the development of markets and products and could have a material adverse effect on the business, results of operations and financial condition of the Resulting Issuer.

#### *Ability to Access Public and Private Capital*

MEC has historically, and continues to have, robust access to both public and private capital in Canada in order to support its continuing operations. This is evidenced by MEC's consistent ability to access public capital on multiple occasions and the Resulting Issuer's intention to complete the financings after completion the Closing and listing.

#### *Volatile Market Price of the Resulting Issuer's Shares*

The market price of the Resulting Issuer's Shares may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond the Resulting Issuer's control. This volatility may affect the ability of holders of the Shares to sell their shares at an advantageous price. Market price fluctuations in the Resulting Issuer's Shares may be due to the Resulting Issuer's operating results failing to meet expectations of securities analysts or investors in any period, downward revision in securities analysts' estimates, adverse changes in general market conditions or economic trends, acquisitions, dispositions or other material public announcements by the Resulting Issuer or its competitors, along with a variety of additional factors. These broad market fluctuations may adversely affect the market price of the Resulting Issuer's Shares.

Financial markets historically, at times, experienced significant price and volume fluctuations that have particularly affected the market prices of equity securities of companies and that have often been unrelated to the operating performance, underlying asset values or prospects of such companies. Accordingly, the market price of the post-Consolidation MEC Shares may decline even if the Resulting Issuer's operating results, underlying asset values or prospects have not changed. Additionally, these factors, as well as other related factors, may cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses for the Resulting Issuer.

#### *Competition*

The psychedelic therapy industry is intensely competitive, and the Resulting Issuer competes with other companies that may have greater financial resources and technical facilities. Numerous other businesses are expected to compete in the psychedelic-assisted therapy industry. An increase in competition for psychedelic-assisted therapy may decrease prices and result in lower profits. This increases the risk that the Resulting Issuer will not be able to access financing when needed, or at all.

The biotechnology and pharmaceutical industries are intensely competitive and subject to rapid and significant technological change. The Resulting Issuer's competitors include large, well-established pharmaceutical companies, biotechnology companies, and academic and research institutions developing

therapeutics for the same indications the Resulting Issuer is targeting and competitors with existing marketed therapies. Many other companies are developing or commercializing therapies to treat the same diseases for which the Resulting Issuer's product candidates may be useful. Many of the Resulting Issuer's competitors have substantially greater financial, technical and human resources that the Resulting Issuer does and have significantly greater experience that the Resulting Issuer in conducting preclinical testing and human clinical trials of product candidates, scaling up manufacturing operations and obtaining regulatory approvals of products. Accordingly, The Resulting Issuer's competitors may succeed in obtaining regulatory approval for products more rapidly than the Resulting Issuer does.

#### *Environmental and Employee Health and Safety Regulations*

The psychopharmacological industry is subject to environmental and safety laws and regulations concerning, among other things, emissions and discharges to water, air and land, the handling and disposal of hazardous and non-hazardous materials and wastes and employee health and safety. Failure to comply with environmental and safety laws and regulations may result in additional costs for corrective measures, penalties or in restrictions in manufacturing operations. In addition, changes in environmental, employee health and safety or other laws and regulations, more vigorous enforcement thereof or other unanticipated events could require extensive changes to operations or give rise to material liabilities, which could have a material adverse effect on the business, results of operations and financial condition of the Resulting Issuer.

The Resulting Issuer's laboratory operations will be subject to environmental protection laws and regulations that prescribe methods for storing and disposing of chemicals and controlled compounds, as the operations will involve spores, silica gels dried mushroom powder, solvents for extraction and chromatographic separations in solvent systems which present potential and low-grade hazard to human health. Prior to commencing its laboratory operations, the Resulting Issuer will establish internal policies to comply with all such environmental laws and regulations.

Government environmental approvals and permits may be required in connection with the Resulting Issuer's operations. To the extent such approvals are required and not obtained, the Resulting Issuer may be curtailed or prohibited from its proposed business activities or from proceeding with the development of its operations as currently proposed.

#### *Risks Inherent in an Agriculture Business*

The Resulting Issuer's business may involve the cultivation of an agricultural product and is subject to the risks inherent in the agricultural business, such as insects, plant diseases, and invasive species. Although the Resulting Issuer expects that any such growing will be completed indoors under climate-controlled conditions, there can be no assurance that natural elements will not have a material adverse effect on any future production.

#### *Biomass Materials*

The Resulting Issuer's health and medical products are derived from plants and fungi. Accordingly, the Resulting Issuer and/or its manufacturer will be required to acquire enough biomass materials so that the products can be produced to meet the demand of its clinical trials. A raw material shortage could result in loss of sales and damage to the Resulting Issuer. If the Resulting Issuer and/or its manufactures become unable to acquire pharmaceutical quality biomass materials on a timely basis and at reasonable prices and are unable to find one or more replacement suppliers with the regulatory approvals to produce biomass materials at a substantially equivalent cost, in substantially equivalent volumes and quality, and on a timely basis, The Resulting Issuer will likely be unable to meet its production quotas.

Some biomass materials required for the products offered by the Resulting Issuer may require regulatory approval by Health Canada or an equivalent regulatory body because the plant or fungi may contain a controlled substance. While the Corporation believes that it can acquire the requisite licenses to possess, transport, process and use these raw materials to test or make products, there is a risk that Health Canada or an equivalent regulatory body can either reject or require further actions from the Resulting Issuer to approve the license which would cause delays or result in losses for the Resulting Issuer and could result in the abandonment of a specific project or products.

#### *Social Media*

There has been a recent marked increase in the use of social media platforms and similar channels that provide individuals with access to a broad audience of consumers and other interested parties. The availability and impact of information on social media platforms is virtually immediate and many social media platforms publish user-generated content without filters or independent verification as to the accuracy of the content posted. Information posted about the Resulting Issuer may be adverse to the Resulting Issuer's interest or may be inaccurate, each of which may harm the Resulting Issuer's business, financial condition and results of operations.

#### *Reliance on Information Technology Systems and Risk of Cyber-Attacks*

The Resulting Issuer may enter into agreements with third parties for hardware, software, telecommunications and other information technology services in connection with its operations, as a result of which, the Resulting Issuer's operations would depend, in part, on how well it and its contractors and consultants protect networks, equipment, information technology systems and software against damage from a number of threats, including, but not limited to, cable cuts, damage to physical plants, natural disasters, intentional damage and destruction, fire, power loss, hacking, computer viruses, vandalism and theft. The Resulting Issuer's operations would also depend on the timely maintenance, upgrade and replacement of networks, equipment, information technology systems and software, as well as pre-emptive expenses to mitigate the risks of failures. Any of these and other events could result in information system failures, delays and/or increase in capital expenses. The failure of information systems or a component of information systems could, depending on the nature of any such failure, adversely impact the Resulting Issuer's reputation and results of operations.

There can be no assurance that the Resulting Issuer will not incur material losses relating to cyber-attacks or other information security breaches in the future. The Resulting Issuer's risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attack, damage or unauthorized access is a priority. As cyber threats continue to evolve, the Corporation may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and mediate any security vulnerabilities.

#### *Unfavourable Publicity or Consumer Perception*

The success of the psychedelic therapy industry may be significantly influenced by the public's perception of psychedelic medicinal applications. Psychedelic therapy is a controversial topic, and there is no guarantee that future scientific research, publicity, regulations, medical opinion and public opinion relating to psychedelic therapy will be favourable. The psychedelic therapy industry is an early-stage business that is constantly evolving, with no guarantee of viability. The market for psychedelic-assisted therapy is uncertain, and any adverse or negative publicity, scientific research, limiting regulations, medical opinion

and public opinion relating to the consumption of psychedelic therapy may have a material adverse effect on the Resulting Issuer's operational results, consumer base and financial results.

### *Management of Growth*

In order to manage growth and changes in strategy effectively, Resulting Issuer must: (a) maintain adequate systems to meet customer demand; (b) expand sales and marketing, distribution capabilities, and administrative functions; (c) expand the skills and capabilities of its current management team; and (d) attract and retain qualified employees. While it intends to focus on managing its costs and expenses over the long term, the Resulting Issuer expects to invest its earnings and capital to support its growth but may incur additional unexpected costs. If the Resulting Issuer incurs unexpected costs, it may not be able to expand quickly enough to capitalize on potential market opportunities.

The Resulting Issuer may be subject to growth-related risks, including pressure on its internal systems and controls. The Resulting Issuer'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 Resulting Issuer to deal with this growth could have a material adverse impact on its business, operations and prospects. While management believes that it will have made the necessary investments in infrastructure to process unanticipated volume increases in the short term, the Resulting Issuer may experience growth in the number of its employees and the scope of its operating and financial systems, resulting in increased responsibilities for the Resulting Issuer's personnel, the hiring of additional personal and, in general, higher levels of operating expenses. In order to manage its current operations and any future growth effectively, the Resulting Issuer will also 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 assurance that the Resulting Issuer will be able to manage such growth effectively, that is management, personnel or systems will be adequate to support the Resulting Issuer's operations or that the Resulting Issuer will be able to achieve the increased levels of revenue commensurate with the increased levels of operating expenses associated with this growth.

### *Dependence on Management Team*

The Resulting Issuer will depend on certain key senior managers who have developed many strong relationships in the industry to oversee the Resulting Issuer's core marketing, business development, operational and fund-raising activities. Their loss or departure in the short-term would have an adverse effect on the Resulting Issuer's future performance.

### *Reliance on Third Parties*

The Resulting Issuer relies on outside sources to manufacture the psychedelics and further relies on outside sources to distribute the Resulting Issuer's products. The failure of such third parties to deliver either components or finished goods on a timely basis could have a material adverse effect on the business. As these are third parties over which the Resulting Issuer will have little or no control, the failure of such third parties to provide components or finished goods on a timely basis could have a material adverse effect on the business, financial conditions and operating results.

### *Intellectual Property*

The Resulting Issuer currently has not obtained any trademarks or patents. Failure to obtain or register trademarks or patents could result in a material adverse impact on its business. If the Resulting Issuer is unable to register or, if registered, maintain effective patent rights for its product candidates, the Resulting Issuer may not be able to effectively compete in the market. If the Resulting Issuer is not able to protect its

proprietary information and know-how, such proprietary information may be used by others to compete against the Resulting Issuer. The Resulting Issuer may not be able to identify infringements of its patents (if and when granted), and accordingly the enforcement of its intellectual property rights may be difficult. Once such infringements are identified, enforcement could be costly and time consuming. Third party claims of intellectual property infringement, whether or not reasonable, may prevent or delay the Resulting Issuer's development and commercialization efforts.

The Resulting Issuer's success will depend in part upon its ability to protect its intellectual property and proprietary technologies and upon the nature and scope of the intellectual property protection the Resulting Issuer receives. The ability to compete effectively and to achieve partnerships will depend on its ability to develop and maintain proprietary aspects of the Resulting Issuer's technology and to operate without infringing on the proprietary rights of others. The presence of such proprietary rights of others could severely limit its ability to develop and commercialize its products and to conduct its existing research, and could require financial resources to defend litigation, which may be in excess of the Resulting Issuer's ability to raise such funds. There is no assurance that the Resulting Issuer's patent applications submitted or those that it intends to acquire will be approved in a form that will be sufficient to protect its proprietary technology and gain or keep any competitive advantage that the Resulting Issuer may have or once approved, will be upheld in any post-grant proceedings brought by any third parties.

The patent positions of pharmaceutical companies can be highly uncertain and involve complex legal, scientific and factual questions for which important legal principles remain unresolved. Patents issued to the Resulting Issuer may be challenged, invalidated or circumvented. To the extent the Resulting Issuer's intellectual property offers inadequate protection, or is found to be invalid or unenforceable, the Resulting Issuer will be exposed to a greater risk of direct competition. If its intellectual property does not provide adequate protection against the Resulting Issuer's competitors, its competitive position could be adversely affected, as could the Resulting Issuer's business, financial condition and results of operations. Both the patent application process and the process of managing patent disputes can be time consuming and expensive, and the laws of some foreign countries may not protect the Resulting Issuer's intellectual property rights to the same extent as do the laws of Canada. The Resulting Issuer will be able to protect its intellectual property from unauthorized use by third parties only to the extent that its proprietary technologies, key products, and any future products are covered by valid and enforceable intellectual property rights, including patents, or are effectively maintained as trade secrets, and provided the Resulting Issuer has the funds to enforce its rights, if necessary.

#### *Use of Funds*

This Listing Statement includes the Resulting Issuer's estimate of its use of available funds over the past 12 months. As the Resulting Issuer further expands its business, it is possible that results and circumstances may dictate a departure from the current expected uses. Further, the Resulting Issuer may, from time to time, as opportunities arise, utilize its financial resources to participate in additional opportunities that arise and fit within the Resulting Issuer's broader objectives, as a means of advancing shareholder value.

#### *Conflicts of Interest*

Some of the Resulting Issuer's directors and officers may act as directors and/or officers of other health and wellness companies. As such, such directors and officers may be faced with conflicts of interest when evaluating alternative health and wellness opportunities. In addition, the Resulting Issuer's directors and officers may prioritize the business affairs of another company over the affairs of the Resulting Issuer.

#### *Personnel*

The Resulting Issuer has a small management team, and the loss of any key individual could affect the Resulting Issuer's business. Additionally, the Resulting Issuer will be required to secure other personnel to facilitate its marketing and development initiative. Any inability to secure and/or retain appropriate personnel may have a materially adverse impact on the business and operations of the Resulting Issuer.

#### *Tax Issues*

Income tax consequences in relation to the purchase and sale of Resulting Issuer Common Shares will vary according to the circumstances of each purchaser. Prospective purchasers should seek independent advice from their own tax and legal advisers prior to purchasing any Resulting Issuer Common Shares.

#### *Development Risks*

Future development of the Resulting Issuer's business may not yield expected returns and may strain management resources. Development of the Resulting Issuer's revenue streams is subject to a number of risks, including construction delays, costs 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.

#### *Negative Cash Flow from Operating Activities*

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

#### *Smaller Companies*

Market perception of junior companies may change, potentially affecting the value of investors' holdings and the ability of the Resulting Issuer to raise further funds through the issue of further Resulting Issuer Common Shares or otherwise. The share price of publicly traded smaller companies can be highly volatile. The value of the Resulting Issuer Common Shares may rise or fall and, in particular, the share price may be subject to sudden and large falls in value given the restricted marketability of the Resulting Issuer Common Shares.

#### *Substantial Risk of Regulatory or Political Change*

The success of the business strategy of the Resulting Issuer depends on the legality of the use of psychedelics for the treatment of mental health conditions and pain management and the acceptance of such use in the medical community. The political environment surrounding the psychedelics industry in general can be volatile. As of the date of this Listing Statement, Canada permits the use of ketamine or a derivative thereof as a treatment for certain mental health conditions; however, the risk remains that a shift in the regulatory or political realm could occur and have a drastic impact on the use of psychedelics as a whole, adversely impacting the Resulting Issuer's ability to successfully operate or grow its business.

#### *Ability to Establish and Maintain Bank Accounts*

There is a risk that banking institutions in countries where the Resulting Issuer operates will not open accounts for the Resulting Issuer or will not accept payments or deposits from proceeds related to the

psychedelic-assisted therapy industry. Such risks could increase costs for the Resulting Issuer or prevent the Resulting Issuer from expanding into certain jurisdictions.

#### *Reliance Upon Insurers and Governments*

Even if the Resulting Issuer is able to commercialize pharmaceutical products, the products may not receive adequate reimbursement from government or private pay insurers. Additionally, fluctuation in drug prices caused by governments and insurers could affect the Resulting Issuer's business.

#### *Insurance Coverage*

The Resulting Issuer's production is, in general, subject to different risks and hazards, including adverse weather conditions, fires, plant diseases and pest infestations, other natural phenomena, industrial accidents, labour disputes, changes in the legal and regulatory framework applicable to the Resulting Issuer and environmental contingencies.

The Resulting Issuer will seek suitable insurance coverage over the Resulting Issuer's production and facilities. Certain types of risks and hazards to which the Resulting Issuer is exposed may not be covered by the policies that are available to the Resulting Issuer. Additionally, any claims to be paid by an insurer due to the occurrence of a casualty covered by the Resulting Issuer's policies may not be sufficient to compensate the Resulting Issuer for all of the damages suffered. The Resulting Issuer may not be able to maintain or obtain insurance of the type and amount desired at a reasonable cost. If the Resulting Issuer were to incur significant liability for which it were not fully insured, it could have a materially adverse effect on the Resulting Issuer's business, financial condition, and results of operations.

#### *Global Economy*

Financial and securities markets in Canada are influenced by the economic and market conditions in other countries. Although economic conditions in these countries may differ significantly from economic conditions in Canada, international investors' reactions to developments in these other countries, may substantially affect capital inflows into the Canadian economy, and the market value of securities of issuers with operations in Canada.

Economic downturn or volatility could have a material adverse effect on the Resulting Issuer's business, financial condition and results of operations. In addition, weakening of economic conditions could lead to reductions in demand for the Resulting Issuer's products. For example, its revenues can be adversely affected by high unemployment and other economic factors. Further, weakened economic conditions or a recession could reduce the amount of income customers are able to spend on the Resulting Issuer's products. In addition, as a result of volatile or uncertain economic conditions, the Resulting Issuer may experience the negative effects of increased financial pressures on its clients. For instance, the Resulting Issuer's business, financial condition and results of operations could be negatively impacted by increased competitive pricing pressure, which could result in the Resulting Issuer incurring increased bad debt expense. If the Resulting Issuer is not able to timely and appropriately adapt to changes resulting from a weak economic environment, its business, results of operations and financial condition may be materially and adversely affected.

#### *Enforcement of Judgments*

Certain directors and officers of the Resulting Issuer reside outside of Canada. Some or all of the assets of such persons maybe be located outside of Canada. Therefore, it may not be possible for investors to collect or to enforce judgements obtained in Canadian courts predicated upon the civil liability provisions of



applicable Canadian securities laws against such person. Moreover, it may not be possible for investors to effect service of process within Canada upon such persons.

#### *Enforcement of Legal Rights*

In the event of a dispute arising from the Resulting Issuer's foreign operations, the Resulting Issuer may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subject foreign persons to the jurisdictions of courts in Canada. Similarly, to the extent that the Resulting Issuer's assets are located outside of Canada, investors may have difficulty collecting from the Resulting Issuer any judgements obtained in the Canadian courts and predicated on the civil liability provisions of securities laws. The Resulting Issuer may also be hindered or prevented from enforcing its rights with respect to a governmental entity or instrumentality because of the doctrine of sovereign immunity.

#### *Difficult to Forecast*

The Resulting Issuer must rely largely on its own market research to forecast the utilization of its services, as detailed forecasts are not generally obtainable from other sources at this early stage of the psychedelics industry in Canada and the United Kingdom. A failure in the demand for its services to materialize as a result of competition, technological change, market acceptance or other factors could have a material adverse effect on the business, results of operations and financial condition of the Resulting Issuer.

From time to time, studies or clinical trials on various aspects of biopharmaceutical products are conducted by academic researchers, competitors or others. The results of these studies or trials, when published, may have a significant effect on the market for the biopharmaceutical product that is the subject of the study. The publication of negative results of studies or clinical trials or adverse safety events related to the psychedelic industry, could adversely affect the Resulting Issuer's ability to finance future developments or the price of the Resulting Issuer Common Shares, and the Resulting Issuer's business and financial results could be materially and adversely affected.

### **Financial and Accounting Risks**

#### *Dilution*

The financial risk of the Resulting Issuer's future activities will be borne to a significant degree by purchasers of the Resulting Issuer's Common Shares. If the Resulting Issuer issues Common Shares from its treasury for financing purposes, control of the Resulting Issuer may change, and purchasers may suffer additional dilution.

#### *Estimates or Judgments Relating to Critical Accounting Policies*

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Albert Labs bases its estimates on historical experience and on various other assumptions that it believes to be reasonable under the circumstances, as provided in the notes to the Albert Labs Financial Statements set forth in Schedule [C], the results of which form the basis for making judgments about the carrying values of assets, liabilities, equity, revenue and expenses that are not readily apparent from other sources. Albert Labs operating results may be adversely affected if the assumptions change or if actual circumstances differ

from those in the assumptions, which could cause Albert Labs' operating results to fall below the expectations of securities analysts and investors, resulting in a decline in the share price of Albert Labs. Significant assumptions and estimates used in preparing the financial statements include those related to the credit quality of accounts receivable, income tax credits receivable, share based payments, impairment of non-financial assets, fair value of biological assets, as well as revenue and cost recognition.

#### *Tax Risks*

The Resulting Issuer will operate and will be subject to income tax and other forms of taxation in multiple jurisdictions. Taxation laws and rates which determine taxation expenses may vary significantly in different jurisdictions, and legislation governing taxation laws and rates are also subject to change. Therefore, the Resulting Issuer's earnings may be impacted by changes in the proportion of earnings taxed in different jurisdictions, changes in taxation rates, changes in estimates of liabilities and changes in the amount of other forms of taxation. The Resulting Issuer may have exposure to greater than anticipated tax liabilities or expenses. The Resulting Issuer may be subject to income taxes and non-income taxes in a variety of jurisdictions and its tax structure may be subject to review by both domestic and foreign taxation authorities and the determination of the Resulting Issuer's provision for income taxes and other tax liabilities will require significant judgment.

### **Risks Related to the Common Shares and Completion of the Share Exchange**

#### *Market for the Common Shares*

There can be no assurance that an active trading market for the Common Shares will develop or, if developed, that any market will be sustained. The Resulting Issuer cannot predict the prices at which the Common Shares will trade. The price of the Albert Labs share subscription price was determined by negotiations with the Albert Labs and the corporate advisors in connection with the financing and might not bear any relationship to the market price at which the Common Shares will trade or to any other established criteria of the value of Albert Labs' business. Fluctuations in the market price of the Common Shares could cause an investor to lose all or part of its investment in Common Shares. Factors that could cause fluctuations in the trading price of the Common Shares include: (a) announcements of new offerings, products, services or technologies, commercial relationships, acquisitions or other events by Albert Labs or its competitors; (b) price and volume fluctuations in the overall stock market from time to time; (c) significant volatility in the market price and trading volume of agriculture companies; (d) fluctuations in the trading volume of the Common Shares or the size of Albert Labs' public float; (e) actual or anticipated changes or fluctuations in Albert Labs' results of operations; (f) whether Albert Labs' results of operations meet the expectations of securities analysts or investors; (vii) actual or anticipated changes in the expectations of investors or securities analysts; (g) litigation involving Albert Labs, its industry, or both; (h) regulatory developments in the Canada, Portugal and the United Kingdom; (i) general economic conditions and trends; (j) major catastrophic events; (k) escrow releases, sales of large blocks of the Common Shares; (l) departures of key employees or members of management; or (m) an adverse impact on Albert Labs from any of the other risks cited herein.

#### *Liquidity of the Resulting Issuer Common Shares*

The approval of the Listing of the Resulting Issuer Common Shares on the CSE should not be taken as implying that there will be a liquid market for the Resulting Issuer Common Shares. Investors should be aware that the value of the Issuer Common Shares may be volatile. Investors may, on disposing of their Resulting Issuer Common Shares, realize less than their original investment, or may lose their entire investment. The Resulting Issuer Common Shares, therefore, may not be suitable as an investment.

The market price of the Resulting Issuer Common Shares may not reflect the underlying value of the Resulting Issuer's net assets. The price at which the Resulting Issuer Common Shares will be traded, and the price at which investors may purchase and sell their Resulting Issuer Common Shares, will be influenced by a large number of factors, some specific to the Resulting Issuer and its proposed operations, and some which may affect the sectors in which the Resulting Issuer operates. Such factors could include the performance of the Resulting Issuer's operations, large purchases or sales of the Resulting Issuer Common Shares, liquidity or the absence of liquidity in the Resulting Issuer Common Shares, legislative or regulatory changes relating to the business of the Resulting Issuer, and general market and economic conditions.

#### *Substantial Number of Authorized But Unissued Shares*

The Resulting Issuer has an unlimited number of Resulting Issuer Common Shares that may be issued by the Board without further action or approval of the Resulting Issuer's shareholders. While the Board is required to fulfill its fiduciary obligations in connection with the issuance of such shares, the shares may be issued in transactions with which not all shareholders agree, and the issuance of such shares will cause dilution to the ownership interests of the Resulting Issue's shareholders.

#### *No History of Payment of Cash Dividends*

The Resulting Issuer does not anticipate paying cash dividends on the Common Shares in the foreseeable future. Payment of future cash dividends, if any, will be at the discretion of the Board and will depend on the financial condition, results of operations, contractual restrictions, capital requirements, business prospects and other factors that the Board considers relevant.

#### *Reporting Issuer Status*

From the date of incorporation to the date of this Filing Statement, Albert Labs has not been subject to the continuous and timely disclosure requirements of Canadian securities laws or other rules, regulations and policies of the CSE. As a reporting issuer, Albert Labs will be subject to reporting requirements under applicable securities law and stock exchange policies. Albert Labs is working with its legal, accounting and financial advisors to identify those areas in which changes should be made to Albert Labs' financial management control systems to manage its obligations as a public company. Compliance with these requirements will increase legal and financial compliance costs, make some activities more difficult, time consuming or costly and increase demand on existing systems and resources. Among other things, Albert Labs will be required to file annual, quarterly and current reports with respect to its business and results of operations and maintain effective disclosure controls and procedures and internal controls over financial reporting. In order to maintain and, if required, improve disclosure controls and procedures and internal controls over financial reporting to meet this standard, significant resources and management oversight may be required. As a result, management's attention may be diverted from other business concerns, which could harm Albert Labs' business and results of operations. Albert Labs may need to hire additional employees to comply with these requirements in the future, which would increase its costs and expenses.

#### *Significant Sales of Common Shares*

The Common Shares held by Albert Labs' directors, executive officers, Control Persons and certain other security holders of Albert Labs' may be subject to contractual lock-up restrictions and may also be subject to escrow pursuant to the policies of the CSE. Sales of a substantial number of the Common Shares in the public market after the expiry of lock-up, or escrow restrictions, or the perception that these sales could occur, may adversely affect the market price of the Common Shares and could make it more difficult for investors to sell Common Shares at a favourable time and price.

### *Analyst Coverage*

The trading market for the Common Shares may become dependent on the research and reports that securities or industry analysts publish about Albert Labs or its business. Albert Labs will not have any control over these analysts. If one or more of the analysts who covers Albert Labs should downgrade the Common Shares or change their opinion of Albert Labs' business prospects, Albert Labs' share price would likely decline. If one or more of these analysts ceases coverage Albert Labs' or fails to regularly publish reports on Albert Labs, Albert Labs could lose visibility in the financial markets, which could cause the Common Share price or trading volume to decline.

### *Tax Issues*

There are income tax consequences in relation to the Common Shares in the context of the Share Exchange that will vary according to circumstances of each investor. Prospective investors should seek independent advice from their own tax and legal advisers.

### *Completion of the Qualifying Transaction is Subject to Conditions Precedent*

The Completion of the Share Exchange is subject to a number of conditions precedent, including the final approval by the CSE. There can be no assurance that these conditions will be satisfied and that the Qualifying Transaction will be completed.

### *General*

Although management believes that the above risks fairly and comprehensibly illustrate all material risks facing the Resulting Issuer, the risk noted above do not necessarily comprise all those potentially faced by the Resulting Issuer as it is impossible to foresee all possible risks.

Although the Board will seek to minimize the impact of the risk factors, an investment in the Resulting Issuer should only be made by investors able to sustain a total loss of their investment. Investors are strongly recommended to consult a person who specializes in investments of this nature before making any decision to invest.

## **17.2 Additional Securityholder Risk**

There is no requirement that securityholders of the Resulting Issuer may become liable to make any additional contributions beyond the price of the Resulting Issuer Common Shares

## **17.3 Other Risks**

There are no risk factors material to the Resulting Issuer that a reasonable investor would consider relevant to any investment in the securities being listed and that are not otherwise described under Sections 17.1 or 17.2.

## **18. PROMOTERS**

---

The Resulting Issuer does not expect to have any Promoters other than its directors and officers, nor has the Resulting Issuer had a Promoter other than such persons within the two years immediately preceding the date of this Listing Statement.

## **19. LEGAL PROCEEDINGS**

---

### **19.1 Legal Proceedings**

*MEC*

MEC has not been and nor is it presently involved in any legal proceedings material to it and no such proceedings are, to the knowledge of MEC, contemplated.

*Albert Labs Inc.*

Albert Labs has not been and nor is it presently involved in any legal proceedings material to it and no such proceedings are, to the knowledge of MEC, contemplated.

### **19.2 Regulatory Actions**

*MEC*

During the three (3) years immediately preceding the date of this Listing Statement, MEC has not: (i) been the subject of any penalties or sanctions imposed by a court or by a securities regulatory authority relating to securities legislation; (ii) been the subject of any other penalties or sanctions imposed by a court or regulatory body; or (iii) entered into any settlement agreements before a court or with a securities regulatory authority relating to securities legislation.

*Albert Labs*

Since the date of its incorporation on September 16, 2020, Albert Labs has not: (i) been the subject of any penalties or sanctions imposed by a court or by a securities regulatory authority relating to securities legislation; (ii) been the subject of any other penalties or sanctions imposed by a court or regulatory body; or (iii) entered into any settlement agreements before a court or with a securities regulatory authority relating to securities legislation.

## **20. INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS**

---

*MEC*

Other than as disclosed in the Audited Financial Statements of MEC attached as Appendix B to this Listing Statement, to the knowledge of MEC, no director or executive officer of MEC, person or company that is the direct or indirect beneficial owner of, or who exercises control or direction over, more than ten percent (10%) of the issued and outstanding MEC Shares, or an associate or affiliate thereof had any material interest, direct or indirect, in any transaction within the three (3) years before the date of this Listing Statement, or in any proposed transaction, that has materially affected or will materially affect MEC.

### *Albert Labs*

To the knowledge of MEC, no director or executive officer of Albert Labs, person or company that is the direct or indirect beneficial owner of, or who exercises control or direction over, more than ten percent (10%) of the issued and outstanding Albert Labs Inc. Shares, or an associate or affiliate thereof had any material interest, direct or indirect, in any transaction since the date of its incorporation on September 16, 2020, or in any proposed transaction, that has materially affected or will materially affect Albert Labs Inc.

## **21. AUDITORS, TRANSFER AGENT AND REGISTRAR**

---

### **21.1 Auditor**

#### *MEC*

The auditor of MEC is Sam S. Mah Inc., Chartered Professional Accountant. The address of the auditors is Unit 114B – 8988 Fraserton Court, Burnaby, British Columbia V5J 5H8.

#### *Albert Labs Inc.*

The auditor of Albert Labs is Sam S. Mah Inc., Chartered Professional Accountant. The address of the auditors is 114B – 8988 Fraserton Court, Burnaby, British Columbia V5J 5H8.

### **21.2 Transfer Agent and Registrar**

#### *MEC*

The transfer agent and registrar of MEC is Computershare Trust Company of Canada. The address of the transfer agent and registrar is 2<sup>nd</sup> Floor, 510 Burrard Street, Vancouver, British Columbia V6C 3B9.

#### *Albert Labs Inc.*

Not applicable.

## **22. MATERIAL CONTRACTS**

---

### **22.1 Material Contracts**

#### *MEC*

The material contracts, other than contracts entered into in the ordinary course of business, that was entered into by MEC within the two (2) years before the date of this Listing Statement are as follows:

- (a) Share Exchange Agreement; and
- (b) Debt Settlement Agreements.

See "*Fundamental Change or Acquisition*" in Section 2.4 hereof.

*Albert Labs Inc.*

The material contracts, other than contracts entered into in the ordinary course of business, that were entered into by Albert Labs since the date of its incorporation on September 16, 2020, are as follows:

- (a) the Share Exchange Agreement.

See "*Fundamental Change or Acquisition*" in Section 2.4 hereof.

## **22.2 Co-Tenancy, Unitholders' or Limited Partnership Agreement**

Not applicable.

## **23. INTEREST OF EXPERTS**

---

### **23.1 – 23.4 Interest of Experts**

No person or company whose profession or business gives authority to a statement made by the person or company and who is named as having prepared or certified a part of this Listing Statement or prepared or certified a report or valuation described or included in this Listing Statement, holds any material beneficial interest, direct or indirect, in any securities or property of MEC or of a Related Person of MEC.

## **24. OTHER MATERIAL FACTS**

---

There are no other material facts about MEC, Albert Labs, the Resulting Issuer or the Share Exchange that are not elsewhere disclosed herein and which are necessary in order for this Listing Statement to contain full, true and plain disclosure of all material facts relating to MEC, Albert Labs and the Resulting Issuer, assuming completion of the Share Exchange.

## **25. FINANCIAL STATEMENTS**

---

### **25.1 Audited Financial Statements**

MEC's audited annual financial statements for the financial years ended December 31, 2020, and 2019 the notes thereto and the corresponding MD&A have been filed on SEDAR at [www.sedar.com](http://www.sedar.com) and are incorporated by reference herein. See Appendix B hereof.

### **25.2 Audited Financial Statements Following a Fundamental Change**

*Albert Labs Inc.*

Albert Labs' audited annual financial statements for the financial year ended December 31, 2020, the notes thereto and the corresponding MD&A are attached as Appendix C hereof and are incorporated by reference herein.

*Resulting Issuer*


MEC's *pro forma* consolidated annual financial statements, giving effect to the Share Exchange, for the financial year ended December 31, 2020, prepared in accordance with IFRS (as applicable to Canadian public enterprises), are attached as Appendix D hereof.



**CERTIFICATE OF ME RESOURCE CORP.**

Pursuant to a resolution duly passed by the Board, ME Resource Corp. hereby applies for the listing of the above-mentioned securities on the Exchange. The foregoing contains full, true and plain disclosure of all material information relating to ME Resource Corp. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light in light of circumstances in which it was made.

Dated at Vancouver, British Columbia this 7 day of March, 2022.



---

Navchand Jagpal

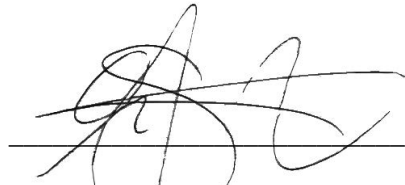
CEO, President and Director



---

Ravinder Kang


CFO and Director



---

Gurdeep Johal

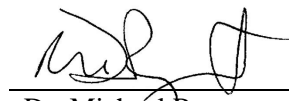
Director



---

Parminder Singh

Director



---

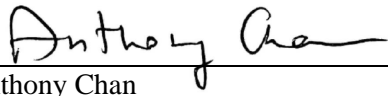
Dr. Michael Raymont

Director

**CERTIFICATE OF ALBERT LABS INC.**

The foregoing contains full, true and plain disclosure of all material information relating to ALBERT LABS INC. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at Vancouver, British Columbia this 7 day of March, 2022.



Anthony Chan

Director



Ali Gulamhusein

Director

**APPENDIX A – SHARE EXCHANGE AGREEMENT**

**SHARE EXCHANGE AGREEMENT**

among

**ME RESOURCE CORP.**

- and -

**ALBERT LABS INC.**

- and –

**ALL OF THE SHAREHOLDERS OF ALBERT LABS INC.**

Dated as of March 5, 2021

## TABLE OF CONTENTS

	<u>Page No.</u>
ARTICLE 1 INTERPRETATION	2
1.1 Defined Terms	2
1.2 Best of Knowledge	5
1.3 Schedules	6
1.4 Choice of Law and Attornment	6
1.5 Interpretation Not Affected by Headings or Party Drafting	6
1.6 Number and Gender	6
1.7 Time of Essence	6
ARTICLE 2 EXCHANGE OF SHARES	6
2.1 Exchange of Shares	6
2.2 Purchase Price	7
2.3 Trading Restrictions	7
2.4 Escrow Conditions	7
ARTICLE 3 REPRESENTATIONS, WARRANTIES AND ACKNOWLEDGMENTS	7
3.1 Representations and Warranties by Albert Labs	7
3.2 Representations and Warranties by the Albert Labs Shareholders	14
3.3 Representations and Warranties of MEC	15
ARTICLE 4 SURVIVAL OF REPRESENTATIONS AND WARRANTIES	19
4.1 Survival of Warranties	19
ARTICLE 5 COVENANTS	19
5.1 Covenants by Albert Labs	19
5.2 Covenants by the Albert Labs Shareholders	20
5.3 Covenants by MEC	21
5.4 Public Disclosure: Confidentiality	23
ARTICLE 6 CONDITIONS	23
6.1 Mutual Conditions Precedent	23
6.2 Conditions to the Obligations of MEC	24
6.3 Conditions to the Obligations of Albert Labs and the Albert Labs Shareholders	25

ARTICLE 7 CLOSING	27
7.1 Closing Date	27
7.2 Deliveries on Closing	27
7.3 Closing Arrangements	28
ARTICLE 8 GENERAL PROVISIONS	28
8.1 Notices	28
8.2 General	29
8.3 Further Assurances	30
8.4 Entire Agreement	30
8.5 Counterparts	30

## **SCHEDULES**

Schedule "A"	Albert Labs Shareholders
Schedule "B"	Albert Labs Financial Statements
Schedule "C"	Consideration Shares in Resulting Issuer

## SHARE EXCHANGE AGREEMENT

**THIS AGREEMENT** is dated for reference this 5<sup>th</sup> day of March 2021

**BETWEEN:**

**ME RESOURCE CORP.**, a corporation existing under the laws of the Province of British Columbia and have a mailing address at 6038 131 Street, Surrey, British Columbia, V3X 3N4

(“**MEC**”)

**AND:**

**ALBERT LABS INC.**, a corporation existing under the laws of the Province of British Columbia and have a mailing address at Unit 114B – Fraserton Court, Burnaby, British Columbia, V5J 5H8

(“**Albert Labs**”)

**AND:**

**Each of the shareholders of Albert Labs set forth in Schedule “A” hereto**

(the “**Albert Labs Shareholders**”)

**WHEREAS:**

- A. MEC is a corporation existing under the laws of the Province of British Columbia, the common shares of which are listed for trading on the Canadian Securities Exchange (the “**Exchange**”) under the symbol “**MEC**”;
- B. The authorized capital of MEC consists of an unlimited number of common shares without par value (the “**MEC Shares**”) of which 63,671,935 MEC Shares are issued and outstanding as fully paid and non-assessable shares as of the date hereof, and an unlimited number of preferred shares without par value, of which none are issued and outstanding as of the date hereof;
- C. Albert Labs is a company existing under the laws of the Province of British Columbia.

- D. The authorized capital of Albert Labs consists of an unlimited number of voting common shares without par value (the “Albert Labs Shares”), of which 38,663,800 Albert Labs Shares are issued and outstanding as fully paid and non-assessable shares as of the date hereof (the “**Purchased Shares**”) and an unlimited number of preferred shares without par value, of which none are issued and outstanding as of the date hereof;
- F. MEC and Albert Labs entered into a letter agreement dated January 15, 2021 (the “Letter Agreement”) , pursuant to which MEC and Albert Labs proposed to combine their respective businesses by way of share exchange or similar arrangement:
- G. Pursuant to the Letter Agreement, MEC wishes to purchase and the Albert Labs Shareholders wish to sell the Purchased Shares, in consideration for 38,663,800 Post-Consolidation MEC Shares (as defined herein) (the “**Consideration Shares**”) upon the terms and subject to the conditions hereinafter contained; and
- H. The Parties (as defined herein) wish to enter into this Agreement to more particularly set forth the terms and conditions of their agreement and this Agreement shall supersede and replace in its entirety the Letter Agreement.

NOW THEREFORE in consideration of the mutual agreements contained in this Agreement and other good and valuable consideration, the Parties hereby agree as follows:

## ARTICLE 1 INTERPRETATION

### 1.1 Defined Terms

In this Agreement and in the Schedules hereto, unless there is something in the subject matter or context inconsistent therewith, the following terms and expression will have the following meanings:

- (a) “**Agreement**” means this Share Exchange Agreement, including any Schedules, and all written amendments or restatements as agreed to by the Parties and includes the recitals hereto;
- (b) “**Albert Labs Financial Statements**” means the audited financial statements of Albert Labs for the fiscal year ended December 31, 2020, including a balance sheet, income (loss) statements and statements of operation together with the notes to such financial statements, all prepared in accordance with IFRS (as applicable to Canadian private enterprises), consistently applied, copies of which are appended at Schedule “B” hereto;
- (c) “**Applicable Laws**” has the meaning ascribed Subsection 3.1(25);
- (d) “**Authorizations**” has the meaning ascribed in Subsection 3.1(25);



- (e) “**Board Reconstitution**” has the meaning ascribed in Subsection 5.2(e);
- (f) “**Business Day**” means any day other than a day which is a Saturday, a Sunday or a statutory holiday in Vancouver, British Columbia;
- (g) “**Closing**” means the completion of the Share Exchange;
- (h) “**Closing Date**” has the meaning ascribed in Section 7.1;
- (i) “**Closing Time**” means 10:00 a.m. in Vancouver, British Columbia on the Closing Date or such other time on the Closing Date as the Parties may agree upon;
- (j) “**Condition of MEC**” means the conditions of the assets, liabilities, operations, activities, earnings, affairs and financial position of MEC;
- (k) “**Condition of Albert Labs**” means the conditions of the assets, liabilities, operations, activities, earnings, affairs and financial position of MEC;
- (l) “**Consolidation**” means the consolidation of the MEC Shares on the basis of the Consolidation Ratio, to be completed at or prior to Closing;
- (m) “**Consolidation Ratio**” means one (1) Post-Consolidation MEC Share for each ten (10) pre-Consolidation MEC Shares outstanding;
- (n) “**Control**” means with respect to any firm or corporation, direct or indirect, beneficial ownership of more than 50% of the voting securities of that corporation, including any securities which are voting only upon the occurrence of a contingency where such contingency has occurred and is continuing;
- (o) “**Encumbrances**” means mortgages, charges, pledges, security interest, liens, encumbrances, actions, claims, leases, demands and equities of any nature whatsoever or howsoever arising and any rights or privileges capable of becoming any of the foregoing;
- (p) “**Environmental Laws**” means any current federal or local law, regulation, order, decree, permit, authorization, opinion, common law or agency requirement relating to: (A) the protection, investigation or restoration of the indoor or outdoor environment, health, safety or natural resources; (B) the handling, use, presence, disposal, release or threatened release of any Hazardous Substance; (C) odour, indoor air, employee exposure, pollution, contamination; (D) and injury or threat of injury to Persons or property relating to any Hazardous Substance; and/or (E) the protection, management or use of surface water or ground water;

- (q) **“Escrow Agreement”** means the escrow agreement, if any is required by the Exchange, to be entered into amongst MEC, any of the Albert Labs Shareholders and such other parties as may be necessary or required by the Exchange;
- (r) **“Exchange Approval”** has the meaning ascribed in Subsection 5.2(c);
- (s) **“Hazardous Substances”** means any substance, material or waste that is listed, classified or regulated as hazardous, toxic or dangerous pursuant to any Environment Law including, but not limited to, petroleum products or by-products, asbestos containing materials, urea formaldehyde, radon gas, lead containing paint or plumbing and polychlorinated biphenyls;
- (t) **“IFRS”** means generally accepted accounting principles set out in the Canadian Institute for Chartered Accountants Handbook for any entity that prepares its financial statements in accordance with International Financial Reporting Standards;
- (u) **“Listing Statement”** means the listing statement of MEC to be prepared in accordance with the policies of the Exchange and filed on SEDAR describing the Share Exchange and all related transactions;
- (v) **“MEC Financial Statements”** means the audited financial statements of MEC for the financial year ended December 31, 2020 and the unaudited financial statements of MEC for the three (3) months ended March 31, 2021, including the balance sheets, income (loss) statements and statements of operation together with notes to such financial statements, all prepared in accordance with IFRS (as applicable to Canadian public enterprises), consistently applied, copies of which are available on SEDAR;
- (w) **“MEC Shareholders”** means holder of MEC Shares;
- (x) **“Name Change”** has the meaning ascribed in Subsection 5.2 (d);
- (y) **“Parties”** means the parties to this Agreement, and a **“Party”** means any one of the Parties;
- (z) **“Person”** means and includes any individual, corporation, partnership, firm, joint venture, syndicate, association, trust, government, governmental agency or board or commission or authority, and any other form of entity or organization;
- (aa) **“Post-Consolidation MEC Shares”** means common shares without par value in the capital of MEC after giving effect to the Consolidation;
- (bb) **“Private Placement”** means a brokered private placement of subscription receipts of Albert Labs for gross proceeds of up to \$4,000,000 with each subscription receipt automatically converting into one (1) Post-Consolidation MEC Share on Closing;

- (cc) “**Release**” means any release, spill, leak, emission, discharge, leach, dumping, emission, escape or other disposal;
- (dd) “**Securities Act**” means the *Securities Act* (Albert), RSA 2000, c S-4, the *Securities Act* (British Columbia), RSBC 1996, c 418 and the *Securities Act* (Ontario), RSO 1990, cS.5, as amended from time to time;
- (ee) “**SEDAR**” means System for Electronic Document Analysis and Retrieval at [www.sedar.com](http://www.sedar.com), the mandatory electronic document filing and retrieval system for Canadian public companies;
- (ff) “**Share Exchange**” means the exchange of the Purchased Shares for the Consideration Shares in accordance with, and subject to, the terms and conditions of this Agreement;
- (gg) “**Shareholder Approval**” has the meaning ascribed in Subsection 5.2(b);
- (hh) “**Subsidiary**” means any corporation in which Albert Labs or MEC, as the case requires, beneficially owns, directly or indirectly, shares to which are attached more than 50% of the voting rights ordinarily exercisable at meetings of the shareholders of such corporation;
- (ii) “**Tax**” or “**Taxes**” (including, with correlative meaning, “**Taxable**”) means all federal, provincial, local and foreign taxes, assessments, levies, duties, impositions, withholdings and other governmental charges (including taxes based upon or measured by gross receipts, income, profits, sales, use or occupation, and value added, ad valorem, transfer, franchise, withholding, payroll, social security, employment, excise and property taxes), together with all interest, penalties and additions imposed with respect to such amounts and any obligations under any agreements or arrangements with any other Person with respect to such amounts;
- (jj) “**Tax Returns**” means all Tax returns, reports and forms (including withholding tax returns) for a Taxable period required to be filed by applicable federal, provincial, local or foreign Tax laws; and
- (kk) “**Termination Date**” has the meaning ascribed in Section 7.1

## 1.2 Best of Knowledge

Any reference herein to “the best of the knowledge” of a Party will be deemed to mean the actual knowledge of the Party and the best of the knowledge which they would have had if they had conducted a diligent inquiry into the relevant subject matter.

### **1.3 Schedules**

The Schedules listed in the table of contents to this Agreement and which are attached to this Agreement are. Incorporated into this Agreement by reference and are deemed to be part hereof.

### **1.4 Choice of Law and Attornment**

This agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable herein. The Parties agree that the courts in Vancouver, British Columbia will have exclusive jurisdiction to determine all disputes and claims arising between the Parties.

### **1.5 Interpretation Not Affected by Headings or Party Drafting**

The division of this Agreement into articles, sections, paragraphs, subsections and clauses and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The terms "this Agreement", "hereof", "herein", "hereunder" and similar expressions refer to this Agreement and the Schedules hereto and not to any particular article, section, paragraph, clause or other portion hereof and include any agreement or instrument supplementary or ancillary hereto.

### **1.6 Number and Gender**

In this Agreement, unless there is something in the subject matter or context inconsistent therewith: (a) words in the singular number include the plural and such words shall be construed as if the plural had been used; (b) words in the plural include the singular and such words shall be construed as if the singular had been used; and (c) words importing the use of any gender shall include all genders where the context or party referred to so requires, and the rest of the sentence shall be construed as if the necessary grammatical and terminological changes had been made.

### **1.7 Time of Essence**

Time shall be of the essence hereof.

## **ARTICLE 2 EXCHANGE OF SHARES**

### **2.1 Exchange of Shares**

Pursuant and subject to the provisions and conditions of this Agreement, each of the Albert Labs Shareholders hereby irrevocably agrees to sell, transfer and assign to MEC, and MEC hereby irrevocably agrees to purchase and acquire from the Albert Labs Shareholders, the Purchased Shares, free and clear of any Encumbrances.

## 2.2 Purchase Price

In consideration of the Purchased Shares, MEC hereby agrees to allot and issue to the Albert Labs Shareholders, in such amounts set forth opposite each Albert Shares Shareholder's name in Schedule "C" hereto, as fully paid and non-assessable securities, the Consideration Shares at a deemed value of \$0.25 per Consideration Share.

## 2.3 Trading Restrictions

The Albert Labs Shareholders acknowledge and agree that the Consideration Shares to be received by them may be subject to trading restrictions under the Securities Act and the policies of the exchange, and the Albert Labs Shareholders agree to abide by any and all such trading restrictions on the Consideration Shares to be received by them as may from time to time be imposed thereby to the extent applicable to the Albert Labs Shareholders.

## 2.4 Escrow Conditions

The Albert Labs Shareholders acknowledge and agree that some or all of the Consideration Shares to be received by them may be subject to escrow restrictions as required by the Exchange, and the Albert Labs Shareholders hereby agree to deposit any applicable Consideration Shares received by them in escrow under the terms of the Escrow Agreement, which Consideration Shares will be released from escrow on the basis of, at the time of, and in the manner stipulated in the Escrow Agreement.

# ARTICLE 3 REPRESENTATIONS, WARRANTIES AND ACKNOWLEDGEMENTS

## 3.1 Representations and Warranties by Albert Labs

Albert Labs hereby represents and covenants to MEC as follows, and acknowledges the MEC is relying upon the accuracy of each such representation and warranty in connection with the Share Exchange and the completion of the transactions hereunder:

### (1) Corporate Authority and Binding Obligation

Albert Labs is a corporation duly incorporated and validly subsisting under the laws of the Province of British Columbia. Albert Labs has good right, full corporate power and absolute authority to enter into this Agreement and to perform all of its obligations under this Agreement. Albert Labs has taken all necessary actions, steps and corporate and other proceedings to approve or authorize, validly and effectively, the entering into of, and the execution, delivery and performance of this Agreement. This Agreement is a legal, valid and binding obligation of Albert Labs, enforceable against it in accordance with its terms subject to: (i) bankruptcy, insolvency, moratorium, reorganization and other laws relating to or affect the enforcement of creditors' rights generally; and (ii) the fact that equitable

remedies, including the remedies of specific performance and injunction, may only be granted in the discretion of a court.

(2) Subsidiaries

Albert Labs has no Subsidiaries and is not a participant in any partnership, joint venture or other similar association.

(3) Authorized and Issued Capital

(a) The authorized share capital of Albert Labs consists of an unlimited number of common shares without par value and unlimited number of preferred shares without par value, of which 38,683,800 Albert Labs Shares and nil preferred shares are issued and outstanding as fully paid and non-assessable securities as of the date hereof. Other than the Purchased Shares, no other shares or other securities of Albert Labs have been issued since incorporation or are issued as of the date hereof.

(4) Contractual and Regulatory Approvals

Albert Labs is not under any obligation, contractual or otherwise, to request or obtain the consent of any Persons, and no permits, licences, certifications, authorizations or approvals of, or notifications to, any federal, provincial, municipal or local government or governmental agency, board, commission or authority are required to be obtained by Albert Labs: (i) in connection with the execution, delivery or performance by Albert Labs of this Agreement or the completion of any of the transactions contemplated hereunder; (ii) to avoid the loss of any permit, licence, certification or other authorization on or as a result of closing of the transactions contemplated hereunder; and (iii) in order that the authority of Albert Labs to carry on its business in the ordinary course and in the same manner as presently conducted remains in good standing and in full force and effect as of and following the closing of the transactions contemplated hereunder.

(5) Status, Charter Documents and Licences

(a) Albert Labs has all necessary corporate power and authority to own, lease or otherwise hold their properties and assets and to carry on their businesses, as they are now being conducted and proposed to be conducted. Complete and correct copies of the articles of Albert Labs have been delivered to MEC.

(b) Albert Labs is duly licenced, registered and qualified as a corporation to do business, is up-to-date in the filing of all required corporate returns and other notices and filings and is otherwise in good standing in all respects, in each jurisdiction where it carries on and proposes to carry on business.

(6) Compliance with Charter Documents, Agreements and Laws

The execution, delivery and performance of this Agreement and each of the other agreements contemplated or referred to herein by Albert Labs and the completion of the transactions contemplated hereby, will not conflict with nor constitute or result in a violation or material breach of or material default under, or cause the acceleration of any obligations of Albert Labs under:

- (a) any term or provision of any of the constating documents of Albert Labs. Or any director or shareholder minutes;
- (b) the terms of any agreement (written or oral), indenture, instrument or understanding or other obligation or restriction to which Albert Labs is a party or by which it is bound; or
- (c) any term or provision of any licence or any order or decree of any court, governmental authority or regulatory body or any law or regulation of any jurisdiction.

(7) Corporate Records

The corporate records and minute books of Albert Labs, copies of which have been provided to MEC, contain complete and accurate minutes or written resolutions, and as the case may be, of all meetings or actions by written resolution in lieu of holding such a meeting, of the directors and shareholders of Albert Labs at which resolutions were passed or adopted, as the case may be, since its incorporation. All such meetings were duly called and held unless action was taken by unanimous written consent. The share certificate books, register of members and register of directors and officers and any similar corporate records of Albert Labs, respectively, are complete and accurate.

(8) Directors and Officers

The following table discloses the names of all of the directors and officers of Albert Labs:

Director: Anthony Chan

Director: Ali Gulamhusein

(9) Shareholders Agreements, Other Agreements

There are no shareholders' agreements, pooling agreements, voting trusts or other similar agreements with respect to the ownership or voting of any of the Albert Labs Shares.

(10) Financial Statements

The Albert Labs Financial Statements have been prepared in accordance with IFRS, are true, correct and complete in all respects and present fairly the financial condition of Albert Labs as of the dates thereof, including the assets and liabilities of Albert Labs as of the dates thereof, and the revenues, expenses and results of the operations of Albert Labs for the fiscal years ended on the date thereof. There has been no material adverse change in the financial condition of Albert Labs since December 31, 2020, other than those outlined in subsequent events.

(11) Financial Records

All financial transactions of Albert Labs have been recorded in the financial books and records of Albert Labs in accordance with good business practice, and such financial books and records form the basis for the Albert Labs Financial Statements and the Albert Labs Financial Statements are derived from such books and records.

(12) Liabilities of Albert Labs In Respect of the Transactions

Albert Labs has no liabilities (contingent or otherwise) of any kind whatsoever, other than those liabilities reflected in the Albert Labs Financial Statements and other than those that arose or were accrued in the ordinary course of business consistent with past practice. To the best of the knowledge of Albert Labs, there is no basis for assertion against Albert Labs of any liabilities of any kind or in respect of which Albert Labs may become liable on or after the consummation of the transaction contemplated by this Agreement, either directly or indirectly, other than as disclosed herein.

(13) Indebtedness

Except as set out in the Albert Labs Financial Statements other than indebtedness that accrues in the ordinary course of business, Albert Labs, has no bonds, debentures, mortgages, promissory notes or other indebtedness and is not under any obligation to create or issue any bonds, debentures, mortgages, promissory notes or other indebtedness.

(14) Absence of Certain Material Changes or Events

Since December 31, 2020, Albert Labs has not:

- (a) incurred any obligation or liability (fixed or contingent), other than indebtedness that accrues in the ordinary course of business consistent with past practice;
- (b) created any Encumbrance upon any of its properties or assets;
- (c) sold, assigned, transferred, leased or otherwise disposed of any material assets;
- (d) purchased, leased or otherwise acquired any material assets;



- (e) waived, cancelled or written-off any material rights, claims, accounts receivable or any other amounts payable to Albert Labs;
- (f) entered into any transaction, contract, agreement or commitment outside of the ordinary course of business;
- (g) suffered any damage, destruction or loss (whether or not covered by insurance) which has materially adversely affected or could materially adversely affect the Condition of Albert Labs; or
- (h) made or incurred any material change in, or become aware of any event or condition which is likely to result in a material adverse change in the business or the Condition of Albert Labs.

(15) Dividends and Distributions

Since the date of incorporation, Albert Labs has not declared or paid any dividend or made any other distribution on any of its shares of any class, or redeemed or purchased or otherwise acquired any of its shares of any class, or reduced its authorized capital or issued capital, or agreed to do any of the foregoing.

(16) Litigation

There are no actions, suits or proceedings, judicial or administrative (whether or not purportedly on behalf of Albert Labs) pending or, to the best of the knowledge of Albert Labs, threatened, by or against or affecting Albert Labs at law or in equity, or before or by any court or any federal, provincial, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign. To the best of the knowledge of Albert Labs, there are no grounds on which any such action, suit or proceeding might be commenced with any reasonable likelihood of success.

(17) Tax

- (a) All Tax Returns required to be filed by or on behalf of Albert Labs have been duly filed on a timely basis and such Tax Returns are true, complete and correct in all material respects. All Taxes shown to be payable on the Tax Returns or on subsequent assessments with respect thereto have been paid in full on a timely basis, and no other Taxes are payable by Albert Labs, respectively, with respect to items or periods covered by such Tax Returns.
- (b) Albert Labs has paid or provided adequate accruals in the Albert Labs Financial Statements for current Taxes, including income taxes and related deferred taxes, in conformity with generally accepted accounting principles applied on a consistent basis.

(18) Licence

Albert Labs has all requisite regulatory and third party licences to conduct their business as currently and proposed to be conducted, and all licences held by Albert Labs are in good standing. Albert Labs is in compliance with the terms and conditions of all such licences are valid and in full force and effect, and Albert Labs has not received any notice relating to the revocation or modification of any such licences. To the best of the knowledge of Albert Labs, there exists no reasonable grounds for: (i) any licence to be revoked, suspended, terminated or otherwise adversely modified; and (ii) any application by Albert Labs, respectively, to extend or renew any licence not to be approved as submitted.

(19) Title to Assets

Albert Labs is the owner of and has good and marketable title to its assets free and clear of all Encumbrances, including all assets necessary to enable Albert Labs to carry on its business as now conducted and as proposed to be conducted. To the best of the knowledge of Albert Labs, no other Person owns any assets (other than leased assets) which are being used in its business.

(20) Restrictions on Doing Business

Albert Labs is not a party to or bound by any agreement which would restrict or limit its right to carry on any business or activity or to solicit business from any Person or in any geographical area or otherwise to conduct business as it may determine. To the best of the knowledge of Albert Labs, there are not facts or circumstances which could adversely affect the ability of Albert Labs to continue to operate its business as presently conducted following the completion of the transaction contemplated by this Agreement.

(21) Guarantees

Albert Labs is not a party to or bound by any agreement of guarantee, indemnification, assumption or endorsement or any other like commitment of the obligations, liabilities (contingent or otherwise) or indebtedness of any Person, except for guarantees and similar commitments entered into in the ordinary course of business consistent with past practice.

(22) Material Contracts

Albert Labs is not a party to or bound by any outstanding or executory agreement, contract or commitment, whether written or oral, except for any contract, lease or agreement entered into in the ordinary course of business consistent with past practice, and copies of same have been provided to MEC.

(23) Good Standing of Agreements

Albert Labs is not in default or breach of any of its obligations under any one or more contracts, agreements (written or oral), commitments, indentures or other instruments to

which it is a party or by which it is bound and there exists no state of facts which, after notice or lapse of time or both, would constitute such a default or breach. All such contracts, agreements, commitments, indentures and other instruments are now in good standing and in full force and effect without amendment thereto, Albert Labs is entitled to all benefits thereunder and, to the best of the knowledge of Albert Labs, the other parties to such contracts, agreements, commitments, indentures and other instruments are not in default or breach of any of their material obligations thereunder where any such default or breach would have a material adverse effect on the Condition of Albert Labs. There are no contracts, agreements, commitments, indentures or other instruments under which Albert Labs, respective rights or the performance of its respective obligations are dependent upon or supported by the guarantee of or any security provided by any other Person.

(24) Environmental

To the best of the knowledge of Albert Labs:

- (a) Albert Labs is in compliance with all applicable Environmental Laws except to the extent that any non-compliance would not have a material adverse effect on Albert Labs, it has complied in all material respects with all reporting and monitoring requirements under all applicable Environmental Laws, and it has not received any notice of any non-compliance with any Environmental Laws.
- (b) there are no Hazardous Substances located on or in any of the properties that comprise the assets of Albert Labs or used in the business of Albert Labs, and no Release of any Hazardous Substances has resulted from the operation of its assets by Albert Labs. Albert Labs has not used any of its properties or assets to produce, generate, store, handle, transport or dispose of any Hazardous Substances.

(25) Compliance with Laws

Albert Labs: (i) is and at all times has been in full compliance with all applicable statutes, rules, regulations, ordinances, orders, decrees and guidances (collectively in this paragraph, “**Applicable Laws**”); (ii) has not received any correspondence or notice from any governmental authority alleging or asserting noncompliance with any Applicable Laws or any licences, certificates, approvals, clearances, authorization, permits and supplements or amendments thereto required by any such Applicable Laws (collectively in this paragraph, “Authorizations”); (iii) possesses all Authorizations required for the conduct of its business, and such Authorizations are valid and in full force and effect Albert Labs, respectively, is not in violation of any term of any such Authorization; (iv) has not received notice of any pending or threatened claim, suit, proceeding, hearing, enforcement, audit, investigation, arbitration or other action from any governmental authority or third party alleging that any operation or activity of Albert Labs, respectively, is in violation of any Applicable Laws or Authorization and has no knowledge or reason to believe that any such governmental authority or third party is considering any such claim, suit, proceeding, hearing, enforcement, audit, investigation, arbitration or other action; (v) has not received notice that any governmental authority has taken, is taking or intends to take action to limit,

suspend, modify or revoke any material Authorizations and has no knowledge or reason to believe that any such governmental authority is considering such action; and (vi) has, or has had on its behalf, filed, declared, obtained, maintained or submitted all reports, documents, forms, notices, applications, records, claims, submissions and supplements or amendments as required by any Applicable Laws or Authorizations and that all such reports, documents, forms, notices, applications, records, claims, submissions and supplements or amendments were materially complete and correct on the date filed (or were corrected or supplemented by a subsequent submission).

(26) Change of Control

Albert Labs, respectively, is not a party to any material agreement (written or oral), indenture, instrument or understanding or other obligation or restriction which includes provisions that would be triggered by this Agreement or the implementation of this Agreement, including any change of Control that may result, directly or indirectly, from this Agreement or the implementation of this Agreement.

(27) Copies of Documents

Complete and correct copies (including all amendments) of all material contracts, leases and other documents of Albert Labs have been delivered to MEC.

(28) Confidentiality Obligations

Albert Labs is not in possession of any information, documents or material under an obligation of confidentiality to any other Person. To the best of the knowledge of Albert Labs, the conduct of Albert Labs' business as presently conducted will not violate or conflict with the obligations of confidentiality to any such other Person.

(29) Listing Statement

The Listing Statement, as and when filed on SEDAR, will contain disclosure of all facts relating to Albert Labs as are required to be disclosed therein pursuant to the policies of the Exchange. All information about Albert Labs in the Listing Statement will be true and correct.

### **3.2 Representations and Warranties by the Albert Labs Shareholders**

Each Albert Labs Shareholder, acting severally, and not jointly and severally and without joint liability, in respect of the Albert Labs Shares held by such Albert Labs Shareholder, represents and covenants to MEC as follows, and acknowledges that MEC is relying upon the accuracy of each such representation and warranty in connection with the Share Exchange and the completion of the transactions hereunder:

(1) Authority and Binding Obligations

The Albert Labs Shareholders have the capacity and authority to enter into this Agreement and to sell the Purchased Shares in the manner contemplated herein and to perform all of their obligations under this Agreement. The Albert Labs Shareholders have taken all necessary actions to approve or authorize, validly and effectively, the entering into of, and the execution, delivery and performance of their obligations under this Agreement. This Agreement, upon execution and delivery, has been duly executed and delivered by the Albert Labs Shareholders and constitutes legal, valid and binding obligations of the Albert Labs Shareholders, enforceable against the Albert Labs Shareholders in accordance with its terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other applicable laws relating to or affecting creditors' rights generally, and to general principles of equity.

(2) Title to Shares

The Albert Labs Shares held by the Albert Labs Shareholder as set forth at Schedule "A" hereto are owned by such Albert Labs Shareholder as the registered and beneficial owner thereof with good and marketable title, free and clear of all Encumbrances, other than those restrictions on transfer, if any, contained in the articles of Albert Labs and applicable law. Without limiting the generality of the foregoing, upon completion of the transactions contemplated by this Agreement, all of the Purchased Shares held by such Albert Labs Shareholder will be owned by MEC (or as directed by MEC) as the sole owner, with a good and marketable title thereto, free and clear of all Encumbrances.

(3) No Other Purchase Agreements

No Person has any agreement, option, understanding or commitment, or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement, option or commitment, including convertible securities, warrants or convertible obligations of any nature, for the purchase from the Albert Labs Shareholder of the Purchased Shares owned by such Albert Labs Shareholder

### **3.3 Representations and Warranties of MEC**

MEC hereby represents and warrants to Albert Labs and each Albert Labs Shareholder as follows, and confirms that Albert Labs and each Albert Labs Shareholder is relying upon the accuracy of each of such representations and warranties in connection with the Share Exchange and the completion of the other transactions hereunder:

(1) Corporate Authority and Binding Obligation

MEC is a corporation duly incorporated and validly subsisting under the laws of the Province of British Columbia. MEC has good right, full corporate power and absolute authority to enter into this Agreement and to perform all of its obligations under this Agreement. MEC has taken all necessary actions, steps and corporate and other

proceedings to approve or authorize, validly and effectively, the entering into of, and the execution, delivery and performance of this Agreement. This Agreement is a legal, valid and binding obligation of MEC, enforceable against it in accordance with its terms subject to: (i) bankruptcy, insolvency, moratorium, reorganization and other laws relating to or affect the enforcement of creditors' rights generally; and (ii) the fact that equitable remedies, including the remedies of specific performance and injunction, may only be granted in the discretion of a court.

(2) Authorized and Issued Capital

The authorized share capital of MEC consists of an unlimited number of common shares without par value of which 63,671,935 MEC Shares are issued and outstanding as fully-paid and non-assessable securities as of the date hereof, and an unlimited number of preferred shares without par value, of which nil preferred shares are issued and outstanding as fully paid and non-assessable securities as of the date hereof. Other than the MEC Shares, no other shares or other securities of MEC are issued and outstanding as of the date hereof.

(3) Share Issuance

The issuance of the Consideration Shares will, at the time of their issuance, be duly and validly created, authorized, allotted and issued as fully paid and non-assessable securities in compliance with all applicable securities or other laws, and the Albert Labs Shareholders, as set forth opposite each Albert Labs Shareholder's name in Schedule "C" hereto, will be the registered holders of and will hold legal title to the Consideration Shares free and clear of all Encumbrances, other than the resale restrictions imposed by applicable securities laws or the Exchange.

(4) Contractual and Regulatory Approvals

Other than as provided for herein, MEC is not under any obligation, contractual or otherwise, to request or obtain the consent of any Person, and no permits, licences, certifications, authorizations or approvals of, or notifications to, any federal, provincial, municipal or local government or governmental agency, board, commission or authority are required to be obtained by MEC in connection with the execution, delivery or performance by MEC of this Agreement or the completion of any of the transactions contemplated herein.

(5) Compliance with Constating Documents, Agreements and Laws

The execution, delivery and performance of this Agreement and each of the other agreements contemplated or referred to herein by MEC, and the completion of the transactions contemplated hereby, will not conflict with nor constitute or result in a violation or breach of or material default under or cause the acceleration of any obligations of MEC under:

- (a) any term or provision of any of the constating documents of MEC or any director or shareholder minutes;
- (b) the terms of any indenture, agreement (written or oral), instrument or understanding or other obligation or restriction to which MEC is a party or by which it is bound; or
- (c) any term or provision of any licences, registrations or qualification of MEC or any order of any court, governmental authority or regulatory body or any applicable law or regulation of any jurisdiction.

(6) Shareholders' Agreements, Etc.

To the best of MEC's knowledge, there are no shareholders' agreements, pooling agreements, voting trusts or other similar agreements with respect to the ownership or voting of the MEC Shares.

(7) Indebtedness

Except as set out in the MEC Financial Statements other than indebtedness that accrues in the ordinary course of business, MEC has no bonds, debentures, mortgages, promissory notes or other indebtedness and is not under any obligation to create or issue any bonds, debentures, mortgages, promissory notes or other indebtedness.

(8) Litigation

There is no suit, action, litigation, investigation, claim, complaint or proceeding before any governmental authority in progress or pending or, to the best of the knowledge of MEC, threatened against or relating to MEC which, if determined adversely to it, would prevent MEC from fulfilling all of its obligations set out in this Agreement or arising from this Agreement, and, to the best of the knowledge of MEC, there is no existing ground on which any such action, suit, litigation or proceeding might be commenced with any likelihood of success. There is not presently outstanding against MEC any cease trade order, judgment, decree injunction, or rule or order of any governmental authority.

(9) Tax

- (a) All Tax Returns required to be filed by or on behalf of MEC have been duly filed on a timely basis and such Tax Returns are true, complete and correct in all material respects. All Taxes shown to be payable on the Tax Returns or on subsequent assessments with respect thereto have been paid in full on a timely basis, and no other Taxes are payable by MEC with respect to items or periods covered by such Tax Returns.

- (b) MEC has paid or provided adequate accruals in its Financial Statements for current Taxes, including income taxes and related deferred taxes, in conformity with generally accepted accounting principles applied on a consistent basis.

(10) Good Standing of Agreements

MEC is not in material default or breach of any of its obligations under any one or more contracts, agreements (written or oral), commitments, indentures or other instruments to which it is a party or by which it is bound and there exists no state of facts which, after notice or lapse of time or both, would constitute such a default or breach. There are no contracts, agreements, commitments, indentures and other instruments under which MEC's rights, or the performance of its obligations are dependent upon or supported by the guarantee of or any security provided by any other Person.

(11) Environmental

To the best of the knowledge of MEC:

- (a) it is in compliance with all applicable Environmental Laws except to the extent that any non-compliance would not have a material adverse effect on MEC, it has complied in all material respects with all reporting and monitoring requirements under all applicable Environmental Laws, and it has not received any notice of any non-compliance with any Environmental Laws.
- (b) there are no Hazardous Substances located on or in any of the properties that comprise the assets of MEC and no Release of any Hazardous Substances has resulted from the operation of its assets by MEC. MEC has not used any of its properties or assets to produce, generate, store, handle, transport or dispose of any Hazardous Substances.

(12) Compliance with Laws

The operations of MEC have been, and are now conducted in all material respects in compliance with all applicable laws of each jurisdiction in which MEC carries on or has carried on business, and MEC has not received any notice of any alleged breach of any such laws.

(13) Change of Control

MEC is not a party to any material agreement (written or oral), indenture, instrument or understanding or other obligation or restriction which includes provisions that would be triggered by this Agreement or the implementation of this Agreement, including any change of Control that may result, directly or indirectly, from this Agreement or the implementation of this Agreement.



## **ARTICLE 4 SURVIVAL OF REPRESENTATIONS AND WARRANTIES**

### **4.1 Survival of Warranties**

The representations and warranties made by the Parties and contained in this Agreement, or contained in any document or certificate given in order to carry out the transactions contemplated hereby will survive the Closing Time and, notwithstanding any Closing or any investigation made by or on behalf of any Party or any other Person or any knowledge of any Party or any other Person, shall continue in full force and effect for the benefit of the other Parties for a period of 24 months from the Closing Date.

## **ARTICLE 5 COVENANTS**

### **5.1 Covenants by Albert Labs**

Albert Labs covenants to MEC that it will do, or cause to be done, at its own expense, the following:

- (a) Until the Closing Time, Albert Labs will provide access to, and permit MEC, through its representatives, to make such investigation of the operations, properties, assets and records of Albert Labs and of its financial and legal condition as MEC deems necessary or advisable to familiarize itself with Albert Labs, and such operations, properties, assets, records and other matters.
- (b) Until the Closing Time, Albert Labs will use reasonable commercial efforts to assist MEC in obtaining all regulatory and Exchange approvals required to be obtained, and with the completion and filing of all reports and documents, including the Listing Statement, required to be completed and filed, in respect of the transactions contemplated by this Agreement.
- (c) Until the Closing Time, except as contemplated by this Agreement or with the prior written consent of MEC, Albert Labs will:
  - (i) operate its business only in the ordinary course thereof, consistent with past practices;
  - (ii) take all actions within its control to ensure that the representations and warranties in Section 3.1 remain true and correct at the Closing Time, with the same force and effect as if such representations and warranties were made at and as of the Closing Time, and to satisfy or cause to be satisfied the conditions in Sections 6.1 and 6.2, as applicable;

- (iii) promptly inform MEC in writing of any facts that come to their attention which would cause any of its representations and warranties in this Agreement to be untrue in any respect;
  - (iv) promptly inform MEC in writing of any material adverse change in respect of the Condition of Albert Labs;
  - (v) maintain the books, records and accounts of Albert Labs in the ordinary course and record all transactions on a basis consistent with past practice;
  - (vi) not create, incur or assume any long-term debt and, other than in the ordinary course of business consistent with past practice, not create any Encumbrance, guarantees or otherwise becomes liable for the obligations of any other Person or make any loans or advances to any Person;
  - (vii) perform all of its obligations under all agreements to which it is a party or by which it is bound, maintain all licences in good standing and take all such reasonable actions and file all such documents as may be necessary or desirable to maintain its licences in good standing, including making any application necessary or desirable to renew any expiring licence;
  - (viii) not enter into any agreement other than in the ordinary course of business consistent with past practice;
  - (ix) not take any action to amend the constating documents of Albert Labs; and
  - (x) not increase the compensation or employee benefits of any of its directors, officers or employees, or pay or agree to pay to any of its directors, officers or employees any pension, severance or termination amount or other employee benefit.
- (d) At or until the Closing Time, Albert Labs will use reasonable commercial efforts to take all necessary steps and corporate proceedings to be taken in order to facilitate the transactions contemplated herein, including the transfer of the Purchased Shares to MEC, and to perform all obligations and covenants to be performed by Albert Labs under this Agreement

## 5.2 Covenants by the Albert Labs Shareholders

The Albert Labs Shareholders, as applicable, covenant to MEC that they will do, or cause to be done, at their own expense, as applicable, the following:

- (a) Until the Closing Time, except as contemplated by this Agreement or with the prior written consent of MEC, the Albert Labs Shareholders will:

- (i) take all actions within its control to ensure that the representation and warranties in Section 3.2 remain true and correct at the Closing Time, with the same force and effect as if such representation and warranties were made at and as of the Closing Time, and to satisfy or cause to be satisfied the conditions in Sections 6.1 and 6.2, as applicable; and
  - (ii) not take any action to amend the constating documents of Albert Labs.
- (b) At or until the Closing Time, the Albert Labs Shareholders will use reasonable commercial efforts to take all necessary steps and proceedings to be taken in order to facilitate the transactions contemplated herein, including the transfer of the Purchased Shares to MEC, and to perform all obligations and covenants to be performed by the Albert Labs Shareholders under this Agreement.
- (c) At or before the Closing Time, Albert Labs will use reasonable commercial efforts to:
  - (i) complete the Private Placement
- (c) At or before the Closing Time, the Albert Labs Shareholders, as applicable, will execute and deliver the Escrow Agreement as required by the Exchange.

### 5.3 Covenants by MEC

MEC covenants to Albert Labs and the Albert Labs Shareholders that it will do, or cause to be done, at its own expense, the following:

- (a) Except as contemplated by this Agreement or with the prior written consent of Albert Labs, MEC will until the Closing Time:
  - (i) operate its business only in the ordinary course thereof, consistent with past practices;
  - (ii) take all actions within its control to ensure that the representations and warranties in Section 3.3 remain true and correct at the Closing Time, with the same force and effect as if such representations and warranties were made at and as of the Closing Time, and to satisfy or cause to be satisfied the conditions in Sections 6.1 and 6.3;
  - (iii) promptly inform Albert Labs in writing of any facts that come to its attention which would cause any of its representations and warranties in this Agreement to be untrue in any respect;
  - (iv) promptly inform Albert Labs in writing of any material adverse change in the Condition of MEC;

- (v) maintain the books, records and accounts of MEC in the ordinary course and record all transactions on a basis consistent with past practice;
  - (vi) not create, incur or assume any long-term debt or guarantee or otherwise become liable for the obligations of any other Person or make any loans or advances to any Person other than in the ordinary course of business consistent with past practice;
  - (vii) use commercially reasonable efforts to not make any material capital expenditures;
  - (viii) not enter into any agreement other than in the ordinary course of business;
  - (ix) not take any action to amend the constating documents of MEC; and
  - (x) not pay or agree to pay to any of its directors or officers any pension, severance or termination amount or other benefit.
- (b) Prior to the Closing Time, MEC will use reasonable commercial efforts to secure approval of the MEC shareholders for the transactions contemplated herein, to the extent required to secure regulatory approval, Exchange approval or as may be required by applicable law, by consent resolution of the MEC Shareholders (the "**Shareholder Approval**").
- (c) Prior to the Closing Time, MEC will use reasonable commercial efforts to provide satisfaction of all regulatory requirements capable of being satisfied, including satisfaction of the listing requirements of the Exchange, the filing of the Listing Statement with the Exchange and any other requirement of the Exchange, and will use reasonable commercial efforts to obtain Exchange approval or conditional approval of the Share Exchange and the transactions contemplated herein (the "**Exchange Approval**").
- (d) On Closing, MEC will use reasonable commercial efforts to cause the name of MEC to be changed to "Albert Labs" and the trading symbol of MEC to be changed to such other name and/or trading symbol as may be acceptable to Albert Labs and the regulatory authorities (the "**Name Change**").
- (e) On Closing, MEC will use reasonable commercial efforts to reconstitute its board of directors as follows: (i) Dr. Michael Raymont; (ii) Rob Kang; (iii) Chand Jagpal; (iv) Richard Skaife; and (v) Frank Lane, and will cause each of its current officers to resign effective on Closing (the "**Board Reconstitution**").
- (f) At or before the Closing Time, MEC will use reasonable commercial efforts to:
- (i) complete the Consolidation;

- (g) At or before the Closing Time, MEC will execute and deliver the Escrow Agreement as required by the Exchange.
- (h) At or until the Closing Time, MEC will use reasonable commercial efforts to take all necessary steps and corporate proceedings to be taken in order to facilitate the transactions contemplated herein, including the transfer of the Consideration Shares to the Albert Labs Shareholders, as set forth opposite each such Albert Labs Shareholder's name in Schedule "C" hereto, and to perform all obligations and covenants to be performed by Albert Labs under this Agreement.
- (i) MEC will take no action that would cause its representations and warranties set forth in Section 3.3 not to be true in all material respects from and after the date of execution of this Agreement until the Closing Time.

#### **5.4 Public Disclosure: Confidentiality**

- (a) No disclosure or announcement, public or otherwise, in respect of this Agreement or the transactions contemplated herein will be made by any Party unless required by law or Exchange policy, and only after reasonable consultation with, in the case of MEC, Albert Labs, and in the case of Albert Labs and the Albert Labs Shareholders, MEC.
- (b) Unless and until the transactions contemplated in this Agreement will have been completed, except with the prior written consent of the other Parties, each of the Parties and its respective employees, officers, directors, shareholders, agents, advisors and other representatives will hold all confidential information received from the other Parties in strictest confidence, except such information and documents already available to the public or as are required to be filed or disclosed by applicable law or Exchange policy.

### **ARTICLE 6 CONDITIONS**

#### **6.1 Mutual Conditions Precedent**

The respective obligations of the Parties to consummate the transactions contemplated hereby are subject to MEC receiving all approvals necessary to complete the Share Exchange and the other transactions contemplated herein, including the Exchange Approval and the Shareholder Approval, on or prior to the Closing Time, which condition may be waived by the mutual consent of such Parties without prejudice to their rights to rely on any other or others of such condition.

## 6.2 Conditions to the Obligations of MEC

Notwithstanding anything herein contained, the obligation of MEC to complete the transactions provided for herein will be subject to the fulfilment of the following conditions at or prior to the Closing Time.

- (a) The representation and warranties of Albert Labs and of each of the Albert Labs Shareholders contained in this Agreement will be true and accurate on the date hereof and at the Closing Time with same force and effect as though such representations and warranties had been made as of the Closing Time (regardless of the date as of which the information in this Agreement or in any Schedule or other document made pursuant hereto is given).
- (b) Albert Labs and the Albert Labs Shareholders will have complied with all covenants and agreements herein agreed to be performed or caused to be performed by it or prior to the Closing Time.
- (c) No order, decision or ruling of any court, tribunal or regulatory authority having jurisdiction will have been made and no action or proceeding will be pending or threatened which, in the opinion of counsel to MEC, is likely to result in an order, decision or ruling:
  - (i) to disallow, enjoin, prohibit or impose any limitations or conditions on the Share Exchange or the transactions contemplated hereby or the right of MEC to own the Purchased Shares: or
  - (ii) to impose any limitations or conditions which may have an adverse effect on the Condition of Albert Labs.
- (d) Albert Labs will have delivered to MEC a certificate in a form satisfactory to MEC and MEC's counsel, acting reasonably, confirming that the facts with respect to each of the representations and warranties of Albert Labs are as set out herein and remain true at the Closing Time and that Albert Labs has performed each of the covenants required to be performed by it hereunder.
- (e) At the Closing Time, MEC will receive an opinion of Albert Lab's counsel relating to all aspects of the transactions contemplated in this Agreement in a form satisfactory to MEC and MEC's counsel, acting reasonably, Albert Lab's counsel may rely on certificates of Albert Labs and one of the senior officers of Albert Labs as to factual matters.
- (f) Albert Labs or the Albert Labs Shareholders will deliver to MEC all share certificates representing the Purchased Shares, together with duly endorsed share transfer forms with respect thereto for transfer to MEC or as directed by MEC.

- (g) There will have been no material adverse change in the business of Albert Labs or the Condition of Albert Labs howsoever arising since the date of this Agreement.
- (h) MEC will have completed its due diligence on Albert Labs on terms satisfactory to MEC, on a reasonable commercial basis.

The conditions contained in this Section 6.2 are inserted for the exclusive benefit of MEC and may be waived in whole or in part by MEC at any time. Albert Labs and Albert Labs Shareholders acknowledge that the waiver by MEC of any condition or any part of any condition will constitute a waiver only of such condition or such part of such condition, as the case may be, and will constitute a waiver of any covenant, agreement, representation or warranty made by Albert Labs or the Albert Labs Shareholders herein that corresponds or is related to such condition. Or such part of such condition, as the case may be. If any of the conditions contained in this Section 6.2. are not fulfilled or complied with in all material respects as herein provided, MEC may, at or prior to the Closing Time at its option, rescind this Agreement by notice in writing to Albert Labs and the Albert Labs Shareholders and in such event MEC will be released from all obligations hereunder and, unless the conditions or conditions which have not been fulfilled are reasonably capable of being fulfilled or caused to be fulfilled by Albert Labs and the Albert Labs Shareholders, the Albert Labs and the Albert Labs Shareholders will also be released from all obligations hereunder.

### **6.3 Conditions to the Obligations of Albert Labs and the Albert Labs Shareholders**

Notwithstanding anything herein contained, the obligations of Albert Labs and of each of the Albert Labs Shareholders to complete the transactions provided for herein will be subject to the fulfilment of the following conditions at or prior to the Closing Time:

- (a) The representations and warranties of MEC contained in this Agreement or in any documents delivered in order to carry out the transactions contemplated hereby will be true and accurate on the date hereof and at the Closing Time with the same force and effect as though such representations and warranties had been made as of the Closing Time (regardless of the date as of which the information in this Agreement or any such Schedule or other document made pursuant hereto is given).
- (b) MEC will have complied with all covenants and agreements herein agreed to be performed or caused to be performed by it at or prior to the Closing Time.
- (c) No order, decision or ruling of any court, tribunal or regulatory authority having jurisdiction will have been made, and no action or proceeding will be pending or threatened which, in the opinion of counsel to Albert Labs is likely to result in an order, decision or ruling:
  - (i) to disallow, enjoin, prohibit or impose any limitations or conditions on the Share Exchange or the transactions contemplated hereby or the right of the Albert Labs Shareholders to receive the Consideration Shares; or

- (ii) to impose any limitations or conditions which may have an adverse effect on the business or the Condition of MEC.
- (d) MEC will have delivered to Albert Labs a certificate in a form satisfactory to Albert Labs' counsel, acting reasonably, confirming that the facts with respect to each of the representations and warranties of MEC are as set out herein at the Closing Time and that MEC has performed each of the covenants required to be performed by it hereunder.
- (e) At the Closing Time, Albert Labs will receive an opinion of MEC's counsel relating to all. Aspects of the transactions contemplated in this Agreement in a form satisfactory to Albert Labs and Albert Labs' counsel, acting reasonably. MEC's counsel may rely on certificates of MEC and one of the senior officers of MEC as to factual matters.
- (f) MEC will deliver to the Albert Labs Shareholders share certificates representing the Consideration Shares set forth opposite each such Albert Labs Shareholder's name in Schedule "C" hereto.
- (g) The following actions will be completed:
  - (i) the Name Change;
  - (ii) the Board Reconstitution; and
  - (iii) the Consolidation.
- (h) There will have been no material adverse change in the business of MEC or the Condition of MEC howsoever arising since the date of this Agreement.
- (i) Albert Labs will have completed its due diligence on MEC on terms satisfactory to Albert Labs, on a reasonable commercial basis.

The conditions contained in this Section 6.3 hereof are inserted for the exclusive benefit of Albert Labs and the Albert Labs Shareholders and may be waived in whole or in part by Albert Labs (including on behalf of the Albert Labs Shareholders) at any time. MEC acknowledges that the waiver by Albert Labs of any condition or any part of any condition will constitute a waiver only of such condition or such part of such condition, as the case may be, and will not constitute a waiver of any covenant, agreement, representation or warranty made by MEC herein that corresponds or is related to such condition or such part of such condition, as the case may be. If any of the conditions contained in this Section 6.3 hereof are not fulfilled or complied with as herein provided, Albert Labs and the Albert Labs Shareholders may, at or prior to the Closing Time at their option, rescind this Agreement by notice in writing to MEC and in such event Albert Labs and the Albert Labs Shareholders will be released from all obligations hereunder and, unless the condition or conditions which have not been fulfilled are reasonable capable of being fulfilled or caused to be fulfilled by MEC, then MEC will also be released from all obligations hereunder.



## **ARTICLE 7 CLOSING**

### **7.1 Closing Date**

Closing shall occur on the date (the “Closing Date”) which is five (5) Business Days following the day upon which all of the approvals and determinations required to be obtained pursuant to this Agreement have been obtained by MEC and Albert Labs or such earlier or later date as MEC and Albert Labs may agree. The Parties shall use their reasonable commercial efforts to cause the Closing Date to be on or before May 30, 2021. If the Closing Date shall not have occurred on or before May 30, 2021 (the “Termination Date”), or such later date as the Parties agree to in writing on or before the Termination Date (as last extended), this Agreement will automatically terminate, and neither MEC nor Albert Labs or the Albert Labs Shareholders will have any further rights or obligations hereunder (other than the obligations of confidentiality and indemnification set forth herein), unless MEC or Albert Labs (including on behalf of the Albert Labs Shareholders) waive the benefit of such conditions as are of benefit to them respectively by delivering a written notice of such waiver to the other on the second (2<sup>nd</sup>) Business Day following the day upon which Albert Labs or MEC receives such written notice of waiver from the other.

### **7.2 Deliveries on Closing**

On the Closing Date:

- (a) Albert Labs shall deliver to MEC:
  - (i) duly executed share certificates of Albert Labs registered in the name of MEC, or as directed by MEC, representing the Purchased Shares transferred to MEC pursuant to the Share Exchange;
  - (ii) originals or copies, as appropriate, of all books, records and accounts of Albert Labs and any other information necessary for MEC to operate and manage the business of Albert Labs and the assets presently owned by Albert Labs;
  - (iii) a certified copy of the resolution of the directors of Albert Labs authorizing the execution and delivery of this Agreement and the performance by Albert Labs of the terms of this Agreement;
  - (iv) the certificate of Albert Labs contemplated in Subsection 6.2(d);
  - (v) the opinion of Albert Labs’ counsel referred to in Subsection 6.2(e);
  - (vi) the Escrow Agreement duly executed by the Albert Labs Shareholders, as applicable and as required by the Exchange; and

- (vii) such other documents reasonably required by MEC's Counsel.
- (b) MEC shall deliver to Albert Labs:
- (i) duly executed share certificates of MEC registered in the name of the Albert Labs Shareholders as indicated in Schedule "C" hereto, representing the Consideration Shares issued to the Albert Labs Shareholders pursuant to the Share Exchange;
  - (ii) the certificate of MEC contemplated in Subsection 6.3(d);
  - (iii) the opinion of MEC's counsel referred to in Subsection 6.3(e);
  - (iv) a certified copy of the resolution of the directors of MEC authorizing the payment, allotment, issuance and delivery, as applicable, of the Consideration Shares pursuant to the terms of this Agreement and approving the Board Reconstitution;
  - (v) evidence reasonably satisfactory to Albert Labs that the conditions in Subsections 6.3(g), (i) and (j) have been satisfied;
  - (vi) the Escrow Agreement duly executed by MEC, as applicable and as required by the Exchange; and
  - (vii) such other documents as reasonably required by Albert Labs' Counsel.

### **7.3 Closing Arrangements**

Subject to the terms and conditions hereof, the transactions contemplated herein will be completed at the Closing Time at the offices of Sangra Moller LLP, at Suite 1000, Cathedral Place, 925 West Georgia Street, Vancouver, British Columbia, V6C 3L2.

## **ARTICLE 8 GENERAL PROVISIONS**

### **8.1 Notices**

Any demand, notice or other communication to be given in connection with this Agreement shall be given in writing and will be given by personal delivery, courier, registered mail or email addressed to the recipient as follows:

- (i) In the case of Albert Labs and the Albert Labs Shareholders:

Albert Labs Inc.  
Unit 114B – 8998 Fraserton Court  
Burnaby, British Columbia, V5J 5H8

Attention: Anthony Chan  
Email: [anthony@achan-co.com](mailto:anthony@achan-co.com)

- (ii) In the case of MEC:

ME Resource Corp.  
6038 131 Street  
Surrey, British Columbia, V3X 3N4

Attention: Chand Jagpal  
Email: [chand@meresourcecorp.com](mailto:chand@meresourcecorp.com)

Any demand, notice or other communication given by personal delivery or courier is conclusively deemed to have been given on the day of actual delivery thereof; if given by registered mail, on the third (3rd) Business Day following the deposit thereof in the mail; or if given by email, on the day of transmittal thereof if given during the normal business hours of the recipient and on the Business Day during which such normal business hours next occur if not given during such hours on any day. If the Party giving any demand, notice or other communication knows or ought reasonably to know of any difficulties with the postal system that might affect the delivery of registered mail, any such demand, notice or other communication may not be mailed but must be given by personal delivery or by email.

Any Party may at any time change its address for notices from time to time by giving notice to the other Parties in accordance with this Section 8.1.

## 8.2 General

Except as otherwise provided herein, each of the Parties will bear all expenses incurred by it in connection with this Agreement including, without limitation, the charges of their respective counsel, accountants, financial advisors and finders. The rights of any Party hereunder are not assignable without the written consent of the other Parties. This Agreement will be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns. Nothing herein, express or implied, is intended to confer upon any Person, other than the Parties and their respective successors and assigns, any rights, remedies, obligations or liabilities under or by reason of this Agreement. The Parties' respective obligations of confidentiality and indemnification provided for herein shall survive any termination of this Agreement.

### **8.3 Further Assurances**

Albert Labs and the Albert Labs Shareholders on the one hand, and MEC on the other hand, hereby covenant and agree that at any time and from time to time after the Closing Date it will, upon the request of the other, do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered all such further reasonable acts, deeds, assignments, transfers, conveyances and assurances as may be required for the better carrying out and performance of all the terms of this Agreement including, without limitation, any documents required to comply with securities or Exchange requirements.

### **8.4 Entire Agreement**

This Agreement and the Schedules referred to herein constitute the entire agreement among the Parties and supersede all prior agreements, representations, warranties, statements, promises, information, arrangements and understandings, whether oral or written, express or implied, with respect to the subject matter hereof, including without limitation, the Letter Agreement.


### **8.5 Counterparts**

This Agreement may be executed in several counterparts and delivered by facsimile or email transmission, each of which so executed will be deemed to be an original, and such counterparts together will constitute but one and the same instrument.

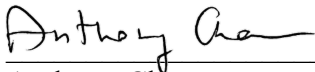
***[BALANCE OF THIS PAGE TO REMAIN BLANK]***

**IN WITNESS WHEREOF**, the parties have executed this Agreement as of the date first above written.

**ME RESOURCE CORP.**

Per:   
\_\_\_\_\_  
Navchand Jagpal  
President

**ALBERT LABS INC.**

Per:   
\_\_\_\_\_  
Anthony Chan  
Director

**SCHEDULE “A”**

**ALBERT LABS INC. SHAREHOLDERS**

<b>Name of Shareholder</b>	<b>Address of Shareholder</b>	<b>Number of Albert Labs Shares</b>
Anthony Chan	Unit 114B - 8998 Fraserton Court Burnaby, B.C. V5J 5H8	100
Ali Gulamhusein	3793 Norfolk Street Burnaby, B.C. V5G 1E3	2,000,000
Navchand Jagpal	6038 131 Street. Surrey, B.C. V3X 3N4	2,000,000
TCF LP	Censeo House, 6 St. Peters St. Albans, UK ALI 3LF	2,000,000
Royphen Damapong	75 Pradipad Rod Soi 9. Phrayatai, Bangkok,Thailand 10400	646,550
Paul Neal	Swallow House 1-3 Mill St. Shipston, Warwickshire, CV364AN	3,017,150
Riaz Gulamhusein	3175 Smith Avenue Burnaby, B.C. V5G 2S8	250,000
ExpoWorld Ltd.	4936 Young Street, Suite 153 Toronto, ON, M2N 6S2	500,000
ZDK Holdings Ltd.	704 – 177 Robson Street Vancouver, B.C. V6B 0N3	500,000
Albion Advisors Inc.	992 Cristina Court Mississauga, ON, L5J 4S1	250,000
TCF I LP	Censeo House, 6 St. Peters St. Albans, UK ALI 3LF	5,000,000
Ambria Capital	1311 Ave. Ponce de Leon, Ste 304, San Juan, PR 00907	500,000
Paul Rosen	20 Oriole Road Toronto, ON, M4V 2E8	2,500,000
Switch 168 Communications Corp.	Unit 114B - 8998 Fraserton Court Burnaby, B.C. V5J 5H8	4,000,000
Rustam Dhaliwal	1404 Ross Road. North Vancouver, B.C. V7J 1V2	1,000,000
Prados Embalados Unipessoal	Suite 3, 82 Neal Street London, UK, WC2 H9PA	4,000,000

Santoke Naal	10 Whitefields Rd., Bishops Cleeve Cheltenham, UK, GL52 8RR	1,000,000
Michael Raymont	38 – 1220 Guthrie Road Comox, B.C. V9M 4A6	1,000,000
Graeme McFarlane	Dairy Farm House, Marsh Benham Newbury, Berkshire , RG20 8LT	2,000,000
Malcolm Barratt-Johnson		2,000,000
Gotta Live Ventures	314 – 6 Drummond Street Etobicoke, ON, M8V 1Y8	2,000,000
Moonstruck Capital Ltd.	204-6321 King George Blvd. Surrey, B.C. V3X 1G1	2,500,000

**SCHEDULE "B"**

**ALBERT LABS INC. FINANCIAL STATEMENTS**



**SCHEDULE “C”**

**ALLOCATION OF CONSIDERATION SHARES**

Name of Shareholder	Number of Consideration Shares
Anthony Chan	100
Ali Gulamhusein	2,000,000
Navchand Jagpal	2,000,000
TCF LP	2,000,000
Royphen Damapong	646,550
Paul Neal	3,017,150
Riaz Gulamhusein	250,000
ExpoWorld Ltd.	500,000
ZDK Holdings Ltd.	500,000
Albion Advisors Inc.	250,000
TCF I LP	5,000,000
Ambria Capital	500,000
Paul Rosen	2,500,000
Switch 168 Communications Corp.	4,000,000
Rustam Dhaliwal	1,000,000
Prados Embalados Unipessoal	4,000,000
Santoke Naal	1,000,000
Michael Raymont	1,000,000
Graeme McFarlane	2,000,000
Malcolm Barratt-Johnson	2,000,000
Gotta Live Ventures	2,000,000
Moonstruck Capital Ltd.	2,500,000

**RE: Extension of Termination Date and Closing Date as described in Article 7**

**AMMENDMENT TO SHARE EXCHANGE AGREEMENT** dated 5<sup>th</sup> day of March 2021

**BETWEEN:**

**ME RESOURCE CORP.**, a corporation existing under the laws of the Province of British Columbia and have a mailing address at 6038 131 Street, Surrey, British Columbia, V3X 3N4

(“MEC”)

**AND:**


**ALBERT LABS INC.**, a corporation existing under the laws of the Province of British Columbia and have a mailing address at Unit 114B – Fraserston Court, Burnaby, British Columbia, V5J 5H8

(“Albert Labs”)

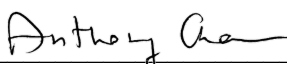
The parties hereby agree to extend the **Termination Date** and the **Closing Date** to on or before February 28, 2022 as described in Article 7.

**IN WITNESS WHEREOF**, the parties have executed this Amendment as of May 31, 2021.

**ME RESOURCE CORP.**

Per:   
\_\_\_\_\_  
Navchand Jagpal  
President

**ALBERT LABS INC.**

Per:   
\_\_\_\_\_  
Anthony Chan  
Director

**APPENDIX B – AUDITED FINANCIAL STATEMENTS OF MEC**

**ME RESOURCE CORP.**

**Financial Statements**

**Year ended December 31, 2020**

**Expressed in Canadian Dollars**

**SAM S. MAH INC.**  
**CHARTERED PROFESSIONAL ACCOUNTANT**  
**UNIT 114B-8988 FRASERTON COURT**  
**BURNABY, BC, V5J 5H8**  
**T: 604-617-8858**  
**F: 604-239-0866**

## **INDEPENDENT AUDITOR'S REPORT**

To: the Shareholders of  
**ME Resource Corp.**

### **Opinion**

I have audited the financial statements of ME Resource Corp. (the "Company"), which comprise the statement of financial position as at December 31, 2020 and the statement of loss and comprehensive loss, statement of cash flows and statement of changes in shareholders' equity for the year December 31, 2020 and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2020 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards (IFRSs).

### **Basis for Opinion**

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Company in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### **Other Matter**

The financial statements of the Company for the year ended December 31, 2019 were audited by another auditor who expressed an unqualified opinion on those statements on June 16, 2020.

### **Material Uncertainty Related to Going Concern**

I draw attention to Note 1 in the financial statements, which indicates that the Company incurred a net loss of \$284,025 during the year ended December 31, 2020 and, as of that date, the Company had not yet achieved profitable operations, had accumulated losses of \$9,416,582 since its inception, and expects to incur further losses in the development of its business. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. My opinion is not modified in respect of this matter.

### **Other Information**

Management is responsible for the other information. The other information comprises the Management Discussion and Analysis.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

**Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

The engagement practitioner on the audit resulting in this independent auditor's report is Sam S. Mah, CPA, CA.

**"Sam S. Mah Inc."**  
Chartered Professional Accountant

Unit 114B-8988 Fraserton Court  
Burnaby, BC, Canada V5J 5H8  
April 29, 2021

**ME Resource Corp.**  
**Statements of Financial Position**  
**Expressed in Canadian Dollars**

	December 31, 2020	December 31, 2019
	\$	\$
<b>ASSETS</b>		
Non-current assets		
Note receivable	-	1
<b>Total assets</b>	<b>-</b>	<b>1</b>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable and accrued liabilities (Note 5)	382,413	360,470
Note payable	57,063	34,982
Due to related parties (Note 7)	1,370,723	1,130,723
	1,810,199	1,526,175
<b>SHAREHOLDERS' DEFICIENCY</b>		
Share capital (Note 6)	5,861,105	5,861,105
Reserves	1,745,278	1,745,278
Deficit	(9,416,582)	(9,132,557)
	(1,810,199)	(1,526,174)
<b>Total shareholders' deficiency and liabilities</b>	<b>-</b>	<b>1</b>

*Note 1: Nature and operation and going concern*

*Note 10: Subsequent Event*

Authorized for issuance by the Board of Directors on

/s/ Navchand Jagpal  
 Director

/s/Ravinder Kang  
 Director

*See accompanying notes to the financial statements*

**ME Resource Corp.**  
**Statements of Loss and Comprehensive Loss**  
**Expressed in Canadian Dollars**

<b>Year ended December 31,</b>	<b>2020</b>	<b>2019</b>
	\$	\$
Expenses		
Consulting and management (Note 7)	240,000	240,000
Filing fees	24,241	17,235
General and administration	82	1,722
Interest expense	4,260	2,039
Professional fees	15,442	33,577
Stock-based compensation	-	(159,548)
<b>Loss and comprehensive loss</b>	<b>(284,025)</b>	<b>(135,025)</b>
<b>loss per share – basic and diluted</b>	<b>(0.00)</b>	<b>(0.00)</b>
<b>Weighted average number of outstanding common shares , basic and diluted</b>	<b>63,671,935</b>	<b>63,671,935</b>

*See accompanying notes to the financial statements*



**ME Resource Corp.**  
**Statements of Cash Flows**  
**Expressed in Canadian Dollars**

Years ended December 31,	2020	2019
	\$	\$
<b>OPERATING ACTIVITIES</b>		
Loss for the year	(284,025)	(135,025)
Items not involve cash		
Stock-based compensation	-	(159,548)
Accrued consulting fees	240,000	240,000
Accrued interest	4,260	2,039
Changes in non-cash working capital items:		
- Receivable	-	149
- Prepaid	-	1,595
- Accounts payable and accrued liabilities	21,944	32,018
Cash used in operating activities	(17,821)	(18,772)
<b>FINANCING ACTIVITIES</b>		
Advance with related parties	-	(14,148)
Proceeds from note payable	17,821	32,943
Cash provided by financing activities	17,821	18,795
Net cash inflow	-	23
Cash, beginning of year	-	(23)
Cash, end of year	-	-

*See accompanying notes to the financial statements*

**ME Resources Corp.**  
**Statements of Changes in Deficiency**  
**Expressed in Canadian Dollars**

	<b>Share capital</b>		<b>Reserves</b>				<b>Total</b>
	<b>Number of shares</b>	<b>Amount</b>	<b>Stock-option</b>	<b>Loan</b>	<b>Warrant</b>	<b>Deficit</b>	
		\$	\$	\$	\$	\$	\$
Balance, December 31, 2018	63,671,935	5,861,105	1,853,944	5,121	45,761	(8,997,532)	(1,231,601)
Stock-based compensation	-	-	(159,548)	-	-	-	(159,548)
Loss for the year	-	-	-	-	-	(135,025)	(135,025)
<b>Balance, December 31, 2019</b>	<b>63,671,935</b>	<b>5,861,105</b>	<b>1,694,396</b>	<b>5,121</b>	<b>45,761</b>	<b>(9,132,557)</b>	<b>(1,526,174)</b>
Balance, December 31, 2019	63,671,935	5,861,105	1,694,396	5,121	45,761	(9,132,557)	(1,526,174)
Loss for the year	-	-	-	-	-	(284,025)	(284,025)
<b>Balance, December 31, 2020</b>	<b>63,671,935</b>	<b>5,861,105</b>	<b>-</b>	<b>1,694,396</b>	<b>5,121</b>	<b>(9,416,582)</b>	<b>(1,810,199)</b>

*See accompanying notes to the financial statements*

**ME Resource Corp.**

Notes to the Financial Statements

Year Ended December 31, 2020 and 2019

(Expressed in Canadian Dollars)

**1. NATURE AND CONTINUANCE OF OPERATIONS**

ME Resource Corp., (the “Company” or “MEC”) was incorporated under the Business Corporation Act (British Columbia) on October 16, 2009. The Company’s shares are traded on the Canadian Securities Exchange under the symbol MEC. The Company’s head and registered office address is 204 – 6321 King George Blvd. Surrey, B.C. V3X 1G1

The Company’s principal line of business was research and development of a process to economically transform wasted or stranded natural gas to engineered fuels or clean power.

These financial statements have been prepared using International Financial Reporting Standards applicable to a going concern, which assume that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. The Company’s continuation as a going concern is dependent whether the Company can develop an economically viable business, and generate funds there from and/or raise equity capital to meet current and future obligations. The Company has not yet achieved profitable operations and expects to incur further losses in the development of its business. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern. Management intends to finance operating costs over the next twelve months with loans and/or private placement of common shares. Should the Company be unable to continue as going concern, the net realizable value of its assets may be materially less than the amounts on its statements of financial position.

The recent outbreak of the coronavirus, also known as “COVID-19”, has spread across the globe and is impacting worldwide economic activity. Conditions surrounding the coronavirus continue to rapidly evolve and government authorities have implemented emergency measures to mitigate the spread of the virus. The outbreak and the related mitigation measures may have an adverse impact on global economic conditions as well as on the Company’s business activities. The extent to which the coronavirus may impact the Company’s business activities will depend on future developments, such as the ultimate geographic spread of the disease, the duration of the outbreak, travel restrictions, business disruptions, and the effectiveness of actions taken in Canada and other countries to contain and treat the disease. These events are highly uncertain and as such, the Company cannot determine their financial impact at this time.

**2. BASIC OF PRESENTATION****Statement of compliance**

These financial statements have been prepared in accordance with the International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”). The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

These financial statements were authorized for issue by the Board of Directors on April 29, 2021.

**Basis of measurement**

The financial statements have been prepared on an accrual basis and are based on historical costs, except for certain financial instruments which are measured at fair value. The financial statements are presented in Canadian dollars, the functional currency of the Company. The preparation of financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company’s management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the

**ME Resource Corp.**

Notes to the Financial Statements

Year Ended December 31, 2020 and 2019

(Expressed in Canadian Dollars)

**2. BASIS OF PRESENTATION (Continued)****Basis of measurement (continued)**

estimates are revised. Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the fair value measurements for financial instruments and the recognition and measurement of deferred tax assets.

**Significant judgments**

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgment in applying the Company's financial statements include:

- the classification of financial instruments;
- the assessment of the Company's ability to continue as a going concern; and
- the determination of the recoverability of the Company's deferred tax assets

**3. SIGNIFICANT ACCOUNTING POLICIES****Share-based payments**

The fair value of stock options granted to employees is measured at the grant date and recognized over the vesting period with a corresponding increase in equity. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instrument issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The fair value of the options granted is measured using the Black-Scholes option-pricing model, taking into account the terms and conditions upon which the options were granted. At each reporting date, the amount recognized as an expense is adjusted to reflect the actual number of stock options that are expected to vest.

**Loss per share**

The Company presents the basic and diluted loss per share data for its common shares by dividing the loss by the weighted average number of common shares outstanding during the year. For all periods presented, the loss attributable to common shareholders equals the reported loss attributable to owners of the Company. Diluted loss per share is calculated by the treasury stock method. Under the treasury stock method, the weighted average number of common shares outstanding for the calculation of diluted loss per share assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the period.

**Financial Instruments**Financial assets

Financial assets are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows. IFRS 9 contains three categories of financial assets: Measured at amortization cost after initial recognition, at fair value through other comprehensive income ("FVOCI") and at fair value through profit or loss ("FVTPL").

A financial asset is measured at amortized cost if it is held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Equity instruments are generally classified as FVTPL. For equity investment is not held for trading, an entity can

**ME Resource Corp.**

Notes to the Financial Statements

Year Ended December 31, 2020 and 2019

(Expressed in Canadian Dollars)

**3. SIGNIFICANT ACCOUNTING POLICIES (Continued)****Financial Instruments (Continued)**Financial assets (Continued)

make an irrevocable election at initial recognition to measure it at FVOCI with only dividend income recognized in profit or loss.

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity.

Impairment of financial assets

IFRS 9 uses the expected credit loss (“ECL”) model. The credit loss model groups receivables based on similar credit risk characteristics and days past due in order to estimate bad debts. The ECL model applies to the Company’s receivables.

An ‘expected credit loss’ impairment model requires a loss allowance to be recognized based on expected credit losses. The estimated present value of future cash flows associated with the asset is determined, and an impairment loss is recognized for the difference between this amount and the carrying amount as follows: the carrying amount of the asset is reduced to estimated present value of the future cash flows associated with the asset, discounted at the financial asset’s original effective interest rate, either directly or through the use of an allowance account, and the resulting loss is recognized in profit or loss for the period.

In a subsequent period, if the amount of the impairment loss related to financial assets measured at amortized cost decreases, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

Financial liabilities

All financial liabilities are designated as either: (i) FVTPL; or (ii) other financial liabilities. All financial liabilities are classified and subsequently measured at amortized cost except for financial liabilities at FVTPL.

Financial liabilities classified as other financial liabilities are initially recognized at fair value less directly attributable transaction costs. After initial recognition, other financial liabilities are subsequently measured at amortized costs using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period. The Company’s accounts payable are classified as other financial liabilities.

Financial liabilities classified as FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Derivatives, including separated embedded derivatives are also classified as held for trading and recognized at fair value with changes in fair value recognized in earnings unless they are designated as effective hedging instruments. Fair value changes on financial liabilities classified as FVTPL are recognized in earnings.

**ME Resource Corp.**

Notes to the Financial Statements

Year Ended December 31, 2020 and 2019

(Expressed in Canadian Dollars)

**3. SIGNIFICANT ACCOUNTING POLICIES (Continued)****Financial Instruments (Continued)**Financial liabilities (Continued)

The Company derecognizes a financial liability when its contractual obligations are discharged or canceled, or expire. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and/or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Gains and losses on derecognition are generally recognized in profit or loss.

The company's financial assets and liabilities are classified as follow:

<u>Financial assets/liabilities</u>	<u>IFRS 9 Classification</u>
Accounts payable	Amortized cost
Due to related parties	Amortized cost
Note payable	Amortized cost

**Income taxes**Current income tax:

Current income tax assets and liabilities for the period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax:

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

**ME Resource Corp.**

Notes to the Financial Statements

Year Ended December 31, 2020 and 2019

(Expressed in Canadian Dollars)

**4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	<b>December 31, 2020</b>	<b>December 31, 2019</b>
	\$	\$
Trade payables	343,954	323,514
Salaries payable	20,066	20,066
Accrued liabilities	18,393	16,890
	<b>382,413</b>	<b>360,470</b>

**5. NOTE PAYABLE**

On March 31, 2019, the Company issued an unsecured, note payable to Moonstruck Capital which promises to repay any advances Moonstruck made to cover the Company's expenses. The note carries interest at 10% per annum based on the date of the advances and principal and interest is due on October 31, 2020. The lender further advanced the Company \$17,821 on June 15, 2020 with the same terms of repayment.

The terms of repayment changed to on-demand after October 31, 2020 and subsequently to the year ended December 31, 2020. As at December 31, 2020, the amount of outstanding was \$50,764 with accrued interest of \$6,299, totalling \$57,063. The Company recorded interest expense on the note of \$4,260 (2019 - \$2,039) for the year 2020.

Subsequent to the year ended December 31, 2020, the principal and accrued interest was fully repaid in March 2021.

**6. SHARE CAPITAL**

Authorized share capital: An unlimited number of common shares without par value.  
An unlimited number of preferred shares without par value.

Issued and outstanding: 63,671,935 common shares

During the year ended December 31, 2020 and 2019, the Company did not issue any common shares.

**Stock options**

The Company has a stock option plan which provides that the Board of Directors of the Company may grant to directors, officers, employees, and consultants to the Company, non-transferable options to purchase common shares. The number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares of the Company. The term of any options granted under the plan may not exceed 5 years. Vesting terms and conditions are established by the Board of Directors.

The Company has not issued stock options during 2020.

On March 11, 2016, the Company granted incentive stock options to various directors, officers and consultants to purchase up to an aggregate of 5,890,000 common shares in the capital stock of the Company, exercisable for a period of five years, at a price of \$0.20 per share. Twenty percent of these options were vested at the grant date and then a further 20% each anniversary thereafter.

**ME Resource Corp.**

Notes to the Financial Statements

Year Ended December 31, 2020 and 2019

(Expressed in Canadian Dollars)

**6. SHARE CAPITAL (Continued)****Stock options (continued)**

On June 4, 2019, the Company announced the cancellation of all outstanding stock options issued in 2016 and recorded a recovery of share-based compensation for forfeitures of unvested options.

During the year ended December 31, 2020, the Company recorded share-based compensation expense of \$Nil (2019- recovery of \$159,548).

Stock option continuity is as follows:

	Number	Weighted average exercise price
Balance, December 31, 2018	5,890,000	\$0.20
Stock options cancelled by the Company during 2019	(5,890,000)	\$0.20
Balance, December 31, 2020 and 2019	-	-

**Stock option reserve**

The stock option reserve records items recognized as stock-based compensation expense and other share-based payments until such time that the stock options or warrants are exercised, at which time the corresponding amount will be transferred to share capital.

**Warrant reserve**

The warrant reserve records the fair value of warrants issued until such time that they are exercised, at which time the corresponding amount will be transferred to share capital.

**Loan Reserve**

Recorded in the loan reserve is a discount on a loan which was issued with interest below market rates.

**7. RELATED PARTY TRANSACTIONS**

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

a) Transactions with key management personnel were as follows:

<b>Years ended December 31,</b>	<b>2020</b>	<b>2019</b>
	\$	\$
Consulting fees charged by a director	60,000	60,000
Consulting fees charged by a company related to the chief executive officer ("CEO")	120,000	120,000
Consulting fees charged by the chief financial officer ("CFO")	60,000	60,000
	<u>240,000</u>	<u>240,000</u>



**ME Resource Corp.**

Notes to the Financial Statements

Year Ended December 31, 2020 and 2019

(Expressed in Canadian Dollars)

**7. RELATED PARTY TRANSACTIONS (Continued)**

b) Balances due to related parties:

Amounts due to related parties are unsecured, non-interest bearing and have no fixed terms of repayment.

Due to Related parties	December 31, 2020	December 31, 2019
	\$	\$
Directors	364,000	304,000
Chief financial officer	319,600	259,600
Companies related to the CEO	687,123	567,123
	1,370,723	1,130,723

Amounts due to related parties are non-interest bearing with no terms of repayment

**8. FINANCIAL INSTRUMENTS****Financial Risk Management**

The Company is exposed in varying degrees to a variety of financial instrument related risks.

*Credit Risk*

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's exposure to credit risk is minimal.

*Liquidity risk*

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash.

Historically, the Company's sources of funding have been the issuance of equity securities for cash, primarily through private placements, and issuance of debt. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

*Currency Risk*

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company does not incur significant expenditures that are denominated in foreign currencies and does not have any commitments that are denominated in foreign currencies. Therefore, the Company's exposure to currency risk is minimal.

*Interest Rate Risk*

Interest rate risk refers to the risk that fair values of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company does not have material financial assets or liabilities that are exposed to fluctuation of interest rate. As a result, the exposure to interest rate risk is not significant.

**ME Resource Corp.**

Notes to the Financial Statements

Year Ended December 31, 2020 and 2019

(Expressed in Canadian Dollars)

**8. FINANCIAL INSTRUMENTS (Continued)****Capital management**

The Company manages its capital structure and make adjustments to it, based on the funds available to the Company. In order to support the acquisition, exploration, and development of exploration and evaluation assets. In the management of capital, the Company includes components of shareholders' equity. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of management to sustain future development of the business. The business operated by the Company in the development state; as such the company is dependent on external financing to finance its operations.

There were no changes in the Company's approach to capital management during the year. The Company is not subject to any externally imposed capital requirements

**Financial instruments**

The Company's financial instruments consist of accounts payable and accrued liabilities, note payable and due to related parties. The fair value of the Company's financial assets and liabilities approximate their carrying amount due to their short terms to maturity.

No transfers occurred between the levels of fair value during the year.

**9. INCOME TAXES**

The income tax provisions differ from the expected amounts calculated by applying Canadian combined federal and provincial corporate income tax rates to the Company's loss before income taxes. The components of these differences are as follows:

	<b>2020</b>	<b>2019</b>
Net loss for the year	\$ (284,025)	\$ (135,025)
Statutory tax rate	27%	27%
Income tax recovery at statutory rates	(76,700)	(36,000)
Non-deductible items	-	(41,000)
Change in unrecognized deferred tax assets	76,700	(77,000)
Deferred tax recovery	\$ -	\$ -

The Company's tax-effected deferred tax assets are estimated as follows:

	<b>2020</b>	<b>2019</b>
	\$	\$
Deferred tax assets:		
Non-capital losses carry forward	907,700	831,000
Less: Unrecognized deferred tax assets	(907,700)	(831,000)
Net deferred tax assets	-	-

The Company has approximately \$3,364,000 in non-capital losses available to offset future taxable income. These losses expire between 2029 and 2040.

Tax attributes are subject to review, and potential adjustment by tax authorities.

**ME Resource Corp.**

Notes to the Financial Statements

Year Ended December 31, 2020 and 2019

(Expressed in Canadian Dollars)

---

**10. SUBSEQUENT EVENT**

On March 5, 2021, the Company entered into a Share Exchange Agreement with Albert Labs Inc (“Albert Labs”), a private company in the business of clinical research and drug development, to complete a reverse-take-over arrangement (the “Transaction” of “RTO”), whereby the resulting issuer of the RTO intend to secure a listing on the CSE pursuant to approval from the regulatory.

Upon completion of the proposed Transaction, the resulting issuer will continue to carry on the business of Albert Labs as currently constituted, under the new name “Albert Labs Inc .” or such other name as may be approved by the CSE Exchange.

The Share Exchange Agreement has been approved by the directors of MEC and Albert Labs.

Upon the completion and Exchange approval of the Transaction, the Company will consolidate its common shares on a 10-1 basis; issue 3,215,695 post-consolidated common shares to settle certain payables to creditors and related parties in the amount of \$1,607,475.

Upon the completion and Exchange approval of the Transaction, the Company will issue 38,663,700 post-consolidated common shares in exchange all the outstanding shares of the Albert Labs.

**APPENDIX C – AUDITED FINANCIAL STATEMENTS OF ALBERT LABS INC.**

# **ALBERT LABS INC.**

## **Financial Statements**

**For the first year from the incorporation date of September 16, 2020 to the  
year ended December 31, 2020**

**Expressed in Canadian Dollars**

**SAM S. MAH INC.**  
**Chartered Professional Accountant**  
UNIT 114B  
8988 FRASERTON COURT  
BURNABY, BC, V5J 5H8

**T: 604-617-8858**  
**F: 604-239-0866**

## INDEPENDENT AUDITOR'S REPORT

To: the Directors of  
Albert Labs Inc.

### Opinion

I have audited the financial statements of Albert Labs Inc. (the "Company"), which comprise the statement of financial position as at December 31, 2020, and the statement of loss and comprehensive loss, statement of cash flows and statement of changes in equity for the period ended from the date of incorporation on September 16, 2020 to December 31, 2020, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2020, and its financial performance and its cash flow for the period ended from the date of incorporation on September 16, 2020 to December 31, 2020 in accordance with International Financial Reporting Standards (IFRSs).

### Basis for Opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Company in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### Material Uncertainty Related to Going Concern

I draw attention to Note 1 in the financial statements, which indicates that the Company incurred a net loss of \$433,177 during the period ended from the date of incorporation on September 16, 2020 to December 31, 2020 and, as of that date, the Company had not yet achieved profitable operations, had accumulated losses of \$433,177 since its inception, and expects to incur further losses in the development of its business. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. My opinion is not modified in respect of this matter.

### Other Information

Management is responsible for the other information. The other information comprises the Management Discussion and Analysis.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

The engagement practitioner on the audit resulting in this independent auditor's report is Sam S. Mah, CPA, CA.

***"Sam S. Mah Inc."***

Chartered Professional Accountant

Unit# 114B – 8988 Fraserteron Court  
Burnaby, BC, Canada V5J 5J8  
March 23, 2021

**Albert Labs Inc.**  
**Statement of Financial Position**  
**(Expressed in Canadian Dollars)**

**December 31, 2020**

	\$
<b>ASSETS</b>	
Current assets	
Cash	10,812
Amounts receivable (Note 4)	280,400
<b>Total assets</b>	<b>291,212</b>
<b>LIABILITIES</b>	
Current liabilities	
Accounts payable and accrued liabilities (Note 5)	30,514
Due to related parties (Note 6)	200
	<b>30,714</b>
<b>SHAREHOLDERS' EQUITY</b>	
Share capital (Note 4)	693,675
Deficit	(433,177)
	<b>260,498</b>
<b>Total shareholders' equity and liabilities</b>	<b>291,212</b>

*Note 1: Nature and operation and going concern*

Authorized for issuance by the Board of Directors on March 23, 2021

/s/ Anthony Chan  
Director

/s/ Ali Gulamhusein  
Director

*See accompanying notes to the financial statements.*



**Albert Labs Inc.**  
**Statement of Loss and Comprehensive Loss**  
**(Expressed in Canadian Dollars)**

**For the first year from the incorporation date of September 16, 2020 to the year ended December 31, 2020**

	\$
Expenses	
Consulting and management (Note 6)	351,100
General and administration	298
Professional fees	8,000
Research	73,779
<b>Loss and comprehensive loss</b>	<b>(433,177)</b>
<b>Loss per share – basic and diluted</b>	<b>(0.08)</b>
Weighted average number of outstanding common shares , basic and diluted	5,732,326

*See accompanying notes to the financial statements.*

**Albert Labs Inc.**  
**Statement of Cash Flows**  
**(Expressed in Canadian Dollars)**

**For the first year from the incorporation date of September 16, 2020 to the year ended December 31, 2020**

	\$
Cash flows from operating activities	
Loss for the period	(433,177)
Non-cash items:	
- Consulting fees paid by issuance of shares	340,000
Changes in non-cash working capital items:	
- Accounts payable and accrued liabilities	30,514
<u>Cash used in operating activities</u>	<u>(62,663)</u>
Cash flows from financing activities	
Proceeds from share issuance	73,275
Advance from related parties	200
<u>Cash provided by financing activities</u>	<u>73,475</u>
Net cash inflow	10,812
<u>Cash, beginning of period</u>	<u>-</u>
<u>Cash, end of period</u>	<u>10,812</u>

*See accompanying notes to the financial statements.*

**Albert Labs Inc.****Statement of Changes in Equity****(Expressed in Canadian Dollars)****For the first year from the incorporation date of September 16, 2020 to the year ended December 31, 2020****Share capital**

	<b>Number of shares</b>	<b>Amount \$</b>	<b>Deficit \$</b>	<b>Total \$</b>
Balance, September 16, 2020	-	-	-	-
Shares issued for cash	21,663,800	353,675	-	353,675
Shares issued for services	17,000,000	340,000	-	340,000
Loss for the period	-	-	(433,177)	(433,177)
Balance, December 31, 2020	38,663,800	693,675	(433,177)	260,498

*See accompanying notes to the financial statements*

**Albert Labs Inc.**

## Notes to the Financial Statements

From September 16, 2020, date of incorporation to the year ended December 31, 2020.

(Expressed in Canadian Dollars)

**1. NATURE AND CONTINUANCE OF OPERATIONS**

Albert Labs Inc., (the “Company”) was incorporated under the Business Corporation Act (British Columbia) on September 16, 2020. The Company’s head and registered office address is Unit 114B - 8988 Fraserton Court, Burnaby, BC, V5J 5H8.

The Company’s principal line of business is to research and develop drugs to ensure accelerated access to safe and effective psychedelic-assisted therapy for patients with urgent, unmet needs.

These financial statements have been prepared using International Financial Reporting Standards applicable to a going concern, which assume that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. The Company’s continuation as a going concern is dependent whether the Company can develop an economically viable business, and generate funds there from and/or raise equity capital to meet current and future obligations. The Company has not yet achieved profitable operations and expects to incur further losses in the development of its business. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern. Management intends to finance operating costs over the next twelve months with loans and/or private placement of common shares. Should the Company be unable to continue as going concern, the net realizable value of its assets may be materially less than the amounts on its statements of financial position.

In March 2020, the World Health Organization declared a global pandemic related to the virus known as COVID-19. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It has also disrupted the normal operations of many businesses, including the Company’s. This outbreak could decrease spending, adversely affect demand for the Company’s product and harm the Company’s business and results of operations. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company’s business or results of operations at this time.

**2. BASIS OF PRESENTATION****Statement of compliance**

These financial statements have been prepared in accordance with the International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”). The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

These financial statements were authorized for issue by the Board of Directors on March 23, 2021.

**Basis of measurement**

The financial statements have been prepared on an accrual basis and are based on historical costs, except for certain financial instruments which are measured at fair value. The financial statements are presented in Canadian dollars, the functional currency of the Company. The preparation of financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company’s management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised. Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the fair value measurements for financial instruments and the recognition and measurement of deferred tax assets.

**Albert Labs Inc.**

## Notes to the Financial Statements

From September 16, 2020, date of incorporation to the year ended December 31, 2020.

(Expressed in Canadian Dollars)

**2. BASIS OF PRESENTATION (Continued)****Significant judgments**

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgment in applying the Company's financial statements include:

- the classification of financial instruments;
- the assessment of the Company's ability to continue as a going concern; and
- the determination of the recoverability of the Company's deferred tax assets

**3. SIGNIFICANT ACCOUNTING POLICIES****Financial Instruments**Financial assets

## (a) Recognition and measurement of financial assets

The Company recognizes a financial asset when it becomes a party to the contractual provisions of the instrument.

## (b) Classification of financial assets

The Company classifies financial assets at initial recognition as financial assets: measured at amortized cost, measured at fair value through other comprehensive income ("FVTOCI") or measured at fair value through profit or loss ("FVTPL").

## (i) Financial assets measured at amortized cost

A financial asset that meets both of the following conditions is classified as a financial asset measured at amortized cost.

- The Company's business model for the such financial assets, is to hold the assets in order to collect contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the amount outstanding.

A financial asset measured at amortized cost is initially recognized at fair value less transaction costs directly attributable to the asset. After initial recognition, the carrying amount of the financial asset measured at amortized cost is determined using the effective interest method, net of impairment loss, if necessary.

The Company's cash and amounts receivable are financial asset measured at amortized cost.

## (ii) Financial assets measured at FVTPL

A financial asset measured at fair value through profit or loss is recognized initially at fair value with any associated transaction costs being recognized in profit or loss when incurred. Subsequently, the financial

**Albert Labs Inc.**

## Notes to the Financial Statements

From September 16, 2020, date of incorporation to the year ended December 31, 2020.

(Expressed in Canadian Dollars)

**3. SIGNIFICANT ACCOUNTING POLICIES (Continued)**Financial assets (continued)

asset is re-measured at fair value, and a gain or loss is recognized in profit or loss in the reporting period in which it arises.

The Company does not have financial assets measured at FVTPL.

## (iii) Financial assets measured at FVTOCI

A financial asset measured at fair value through other comprehensive income is recognized initially at fair value less transaction costs directly attributable to the asset. After initial recognition, the asset is measured at fair value with changes in fair value included as “financial asset at fair value through other comprehensive income” in other comprehensive income.

The Company does not have any financial assets measured at FVTOCI.

## (c) Derecognition of financial assets

The Company derecognizes a financial asset if the contractual rights to the cash flows from the asset expire, or the Company transfers substantially all the risks and rewards of ownership of the financial asset. Any interests in transferred financial assets that are created or retained by the Company are recognized as a separate asset or liability. Gains and losses on derecognition are generally recognized in the statement of loss and comprehensive loss. However, gains and losses on derecognition of financial assets classified as FVTOCI remain within accumulated other comprehensive loss.

Financial liabilities

## (a) Recognition and measurement of financial liabilities

The Company recognizes financial liabilities when it becomes a party to the contractual provisions of the instruments.

## (b) Classification of financial liabilities

The Company classifies financial liabilities at initial recognition as financial liabilities measured at amortized cost or measured at fair value through profit or loss.

## (i) Financial liabilities measured at amortized cost

A financial liability at amortized cost is initially measured at fair value less transaction costs directly attributable to the issuance of the financial liability. Subsequently, the financial liability is measured at amortized cost based on the effective interest rate method.

The Company’s accounts payable and accrued liabilities, and due to related parties are financial liabilities measured at amortized cost.

## (ii) Financial liabilities measured at FVTPL

**Albert Labs Inc.**

Notes to the Financial Statements

From September 16, 2020, date of incorporation to the year ended December 31, 2020.

(Expressed in Canadian Dollars)

**3. SIGNIFICANT ACCOUNTING POLICIES (Continued)****Financial instruments (continued)**Financial liabilities (continued)

A financial liability measured at FVTPL is initially measured at fair value with any associated transaction costs being recognized in profit or loss when incurred. Subsequently, the financial liability is re-measured at fair value, and a gain or loss is recognized in profit or loss in the reporting period in which it arises.

The Company does not have any financial liabilities measured at FVTPL.

(c) **Derecognition of financial liabilities**

The Company derecognizes a financial liability when the financial liability is discharged, cancelled or expired. Generally, the difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in the statement of comprehensive loss.

Offsetting financial assets and liabilities

Financial assets and liabilities are offset and the net amount is presented in the statement of financial position only when the Company has a legally enforceable right to set off the recognized amounts and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Impairment of financial assets

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost.

At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to twelve month expected credit losses. The Company shall recognize in the statement of comprehensive loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

**Loss per share**

The Company presents the basic and diluted loss per share data for its common shares by dividing the loss by the weighted average number of common shares outstanding during the year. For all periods presented, the loss attributable to common shareholders equals the reported loss attributable to owners of the Company. Diluted loss per share is calculated by the treasury stock method. Under the treasury stock method, the weighted average number of common shares outstanding for the calculation of diluted loss per share assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the period.

**Albert Labs Inc.**

## Notes to the Financial Statements

From September 16, 2020, date of incorporation to the year ended December 31, 2020.

(Expressed in Canadian Dollars)

**3. SIGNIFICANT ACCOUNTING POLICIES (Continued)****Income taxes**Current income tax:

Current income tax assets and liabilities for the period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax:

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

**4. SHARE CAPITAL**

Authorized share capital: An unlimited number of common shares without par value.

Issued and outstanding:

During the year ended December 31, 2020, the Company issued the following common shares:

Number of shares issued	value per share		Total proceeds
	\$		\$
4,000,000	0.0001	For cash	400
100	0.01	For cash	1
17,000,000	0.02	For services	340,000
17,663,700	0.02	For cash	353,274 <sup>(i)</sup>
34,663,800			693,275

(i) Among the \$353,274 share subscription proceeds, \$280,400 were received subsequent to the year ended December 31, 2020.



**Albert Labs Inc.**

Notes to the Financial Statements

From September 16, 2020, date of incorporation to the year ended December 31, 2020.

(Expressed in Canadian Dollars)

**5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	<b>December 31, 2020</b>
	\$
Trade payables	24,514
Accrued liabilities	6,000
	<b>30,514</b>

**6. RELATED PARTY TRANSACTIONS**

a) Transactions with key management personnel and directors were as follows:

<b>Years ended December 31,</b>	<b>2020</b>
	\$
Consulting fees	120,000

b) Balances due to related parties:

Amounts due to related parties are unsecured, non-interest bearing and have no fixed terms of repayment.

<b>Due to Related parties</b>	<b>December 31, 2020</b>
	\$
Directors	200

The \$120,000 of consulting fees due to the directors were converted to 6,000,000 common shares at \$0.02 per common share.

**7. FINANCIAL INSTRUMENTS****Financial Risk Management**

The Company is exposed in varying degrees to a variety of financial instrument related risks.

*Credit Risk*

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's exposure to credit risk is on its cash held. The Company's cash is deposited in a major bank in Canada which is subject a concentration of credit risk. This risk is managed by using a major bank that is a high credit quality financial institution as determined by rating agencies.

*Liquidity risk*

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash. Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

The Company's liquidity risk as assessed as high.

**Albert Labs Inc.**

## Notes to the Financial Statements

From September 16, 2020, date of incorporation to the year ended December 31, 2020.

(Expressed in Canadian Dollars)

**7. FINANCIAL INSTRUMENTS (Continued)***Currency Risk*

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company does not incur significant expenditures that are denominated in foreign currencies and does not have any commitments that are denominated in foreign currencies. Therefore, the Company's exposure to currency risk is minimal.

*Interest Rate Risk*

Interest rate risk refers to the risk that fair values of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company does not have material financial assets or liabilities that are exposed to fluctuation of interest rate. As a result, the exposure to interest rate risk is not significant.

**Capital management**

The Company manages its capital structure and make adjustments to it, based on the funds available to the Company. In the management of capital, the Company includes components of shareholders' equity. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of management to sustain future development of the business. The business operated by the Company in the development state; as such the company is dependent on external financing to finance its operations.

The Company is not subject to any externally imposed capital requirements

**Financial instruments**

The Company's financial instruments consist of cash, amounts receivable, accounts payable and accrued liabilities, and due to related parties. The fair value of the Company's financial assets and liabilities approximate their carrying amount due to their short terms to maturity.

**8. INCOME TAXES**

The income tax provisions differ from the expected amounts calculated by applying Canadian combined federal and provincial corporate income tax rates to the Company's loss before income taxes. The components of these differences are as follows:

	<b>2020</b>
	\$
Net loss for the period	(433,177)
Statutory tax rate	27%
Income tax recovery at statutory rates	(116,958)
Change in unrecognized deferred tax assets	116,958
	-

The Company's tax-effected deferred tax assets are estimated as follows:

	<b>2020</b>
	\$
Deferred tax assets:	
Non-capital losses carry forward	116,958
Less: Unrecognized deferred tax assets	(116,958)
Net deferred tax assets	-

**Albert Labs Inc.**

Notes to the Financial Statements

From September 16, 2020, date of incorporation to the year ended December 31, 2020.

(Expressed in Canadian Dollars)

---

**8. INCOME TAXES**

The Company has approximately \$433,000 in non-capital losses available to offset future taxable income. These losses will expire on 2040.

Tax attributes are subject to review, and potential adjustment by tax authorities.

**9. SUBSEQUENT EVENT**

The Company received total proceeds of \$440,268 towards the subscription of common shares of the Company at \$0.25 per share.

**APPENDIX D – REVIEWED FINANCIAL STATEMENTS OF MEC FOR THE PERIOD  
ENDING SEPTEMBER 30, 2021**

# **ME RESOURCE CORP.**

## **Condensed Interim Financial Statements**

**Three and Nine months ended September 30, 2021 and 2020**

**Unaudited - Expressed in Canadian Dollars**

**ME Resource Corp.**  
**Condensed Interim Statements of Financial Position**  
**(Unaudited - Expressed in Canadian Dollars)**

	<b>September 30,</b>	<b>December 31,</b>
	<b>2021</b>	<b>2020</b>
	\$	\$
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable and accrued liabilities (Note 4)	472,025	382,413
Note payable (Note 5)	-	57,063
Due to related parties (Note 6)	1,550,723	1,370,723
	<u>2,022,748</u>	<u>1,810,199</u>
<b>SHAREHOLDERS' DEFICIENCY</b>		
Share capital (Note 4)	5,861,105	5,861,105
Reserves	1,745,278	1,745,278
Deficit	(9,629,131)	(9,416,582)
	<u>(2,022,748)</u>	<u>(1,810,199)</u>
<b>Total shareholders' deficiency and liabilities</b>	<u>-</u>	<u>-</u>

*Note 1: Nature and operation and going concern*

Authorized for issuance by the Board of Directors

/s/ Navchand Jagpal  
Director

/s/Ravinder Kang  
Director

*See accompanying notes to the condensed interim financial statements*

**ME Resource Corp.**  
**Condensed Interim Statements of Loss and Comprehensive Loss**  
**(Unaudited - Expressed in Canadian Dollars)**

	Three months September 30,		Nine months September 30,	
	2021	2020	2021	2020
	\$	\$	\$	\$
Expenses				
Consulting and management (Note 6)	60,000	60,000	180,000	180,000
Filing fees	2,912	11,538	18,498	21,294
Interest expense	-	1,377	370	3,294
Professional fees	4,500	3,000	13,680	11,000
<b>Loss and comprehensive loss</b>	<b>(67,412)</b>	<b>(75,915)</b>	<b>(212,548)</b>	<b>(215,588)</b>
<b>loss per share – basic and diluted</b>	<b>(0.00)</b>	<b>(0.00)</b>	<b>(0.00)</b>	<b>(0.00)</b>
Weighted average number of outstanding common shares , basic and diluted	63,671,935	63,671,935	63,671,935	63,671,935

*See accompanying notes to the condensed interim financial statements*

**ME Resource Corp.**  
**Condensed Interim Statements of Cash Flows**  
**(Unaudited - Expressed in Canadian Dollars)**

Nine months ended September 30,	2021	2020
	\$	\$
<b>OPERATING ACTIVITIES</b>		
Loss for the period	(212,548)	(215,588)
Items not involve cash		
Accrued consulting fees	180,000	180,000
Changes in non-cash working capital items:		
- accounts payable and accrued liabilities	89,611	14,551
Cash provided by operating activities	57,063	(21,037)
<b>FINANCING ACTIVITIES</b>		
Repayment of note payable	(57,063)	-
Proceeds from note payable	-	21,037
Cash used in financing activities	(57,063)	21,037
Net cash inflow	-	-
Cash, beginning of period	-	-
Cash, end of period	-	-

*See accompanying notes to the condensed interim financial statements*



**ME Resources Corp.**  
**Condensed Interim Statements of Changes in Deficiency**  
**(Unaudited - Expressed in Canadian Dollars)**

	<b>Share capital</b>		<b>Reserves</b>				<b>Total</b>
	<b>Number of shares</b>	<b>Amount</b>	<b>Stock-option</b>	<b>Loan</b>	<b>Warrant</b>	<b>Deficit</b>	
		\$	\$	\$	\$	\$	\$
Balance, December 31, 2019	63,671,935	5,861,105	1,694,396	5,121	45,761	(9,132,557)	(1,526,174)
Loss for the period	-	-	-	-	-	(215,588)	(215,588)
Balance, September 30, 2020	63,671,935	5,861,105	1,694,396	5,121	45,761	(9,348,145)	(1,741,762)
Balance, December 31, 2020	63,671,935	5,861,105	1,694,396	5,121	45,761	(9,416,583)	(1,810,200)
Loss for the period	-	-	-	-	-	(212,548)	(212,548)
Balance, September 30, 2021	63,671,935	5,861,105	1,694,396	5,121	45,761	(9,629,131)	(2,022,748)

*See accompanying notes to the condensed interim financial statements*

**ME Resource Corp.**

Notes to the Condensed Interim Financial Statements

Three and Nine Months Ended September 30, 2021, and 2020

(Unaudited - Expressed in Canadian Dollars)

**1. NATURE AND CONTINUANCE OF OPERATIONS**

ME Resource Corp., (the “Company” or “MEC”) was incorporated under the Business Corporation Act (British Columbia) on October 16, 2009. The Company’s shares are traded on the Canadian Securities Exchange (“CSE”) under the symbol MEC. The Company’s head and registered office address is 204 – 6321 King George Blvd. Surrey, B.C. V3X 1G1

The Company is currently seeking new business opportunities (Note 3)

These condensed interim financial statements have been prepared using International Financial Reporting Standards applicable to a going concern, which assume that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. The Company’s continuation as a going concern is dependent whether the Company can develop an economically viable business and generate funds there from and/or raise equity capital to meet current and future obligations. The Company has not yet achieved profitable operations and expects to incur further losses in the development of its business. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern. Management intends to finance operating costs over the next twelve months with loans and/or private placement of common shares. Should the Company be unable to continue as going concern, the net realizable value of its assets may be materially less than the amounts on its statements of financial position.

The recent outbreak of the coronavirus, also known as “COVID-19”, has spread across the globe and is impacting worldwide economic activity. Conditions surrounding the coronavirus continue to rapidly evolve and government authorities have implemented emergency measures to mitigate the spread of the virus. The outbreak and the related mitigation measures may have an adverse impact on global economic conditions as well as on the Company’s business activities. The extent to which the coronavirus may impact the Company’s business activities will depend on future developments, such as the ultimate geographic spread of the disease, the duration of the outbreak, travel restrictions, business disruptions, and the effectiveness of actions taken in Canada and other countries to contain and treat the disease. These events are highly uncertain and as such, the Company cannot determine their financial impact at this time.

**2. BASIC OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES****Statement of compliance**

These condensed interim financial statements together with the comparative figures herein have been prepared in accordance with International Accounting Standards (“IAS”) 34 “Interim Financial Reporting” (“IAS 34”) using accounting policies consistent with the International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee.

These condensed interim financial statements do not include all the information required of a full annual financial report and is intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that these condensed interim financial statements be read in conjunction with the most recent audited annual financial statements of the Company for its recent year ended December 31, 2020.

These condensed interim financial statements were authorized for issue by the Board of Directors on November 18, 2021.

**ME Resource Corp.**

Notes to the Condensed Interim Financial Statements  
Three and Nine Months Ended September 30, 2020, and 2019  
(Unaudited - Expressed in Canadian Dollars)

---

**2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)****Basis of measurement**

These condensed interim financial statements have been prepared on an accrual basis and are based on historical costs, except for certain financial instruments which are measured at fair value. The financial statements are presented in Canadian dollars, the functional currency of the Company. The preparation of financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised. Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the fair value measurements for financial instruments and the recognition and measurement of deferred tax assets.

**Significant judgments**

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgment in applying the Company's financial statements include:

- the classification of financial instruments;
- the assessment of the Company's ability to continue as a going concern; and
- the determination of the recoverability of the Company's deferred tax assets

**Adoption of new accounting policies**

The Company has not adopted new accounting policies since its recent year ended December 31, 2020.

**3. PROPOSED BUSINESS COMBINATION**

In March 2021, the Company entered into a definitive agreement with Albert Labs Inc ("Albert Labs"), a private company in the business of clinical research and drug development, to complete a reverse-take-over arrangement (the "Transaction" of "RTO"), whereby the resulting issuer of the RTO intend to secure a listing on the CSE pursuant to approval from the regulatory.

Upon completion of the this proposed Transaction, the resulting issuer will continue to carry on the business of Albert Labs as currently constituted, under the new name "Albert Labs Inc." or such other name as may be approved by the CSE.

The definitive agreement has been approved by the directors of MEC and Albert Labs.

Before the completion of the Transaction, the Company will consolidate its common shares on a 10-1 basis; and plan to issue not more than 3,273,942 post-consolidated common shares to settle certain payables to creditors and related parties at a deemed price of \$0.50 per share.

Upon the completion of the Transaction, the Company will issue 38,663,700 post-consolidated common shares in exchange all the outstanding shares of the Albert Labs.

As at the date of this report, this proposed Transaction is not completed pending approval from regulatory.

**ME Resource Corp.**

Notes to the Condensed Interim Financial Statements  
 Three and Nine Months Ended September 30, 2020, and 2019  
 (Unaudited - Expressed in Canadian Dollars)

**4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	<b>September 30, 2021</b>	<b>December 31, 2020</b>
	\$	\$
Trade payables	332,727	343,954
Salaries payable	20,066	20,066
Accrued liabilities	13,100	18,393
Due to Albert Labs (Note 5)	106,132	-
	<u>472,025</u>	<u>382,413</u>

During the nine months ended September 30, 2021, Albert Labs advanced the Company \$106,132 to finance the Company's operations and for the repayment of certain outstanding payables. This amount owing to the Albert Labs is unsecured, payable on demand, and non-interest bearing,

**5. NOTE PAYABLE**

On March 31, 2019, the Company issued an unsecured, note payable to Moonstruck Capital which promises to repay any advances Moonstruck made to cover the Company's expenses. The note carries interest at 10% per annum based on the date of the advances and principal and interest is due on October 31, 2020. The lender further advanced the Company \$17,821 on June 15, 2020, with the same terms of repayment.

The terms of repayment changed to on-demand after October 31, 2020, and subsequently to the year ended December 31, 2020. As of December 31, 2020, the amount of outstanding was \$50,764 with accrued interest of \$6,299, totalling \$57,063.

In March 2021, Albert Labs advanced the Company \$57,433 to fully repay the principal and accrued interest of the above promissory note. The Company recorded an interest expense of \$370 for the nine months ended September 30, 2020 (Note 4)

**6. SHARE CAPITAL**

Authorized share capital:     An unlimited number of common shares without par value.  
   An unlimited number of preferred shares without par value.

Issued and outstanding:       63,671,935 common shares

During the nine months ended September 30, 2021, the Company did not issue any common shares.

**ME Resource Corp.**

Notes to the Condensed Interim Financial Statements  
 Three and Nine Months Ended September 30, 2020, and 2019  
 (Unaudited - Expressed in Canadian Dollars)

**6. SHARE CAPITAL (Continued)****Stock options**

The Company has a stock option plan which provides that the Board of Directors of the Company may grant to directors, officers, employees, and consultants to the Company, non-transferable options to purchase common shares. The number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares of the Company. The term of any options granted under the plan may not exceed 5 years. Vesting terms and conditions are established by the Board of Directors.

The Company has not issued stock options during the nine months ended September 30, 2021. The Company did not have options outstanding as of September 30, 2021, and December 31, 2020.

**Stock option reserve**

The stock option reserve records items recognized as stock-based compensation expense and other share-based payments until such time that the stock options or warrants are exercised, at which time the corresponding amount will be transferred to share capital.

**Warrant reserve**

The warrant reserve records the fair value of warrants issued until such time that they are exercised, at which time the corresponding amount will be transferred to share capital.

**Loan Reserve**

Recorded in the loan reserve is a discount on a loan which was issued with interest below market rates.

**7. RELATED PARTY TRANSACTIONS**

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

a) Transactions with key management personnel were as follows:

<b>Nine months ended September 30,</b>	<b>2021</b>	<b>2020</b>
	\$	\$
Consulting fees charged by a director	45,000	45,000
Consulting fees charged by a company related to the chief executive officer ("CEO")	90,000	90,000
Consulting fees charged by the chief financial officer ("CFO")	45,000	45,000
	<b>180,000</b>	<b>180,000</b>

b) Balances due to related parties:

Amounts due to related parties are unsecured, non-interest bearing and have no fixed terms of repayment.

<b>Due to Related parties</b>	<b>September 30, 2021</b>	<b>December 31, 2020</b>
	\$	\$
Directors	409,000	364,000
Chief financial officer	364,600	319,600
Companies related to the CEO	777,123	687,123
	<b>1,550,723</b>	<b>1,370,723</b>

**ME Resource Corp.**

Notes to the Condensed Interim Financial Statements  
 Three and Nine Months Ended September 30, 2020, and 2019  
 (Unaudited - Expressed in Canadian Dollars)

---

**8. FINANCIAL INSTRUMENTS****Financial Risk Management**

The Company has not changed its approach in handling the financial risks since its recent year ended December 31, 2021.

**Classification of financial instruments**

Financial instruments included in the statement of financial position are as follows:

---

	<b>September 30, 2021</b>	<b>December 31, 2020</b>
	\$	\$
Amortized cost:		
Trade payables	332,727	343,954
Salaries payable	20,066	20,066
Note payable	-	57,063
Due to Albert Labs	106,132	-
Due to related party	1,550,723	1,370,723

---

**Fair value**

The Company does not have financial instruments that are measured at their fair values. Financial instruments that are not measured at their values are note receivable, trade payables, salaries payable and due to related parties. Their carrying values approximate their fair values due to their short terms to maturity.

**APPENDIX E – REVIEWED FINANCIAL STATEMENTS OF ALBERT LABS FOR THE  
PERIOD ENDING SEPTEMBER 30, 2021**

# **ALBERT LAB INC.**

## **Condensed Consolidated Interim Financial Statements**

**Three and Nine Months Ended September 30, 2021**

**Unaudited - Expressed in Canadian Dollars**



**Albert Lab Inc.**  
**Condensed Interim Statements of Financial Position**  
**(Unaudited - Expressed in Canadian Dollars)**

	September 30, 2021	December 31, 2020
	\$	\$
<b>ASSETS</b>		
Current assets		
Cash	49,947	10,811
Amounts receivable (Note 4,7)	126,074	280,400
Prepaid	7,422	-
	183,443	291,211
Non-current assets		
Prepayment (Note 6)	100,000	-
Equipment and furniture (Note 6)	11,495	-
<b>Total assets</b>	<b>294,938</b>	<b>-</b>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable and accrued liabilities (Note 5)	18,000	30,514
Due to related parties (Note 8)	199	199
	18,199	30,713
<b>SHAREHOLDERS' EQUITY (DEFICIENCY)</b>		
Share capital (Note 7)	1,133,943	693,675
Subscription received	219,236	
Deficit	(1,076,440)	(433,177)
	276,739	260,498
<b>Total shareholders' deficiency and liabilities</b>	<b>294,938</b>	<b>291,211</b>

*Note 1: Nature and operation and going concern*

Authorized for issuance by the Board of Directors on February 11, 2022

/s/ Anthony Chan  
Director

/s/ Ali Gulamhusein  
Director

*See accompanying notes to the condensed interim financial statements*

**Albert Lab Inc.**

**Condensed Interim Statements of Loss and Comprehensive Loss  
(Unaudited - Expressed in Canadian  
Dollars)**

	<b>Three months ended September 30, 2021</b>	<b>Nine months ended September 30, 2021</b>
	\$	\$
Expenses		
Amortization	1,015	2,029
Consulting and management (Note 6)	165,343	287,540
General and administration	53,930	80,799
Promotion and advertisement	27,499	64,821
Professional fees	2,500	46,528
Research	3,666	101,971
Salaries and wages	40,033	59,575
<b>Loss and comprehensive loss</b>	<b>(293,986)</b>	<b>(643,263)</b>
<b>loss per share – basic and diluted</b>	<b>(0.01)</b>	<b>(0.02)</b>
Weighted average number of outstanding common shares , basic and diluted	40,424,872	40,424,872

*See accompanying notes to the condensed interim consolidated financial  
statements*

**Albert Lab Inc.**  
**Condensed Interim Statements of Cash Flows**  
**(Unaudited - Expressed in Canadian Dollars)**

<b>Nine months ended September 30,</b>	<b>2021</b>
	\$
<b>OPERATING ACTIVITIES</b>	
Loss for the period	(643,263)
Items not involve cash	
Amortization	2,029
Changes in non-cash working capital items:	
- accounts payable and accrued liabilities	(12,514)
- prepaid	(7,422)
- amounts receivable	(126,074)
<b>Cash used in operating activities</b>	<b>(787,244)</b>
Cash flows from financing activities	
Proceeds from shares subscription received	219,236
Proceeds from shares issuance	720,668
<b>Cash provided by financing activities</b>	<b>939,904</b>
Cash flows from investing activities	
Payment of prepayment for leasehold improvement	(100,000)
Purchase of equipment	(13,524)
<b>Cash used in investing activities</b>	<b>(113,524)</b>
Net cash inflow	39,136
Cash, beginning of period	10,811
<b>Cash, end of period</b>	<b>49,947</b>

*See accompanying notes to the condensed interim consolidated financial statements*

**Albert Lab Inc.**  
**Condensed Interim Statements of Changes in Equity (Deficiency)**  
**(Unaudited - Expressed in Canadian Dollars)**

	<u>Share capital</u>		Subscription received	Deficit	Total
	Number of shares	Amount \$			
Balance, September 16, 2020	-	-	-	-	-
Shares issued for services	17,000,000	340,000	-	-	340,000
Shares issued for cash	21,663,800	353,675	-	-	353,675
Loss for the period	-	-	-	(433,177)	(433,177)
Balance, December 31, 2020	38,663,800	693,675	-	(433,177)	260,498
Shares issued for cash	1,761,072	440,268	-	-	440,268
Subscription received	-	-	219,236	-	219,236
Loss for the period	-	-	-	(643,263)	(643,263)
Balance, September 30, 2021	40,424,872	1,133,943	219,236	(1,076,440)	276,739

*See accompanying notes to the condensed interim consolidated financial statements*

**Albert Lab Inc.**

## Notes to the Condensed Consolidated Interim Financial Statements

Three and Nine months ended September 30, 2021.

(Unaudited - Expressed in Canadian Dollars)

**1. NATURE AND CONTINUANCE OF OPERATIONS**

Albert Lab Inc., (the “Company”) was incorporated under the Business Corporation Act (British Columbia) on September 16, 2020. The Company’s head and registered office address is Unit 114B - 8988 Fraserton Court, Burnaby, BC, V5J 5H8.

The Company’s principal line of business is to research and develop drugs to ensure accelerated access to safe and effective psychedelic-assisted therapy for patients with urgent, unmet needs.

These condensed interim consolidated financial statements have been prepared using International Financial Reporting Standards applicable to a going concern, which assume that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. The Company’s continuation as a going concern is dependent whether the Company can develop an economically viable business, and generate funds there from and/or raise equity capital to meet current and future obligations. The Company has not yet achieved profitable operations and expects to incur further losses in the development of its business. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern. Management intends to finance operating costs over the next twelve months with loans and/or private placement of common shares. Should the Company be unable to continue as going concern, the net realizable value of its assets may be materially less than the amounts on its statements of financial position.

In March 2020, the World Health Organization declared a global pandemic related to the virus known as COVID-19. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It has also disrupted the normal operations of many businesses, including the Company’s. This outbreak could decrease spending, adversely affect demand for the Company’s product and harm the Company’s business and results of operations. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company’s business or results of operations at this time.

**2. BASIS OF PRESENTATION****Statement of compliance**

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standards (“IAS”) 34 “Interim Financial Reporting” (“IAS 34”) using accounting policies consistent with the IFRS issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”). Accordingly, certain disclosures required in annual financial statements have been condensed or omitted. These condensed interim financial statements are intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that these condensed interim financial statements be read in conjunction with the most recent audited financial statements for the recent year ended December 31, 2020.

These financial statements were authorized for issue by the Board of Directors on February 11, 2022.

**Comparative figures**

The Company was incorporated on September 16, 2020. As the Company dormant as at and for the period ended September 30, 2020, the Company does not have numbers to report on the interim statements of loss and comprehensive loss, interim statements of shareholders’ deficit, interim statements of cash flows, for the comparative three and nine months ended September 30, 2020.

**Albert Lab Inc.**

Notes to the Condensed Consolidated Interim Financial Statements  
 Three and Nine months ended September 30, 2021  
 (Unaudited - Expressed in Canadian Dollars)

**2. BASIS OF PRESENTATION (CONTINUED)****Basis of Consolidation**

These consolidated financial statements included the accounts of the Company and its wholly owned subsidiaries. The results of each subsidiary will continue to be included in the consolidated financial statements of the Company until the date that the Company's control over the subsidiary ceases. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Intercompany balances and transactions, including unrealized income and expenses arising from intercompany transactions are eliminated upon consolidation.

Entity	Incorporation	Ownership	
ALBERT LABS UK LTD	United Kingdom	2021/9/30 100%	2020/12/31 -

*ALBERT LABS UK LTD. ("AL UK") was incorporated on June 30, 2021 as a wholly owned subsidiary of the Company*

**Foreign Currency Translation**

The functional currency of the Company is measured using the currency of the primary economic environment in which the Company operates. The financial statements are presented in Canadian dollars which is the functional and presentation currency of the Company and all of its subsidiaries.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values are determined.

**Basis of measurement**

The financial statements have been prepared on an accrual basis and are based on historical costs, except for certain financial instruments which are measured at fair value. The financial statements are presented in Canadian dollars, the functional currency of the Company. The preparation of financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised. Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the fair value measurements for financial instruments and the recognition and measurement of deferred tax assets.

**Significant judgments**

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgment in applying the Company's financial statements include:

- the classification of financial instruments;
- the assessment of the Company's ability to continue as a going concern; and
- the determination of the recoverability of the Company's deferred tax assets

**Albert Lab Inc.**

Notes to the Condensed Consolidated Interim Financial Statements  
 Three and Nine months ended September 30, 2021  
 (Unaudited - Expressed in Canadian Dollars)

---

**3. SIGNIFICANT ACCOUNTING POLICIES**

The Company has not adopted new accounting policies since its recent year ended December 31, 2020. Details of the Company accounting policies are presented in the Note 3 to the audited annual financial statements for the year ended December 31, 2020.

**4. PROPOSED BUSINESS COMBINATION**

In March 2021, the Company entered into a definitive agreement with ME Resources Corp. (“MEC”), a public company with the shares traded on Canadian Securities Exchange under symbol (MEC) to complete a reverse-take-over arrangement (the “Transaction” of “RTO”), whereby the resulting issuer of the RTO intend to secure a listing on the CSE pursuant to approval from the regulatory.

Upon completion of the this proposed Transaction, the resulting issuer will continue to carry on the business of Albert Labs as currently constituted, under the new name “Albert Labs Inc .” or such other name as may be approved by the CSE.

The definitive agreement has been approved by the directors of MEC and Albert Labs.

Before the completion of the Transaction MEC will consolidate its common shares on a 10-1 basis; and plan to issue 3,215,695 post-consolidated common shares to settle certain payables to creditors and related parties in the amount of \$1,607,475.

Upon the completion of the Transaction, MEC will issue post-consolidated common shares in exchange all the outstanding shares of the Albert Labs on a one-to-one basis.

As at the date of this report, this proposed Transaction is pending completion.

During the nine months ended September 30, 2021, the Company advanced MEC an amount of \$106,132. This amount has been included in the Company’s amount receivable, is unsecured, non-interest bearing, and payable on demand.

**5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	<b>September 30, 2021</b>	<b>December 31, 2020</b>
	\$	\$
Trade payables	4,000	24,514
Accrued liabilities	140,000	6,000
	<u>180,000</u>	<u>30,514</u>

**Albert Lab Inc.**

Notes to the Condensed Consolidated Interim Financial Statements  
 Three and Nine months ended September 30, 2021  
 (Unaudited - Expressed in Canadian Dollars)

---

**6. PROPERTY AND EQUIPMENT**

During the nine months ended September 30, 2021, the Company acquired equipment of \$13,524 and recorded amortization of \$2,029. The Company's amortization policy is applying declining balance of 30% per annum on equipment.

On December 1, 2020, the Company entered into a one-year sub-lease agreement for a property used for office and laboratory purpose. The sub-landlord agrees to extend the sub-lease for an additional three years upon the request of the Company, and the sub-landlord agreed to waive the rent during the term of this sub-lease agreement.

The master lease between the sub-landlord and the landlord will expire on March 31, 2022 and the sub-landlord is in the process to extend the master lease to March 31, 2025.

During the nine months ended September 30, 2021, the Company paid the sub-landlord \$100,000 to conduct a renovation, which has been recorded as prepayment.

**7. SHARE CAPITAL**

Authorized share capital: An unlimited number of common shares without par value.

Issued and outstanding:

During the nine months ended September 30, 2021, the Company issued 1,761,072 common shares at \$0.25 per share for gross proceeds of \$440,268. The Company will use the gross proceeds to finance its working capital.

During the period ended September 30, 2021, the Company issued the following common shares:

Number of shares issued	value per share		Total proceeds
	\$		\$
4,000,000	0.0001	For cash	400
100	0.01	For cash	1
17,000,000	0.02	For services	340,000
17,663,700	0.02	For cash	353,274 <sup>(i)</sup>
1,761,072	0.25	For cash	440,268
<u>40,424,872</u>			<u>1,133,943</u>

(i) Among the \$353,274 share subscription proceeds, \$280,400 were received during the nine months ended September 30, 2021.

The Company initiated another private placement for issuance common shares of up to 16,000,000 common shares at \$0.25 per share. As at September 30, 2021, the Company received \$219,236 and these share yet to be issued as at September 30, 2021.



**Albert Lab Inc.**

Notes to the Condensed Consolidated Interim Financial Statements  
 Three and Nine months ended September 30, 2021  
 (Unaudited - Expressed in Canadian Dollars)

**8. RELATED PARTY TRANSACTIONS)**

Transaction with related parties

## a) Transaction with related parties

The Company considers its directors and officers related parties to the Company. During the nine months ended September 30, 2021, the Company was charged for \$13,125 by a director of the Company's wholly owned subsidiary for consulting services rendered.

## b) Balances due to related parties:

Amounts due to related parties are unsecured, non-interest bearing and have no fixed terms of repayment.

Due to Related parties	September 30, 2021	December 31, 2020
,	\$	\$
Directors	199	199

**9. FINANCIAL INSTRUMENTS****Financial Risk Management**

The Company has not changed its approach to management its financial risks since its recent year ended December 31, 2020.

**Financial instruments**

The Company's financial instruments consist of cash, amounts receivable, accounts payable and accrued liabilities, and due to related parties. The fair value of the Company's financial assets and liabilities approximate their carrying amount due to their short terms to maturity.

**Classification of financial instruments**

Financial instruments included in the statement of financial position are as follows:

	September 30, 2021	December 31, 2020
	\$	\$
Amortized cost:		
Cash	49,947	10,811
Amounts receivable	126,074	280,400
Accounts payable accrued liabilities	18,000	30,514
Due to related parties	199	199

**Fair value**

The Company does not have financial instruments that are measured at their fair values. The financial instruments that are not measured at their fair value have their carrying values approximate their fair values due to their short-term nature.

**APPENDIX F – MANAGEMENT DISCUSSION & ANALYSIS FOR ALBERT LABS INC.**

**ALBERT LAB INC.**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**NINE MONTHS ENDED SEPTEMBER 30, 2021**

---

**DATE AND SUBJECT OF REPORT**

The following is management's discussion and analysis ("MD&A") in respect of the results of operations and financial position of ALBERT LAB INC. (the "Company" or "Albert Lab") for the nine months ended September 30, 2021. This MD&A should be read in conjunction with the Company's condensed interim consolidated financial statements for the same period and the audited annual financial statements for the first year ended December 31, 2020 which are presented in Canadian dollars and prepared in accordance with International Financial Reporting Standards ("IFRS").

The date of this MD&A is February 11, 2022.

**FORWARD LOOKING STATEMENTS**

*This MD&A contains statements concerning future results, future performance, intentions, objectives, plans and expectations that are, or may be deemed to be, forward-looking statements. These statements concerning possible or assumed future results of operations of the Company are usually preceded by, followed by or include the words 'believes', 'expects', 'anticipates', 'estimates', 'intends', 'plans', 'forecasts', 'may', 'will', or similar expressions, although not all forward-looking statements contain these words. Forward-looking statements are not guaranteeing of future performance.*

*These forward-looking statements are based on management's current expectations and involve numerous risks and uncertainties, including, but not limited to, those identified in the Risks & Uncertainties section. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive, and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and while many of which underlying the forward-looking statements are reasonable, any of the assumptions could prove inaccurate. These factors should be considered carefully, and readers should not place undue reliance on forward-looking statements. The Company reviews its forward looking statements on an ongoing basis and updates this information when circumstances require it.*

**COMPANY OVERVIEW & OVERALL PERFORMANCE**

Albert Lab was incorporated under the Business Corporation Act (British Columbia) on September 16, 2020. The Company's head and registered office address is Unit 114B - 8988 Fraserton Court, Burnaby, BC, V5J 5H8.

The Company's principal line of business is to research and develop drugs to ensure accelerated access to safe and effective psychedelic-assisted therapy for patients with urgent, unmet needs.

**Proposed business combination**

In March 2021, the Company entered into a definitive agreement with ME Resources Corp. ("MEC"), a public company with the shares traded on Canadian Securities Exchange under symbol (MEC) to complete a reverse-take-over arrangement (the "Transaction" of "RTO"), whereby the resulting issuer of the RTO intend to secure a listing on the CSE pursuant to approval from the regulatory.

Upon completion of the this proposed Transaction, the resulting issuer will continue to carry on the business of Albert Labs as currently constituted, under the new name "Albert Labs Inc ." or such other name as may be approved by the CSE.

The definitive agreement has been approved by the directors of MEC and Albert Lab.

Before the completion of the Transaction MEC will consolidate its common shares on a 10-1 basis; and plan to issue 3,215,695 post-consolidated common shares to settle certain payables to creditors and related parties in the amount of \$1,607,475.

Upon the completion of the Transaction, MEC will issue post-consolidated common shares in exchange all the outstanding shares of Albert Lab on a one-to-one basis.

**ALBERT LAB INC.**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**NINE MONTHS ENDED SEPTEMBER 30, 2021**

As at the date of this report, this proposed Transaction is not completed.

During the nine months ended September 30, 2021, the Company advanced MEC an amount of \$106,132. This amount is unsecured, non-interest bearing, and payable on demand.

**New subsidiary**

The Company incorporated a wholly owned subsidiary in the United Kingdom on June 30, 2021 with the aim to conduct research with the consultants hired in the United Kingdom

**SELECTED QUARTERLY INFORMATION**

The Company was incorporated on September 16, 2020, and had no significant activities during the period September 16 to September 30, 2020. Thus the Company reported information of the following four interim periods:

	Three months ended September 30, 2021	Three months ended June 30, 2021	Three months ended March 31, 2021	From September 16, to December 31, 2020
		\$	\$	\$
Total Assets	294,938	375,378	613,494	291,211
Revenue	Nil	Nil	Nil	Nil
Operating Expenses	293,986	177,889	171,388	433,177
Net Loss	(293,986)	(177,889)	(171,388)	(433,177)
Earnings (loss) per share, basic and diluted	(0.01)	(0.01)	(0.00)	(0.08)

The Company's businesses are not subject to seasonal variations.

**RESULTS OF OPERATIONS**

Three and nine months ended September 30, 2021

The Company was incorporated on September 16, 2020, thus do not have numbers to report on the interim statements of loss and comprehensive loss for the comparative three and nine months ended September 30, 2020.

Key components the main expenditures are as follows:

	Three months ended September 30, 2021	Nine months ended September 30, 2021
	\$	\$
Consulting and management fees	165,343	287,540
Research	3,666	101,971
Professional fees	2,500	46,528
Salaries and wages	40,033	59,575

During the above periods, the Company have been actively to build its business and conducting research activities regarding psychedelic-assisted therapy for patients with urgent, unmet needs. As at September 30, 2021 and the date of this report, the Company had three employees.

**ALBERT LAB INC.**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**NINE MONTHS ENDED SEPTEMBER 30, 2021**

---

During the nine-month period ended September 30, 2021, the Company's main assets and liabilities movements are as follows:

- Cash increased by \$39,136 (2021/9/30:\$49,947; 2020/12/31: \$10,811)  
Amounts receivable decreased by \$154,326 (2021/9/30:\$126,074; 2020/12/31: \$280,400)

The Company's amounts receivable as at December 31, 2020 solely comprised of subscription receivables and was fully received during the current quarter ended September 30, 2020. In addition, the Company received \$440,268 from issuance of shares, and \$219,236 from subscription of common shares during this nine-month period. The Company used the cash received to finance the Company's operations (\$787,244) and to acquire equipment and conduct renovation on an office/laboratory recently leased. In addition, the Company advanced \$106,132 to finance the operations of the MEC the target of the proposed business combination discussed in the above.

### **LIQUIDITY & CAPITAL RESOURCES**

As at September 30, 2021, the Company had a working capital of \$165,244. The Company realizes that the current resources are not adequate for the Company to achieve its long-term objectives. The Company considers different financing options, including, but not limited to, further debt or equity financing, or share for debt settlement, to secure addition financing to provide adequate capital resource for the Company to meet its long-term business objective.

Readers should be cautioned that the Company's continuation as a going concern is dependent whether the Company can develop an economically viable business and generate funds there from and/or raise equity capital to meet current and future obligations. The Company has not yet achieved profitable operations and expects to incur further losses in the development of its business. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

The Company is a newly incorporated business and there is no guarantee the Company is able to secure financing as needed.

As of the date of this MD&A, the Company does not have commitments for capital expenditures and the Company is not subject to external requirement in using its capital resources or maintenance of its capital structure.

### **OFF BALANCE SHEET ARRANGEMENTS**

The Company does not have off balance sheet arrangements.

### **PROPOSED TRANSACTIONS**

Other than the Transaction discussed in the section "Proposed Business Combination", there are no proposed transactions that are material to the Company for disclosure.

**ALBERT LAB INC.**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**NINE MONTHS ENDED SEPTEMBER 30, 2021**

---

**TRANSACTIONS WITH RELATED PARTIES**

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

a) Transaction with related parties

The Company considers its directors and officers related parties to the Company. During the nine months ended September 30, 2021, the Company was charged for \$13,125 by a director of the Company's wholly owned subsidiary for consulting services rendered.

b) Balances due to related parties:

Amounts due to related parties are unsecured, non-interest bearing and have no fixed terms of repayment.

<u>Due to Related parties</u>	<u>Sept 30, 2021</u>	<u>December 31, 2020</u>
	\$	\$
Directors	199	199

**OUTSTANDING SHARE DATA**

As of the date of this MD&A, the Company has 40,424,872 common shares

**SIGNIFICANT ACCOUNTING POLICIES, CRITICAL ACCOUNTING ESTIMATES, AND CHANGES**

Refer to Note 3 to the Company's audited annual financial statements for the year ended December 31, 2020. The Company has not adopted new accounting policies since then.

**FINANCIAL INSTRUMENT RISK EXPOSURE AND RISK MANAGEMENT**

**Financial Risk Management**

The Company is exposed in varying degrees to a variety of financial instrument related risks.

*Credit Risk*

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's exposure to credit risk is on its cash held. The Company's cash is deposited in a major bank in Canada which is subject a concentration of credit risk. This risk is managed by using a major bank that is a high credit quality financial institution as determined by rating agencies.

*Liquidity risk*

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash. Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

The Company's liquidity risk as assessed as high.

*Currency Risk*

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company does not have any commitments that are denominated in foreign currencies. Therefore, the Company's exposure to currency risk is not significant.

**ALBERT LAB INC.**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**NINE MONTHS ENDED SEPTEMBER 30, 2021**

---

*Interest Rate Risk*

Interest rate risk refers to the risk that fair values of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company does not have material financial assets or liabilities that are exposed to fluctuation of interest rate. As a result, the exposure to interest rate risk is not significant.

**Classification of financial instruments**

Financial instruments included in the statement of financial position are as follows:

	September 30, 2021	December 31, 2020
	\$	\$
Amortized cost:		
Cash	49,947	10,811
Amounts receivable	126,074	280,400
Accounts payable accrued liabilities	18,000	30,514
Due to related parties	199	199

**Fair value**

The Company does not have financial instruments that are measured at their fair values. The financial instruments that are not measured at their fair value have their carrying values approximate their fair values due to their short terms nature.

**RISKS AND UNCERTAINTIES**

Readers are cautioned that the foregoing lists of risks, uncertainties and other factors are not exhaustive.

**Capitalization Risk**

It is anticipated that the Company will require additional capital to fully execute its long-term business objectives. There can be no assurance that it will be able to obtain any capital in the future or that attempts to obtain capital in the future will result in terms beneficial to existing investors.

**Dilution to the Existing Shareholders**

The Company has no other capital resources other than the ability to use its common stock to raise additional capital. The issuance of additional equity securities by the Company could result in a significant dilution in the equity interests of existing shareholders.

**Management Risk**

The Company's success will largely depend on the capability of its management; management has limited experience in managing the growth of a developing business.

**Reliance on Management's Expertise**

The Company strongly depends on the business acumen and expertise of its management team and there is little possibility that this dependence will decrease in the near term. The loss of the services of any member of the team could have a material adverse effect on the Company. The Company does not have any key person insurance in place for management.

**Profitability Risk**

Although the Company will work to become profitable, there can be no assurance that factors beyond its control, such as, but not limited to, successful development of its technology into commercial viable products to the oil and gas industry. No assurances can be provided that the Company can do so.

**ALBERT LAB INC.  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
NINE MONTHS ENDED SEPTEMBER 30, 2021**

---

**Key Personnel Risk**

The Company is highly dependent upon the services from external consultants. Loss of these external consultants would adversely affect the achievement of the Company's objectives.



**APPENDIX G – PRO-FORMA CONSOLIDATED FINANCIAL STATEMENTS OF MEC**

**ME RESOURCE CORP.**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**NINE MONTHS ENDED SEPTEMBER 30, 2021**

---

**DATE AND SUBJECT OF REPORT**

The following is management's discussion and analysis ("MD&A") in respect of the results of operations and financial position of ME Resource Corp. (the "Company" or "MEC") for the nine months ended September 30, 2021. This MD&A should be read in conjunction with the Company's condensed interim financial statements for the same nine-month period and the audited annual financial statements for the recent year ended December 31, 2020, which are presented in Canadian dollars and prepared in accordance with International Financial Reporting Standards ("IFRS").

Additional information, including the above-mentioned financial statements, which contain extensive disclosure of the history and properties of the Company, are available on SEDAR and may be accessed at [www.sedar.com](http://www.sedar.com).

The date of this MD&A is November 18 2021.

**FORWARD LOOKING STATEMENTS**

*This MD&A contains statements concerning future results, future performance, intentions, objectives, plans and expectations that are, or may be deemed to be, forward-looking statements. These statements concerning possible or assumed future results of operations of the Company are usually preceded by, followed by or include the words 'believes', 'expects', 'anticipates', 'estimates', 'intends', 'plans', 'forecasts', 'may', 'will', or similar expressions, although not all forward-looking statements contain these words. Forward-looking statements are not guarantees of future performance.*

*These forward-looking statements are based on management's current expectations and involve numerous risks and uncertainties, including, but not limited to, those identified in the Risks & Uncertainties section. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive, and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and while many of which underlying the forward-looking statements are reasonable, any of the assumptions could prove inaccurate. These factors should be considered carefully, and readers should not place undue reliance on forward-looking statements. The Company reviews its forward-looking statements on an ongoing basis and updates this information when circumstances require it.*

*The following table outlines certain significant forward-looking statements contained in this MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward-looking statements.*

<i><b>Forwarding looking statements</b></i>	<i><b>Assumptions</b></i>	<i><b>Risk factors</b></i>
In early 2021, the Company entered into definitive agreement with Albert Labs Inc., a Company in the business of clinical research and drug development, to conduct a reverse-take-over arrangement (the "Transaction")	<i>Based on the status of the proposed change of business</i>	<i>The Company may not be able to complete the change of business.</i>

**COMPANY OVERVIEW & OVERALL PERFORMANCE**

ME Resource Corp. was incorporated under the Business Corporation Act (British Columbia). The Company's shares are traded on the Canadian Securities Exchange under the symbol MEC and quoted on the OTC Markets in U.S.A. under the symbol MEEFX.

**ME RESOURCE CORP.**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**NINE MONTHS ENDED SEPTEMBER 30, 2021**

---

**Proposed change of business**

In March 2021, the Company entered into a definitive agreement with Albert Labs Inc (“Albert Labs”), a private company in the business of clinical research and drug development, to complete a reverse-take-over arrangement (the “Transaction” of “RTO”), whereby the resulting issuer of the RTO intend to secure a listing on the CSE pursuant to approval from the regulatory.

Upon completion of the this proposed Transaction, the resulting issuer will continue to carry on the business of Albert Labs as currently constituted, under the new name “Albert Labs Inc.” or such other name as may be approved by the CSE.

The definitive agreement has been approved by the directors of MEC and Albert Labs.

Before the completion of the Transaction, the Company will consolidate its common shares on a 10-1 basis; and plan to issue 3,215,695 post-consolidated common shares to settle certain payables to creditors and related parties in the amount of \$1,607,475.

Upon the completion of the Transaction, the Company will issue 38,663,700 post-consolidated common shares in exchange all the outstanding shares of the Albert Labs.

As at the date of this report, this proposed Transaction is not completed pending approval from regulatory.

**SELECTED QUARTERLY INFORMATION**

The following table summarizes the results of operations for the eight most recent quarters of the Company:

	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
	\$	\$	\$	\$	\$	\$	\$	\$
Total Assets	-	-	-	-	1	1	1	1
Revenue	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Recovery (expense)	(67,412)	(76,535)	(68,601)	(68,437)	(75,915)	(70,884)	(68,789)	44,794
Income (loss)	(67,412)	(76,535)	(68,601)	(68,437)	(75,915)	(70,884)	(68,789)	44,794
Earnings (loss) per share	(0,00)	(0,00)	(0,00)	(0,00)	(0,00)	(0,00)	(0,00)	0,00

The Company’s businesses are not subject to seasonal variations. Losses in the last eight quarters are mainly due to operating expenses incurred to support the Company’s operations and development of the Company’s IP into marketable products.

**ME RESOURCE CORP.**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**NINE MONTHS ENDED SEPTEMBER 30, 2021**

---

**RESULTS OF OPERATIONS**

Nine months ended September 30, 2021

The Company's net loss during the nine months ended September 30, 2021, was \$211,948 compared with a loss of \$215,588. The change is not significant. The Company was seeking new business opportunities during both periods, thus incurred only expenditures to maintain the core business of the Company. Differences between these two periods are not significant.

Key components the main expenditures are as follows:

Nine months ended September 30,	2021	2020
	\$	\$
Filing fees	18,498	21,294
Professional fees	13,680	11,000
Consulting fees	180,000	180,000

Three months ended September 30, 2021

The Company's net loss in three months ended September 30, 2021, was **\$67,412** compared with a loss of \$75,915. The change is not significant.

Key components the main expenditures are as follows:

Three months ended September 30,	2021	2020
	\$	\$
Filing fees	2,912	11,538
Professional fees	4,500	3,000
Consulting fees	60,000	60,000

**LIQUIDITY & CAPITAL RESOURCES**

As of September 30, 2021, the Company had a working capital deficiency of \$2,022,748. As discussed in the section of "Proposed Change of Business", the Company is in the progress to complete the Transaction in order to utilize the financial resources of Albert Labs.

The Company realizes that the current resources are not adequate for the Company to achieve its long-term objectives. The Company considers different financing options, including, but not limited to, further debt or equity financing, or share for debt settlement, to secure addition financing to provide adequate capital resource for the Company to meet its long-term business objective.

Readers should be cautioned that the Company's continuation as a going concern is dependent whether the Company can develop an economically viable business and generate funds there from and/or raise equity capital to meet current and future obligations. The Company has not yet achieved profitable operations and expects to incur further losses in the development of its business. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

The Company has a history to raise funds when needed in the past. However, there is no guarantee the Company is able to do so in the future.

**ME RESOURCE CORP.**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**NINE MONTHS ENDED SEPTEMBER 30, 2021**

---

As of the date of this MD&A, the Company does not have commitments for capital expenditures and the Company is not subject to external requirement in using its capital resources or maintenance of its capital structure.

**OFF BALANCE SHEET ARRANGEMENTS**

The Company does not have off balance sheet arrangements.

**PROPOSED TRANSACTIONS**

Other than the Transaction discussed in the section "Proposed Change of Business", there are no proposed transactions that are material to the Company for disclosure.

**TRANSACTIONS WITH RELATED PARTIES**

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

a) Transactions with key management personnel were as follows:

<b>Nine months ended September 30,</b>	<b>2021</b>	<b>2020</b>
	\$	\$
Consulting fees charged by a director	45,000	45,000
Consulting fees charged by a company related to the chief	90,000	90,000
Consulting fees charged by the chief financial officer ("CFO")	45,000	45,000
	<b>180,000</b>	<b>180,000</b>

b) Balances due to related parties:

Amounts due to related parties are unsecured, non-interest bearing and have no fixed terms of repayment.

<b>Due to Related parties</b>	<b>September 30,</b>	<b>December 31,</b>
	<b>2021</b>	<b>2020</b>
	\$	\$
Directors	409,000	364,000
Chief financial officer	364,600	319,600
Companies related to the CEO	777,123	687,123
	<b>1,550,723</b>	<b>1,370,723</b>

**OUTSTANDING SHARE DATA**

As of the date of this MD&A, the Company has 63,671,935 common shares

**SIGNIFICANT ACCOUNTING POLICIES, CRITICAL ACCOUNTING ESTIMATES, AND CHANGES**

Refer to Note 3 to the Company's audited annual financial statements for the year ended December 31, 2020. The Company has not adopted new accounting policies since fiscal 2020.

**ME RESOURCE CORP.**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**NINE MONTHS ENDED SEPTEMBER 30, 2021**

---

**FINANCIAL INSTRUMENT RISK EXPOSURE AND RISK MANAGEMENT**

**Financial Risk Management**

The Company is exposed in varying degrees to a variety of financial instrument related risks.

*Credit Risk*

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's exposure to credit risk is on its cash held. Most of cash is deposited in bank accounts held with a major bank in Canada. As most of the Company's cash is held by one bank there is a concentration of credit risk. This risk is managed by using a major bank that is a high credit quality financial institution as determined by rating agencies.

*Liquidity risk*

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, considering its anticipated cash flows from operations and its holdings of cash. Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding. The Company's liquidity risk as assessed as high.

*Currency Risk*

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company does not incur significant expenditures that are denominated in foreign currencies and does not have any commitments that are denominated in foreign currencies. Therefore, the Company's exposure to currency risk is minimal.

*Interest Rate Risk*

Interest rate risk refers to the risk that fair values of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company does not have material financial assets or liabilities that are exposed to fluctuation of interest rate. As a result, the exposure to interest rate risk is not significant.

**Classification of financial instruments**

Financial instruments included in the statement of financial position are as follows:

	<b>September 30, 2021</b>	<b>December 31, 2020</b>
	\$	\$
Amortized cost:		
Trade payables	332,727	343,954
Salaries payable	20,066	20,066
Note payable	-	57,063
Due to Albert Labs	106,132	-
Due to related party	1,550,723	1,370,723

**Fair value**

The Company does not have financial instruments that are measured at their fair values. Financial instruments that are not measured at their values are note receivable, trade payables, salaries payable and due to related parties. Their carrying values approximate their fair values due to their short terms to maturity.

**ME RESOURCE CORP.**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**NINE MONTHS ENDED SEPTEMBER 30, 2021**

---

## **RISKS AND UNCERTAINTIES**

### **Capitalization Risk**

It is anticipated that the Company will require additional capital to fully execute its long-term business objectives. There can be no assurance that it will be able to obtain any capital in the future or that attempts to obtain capital in the future will result in terms beneficial to existing investors.

### **Dilution to the Existing Shareholders**

The Company has no other capital resources other than the ability to use its common stock to raise additional capital. The issuance of additional equity securities by the Company could result in a significant dilution in the equity interests of existing shareholders.

### **Management Risk**

The Company's success will largely depend on the capability of its management; management has limited experience in managing the growth of a developing business.

### **Reliance on Management's Expertise**

The Company strongly depends on the business acumen and expertise of its management team and there is little possibility that this dependence will decrease in the near term. The loss of the services of any member of the team could have a material adverse effect on the Company. The Company does not have any key person insurance in place for management.

### **Profitability Risk**

Although the Company will work to become profitable, there can be no assurance that factors beyond its control, such as, but not limited to, successful development of its technology into commercially viable products to the oil and gas industry. No assurances can be provided that the Company can do so.

### **Key Personnel Risk**

The Company is highly dependent upon the services from external consultants. Loss of these external consultants would adversely affect the achievement of the Company's objectives.

### **Technology Risks**

The Company's success in penetrating the desired market segments will also depend upon its ability to advance the technology and functionality of its products. It is also foreseeable that other firms will desire to enter the sector. The Company can provide no assurances that these other firms won't have superior technology or functionality.

Readers are cautioned that the foregoing lists of risks, uncertainties and other factors are not exhaustive.

## **CONTROLS AND PROCEDURES**

Management of the Company is responsible for establishing and maintaining appropriate information systems, procedures and controls to ensure that information used internally and disclosed externally is complete, reliable and timely. Management is also responsible for establishing adequate internal controls over financial reporting to provide sufficient knowledge to support the representations made in this MD&A and the Company's financial statements.

The management of the Company has filed the Venture Issuer Basic Certificate with the filings on SEDAR at [www.sedar.com](http://www.sedar.com). In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the venture issuer basic certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. Investors should be aware that inherent

**ME RESOURCE CORP.**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**NINE MONTHS ENDED SEPTEMBER 30, 2021**

---

limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency, and timeliness of interim and annual filings and other reports provided under securities legislation.