

Form 62-103F1

Required Disclosure under the Early Warning Requirements

Item 1 – Security and Reporting Issuer

- 1.1 State the designation of securities to which this report relates and the name and address of the head office of the issuer of the securities.*

This report relates to common shares of Pharmadrug Inc. (formerly, Aura Health Inc.) (the “**Corporation**”) with a head office at 2905 – 77 King Street West, Toronto, Ontario, M5K 1H1.

- 1.2 State the name of the market in which the transaction or other occurrence that triggered the requirement to file this report took place.*

Not applicable. The transaction that triggered the requirement to file this report did not take place on a stock exchange or other market that represents a published market for the securities that are the subject of this report.

Item 2 – Identity of the Acquiror

- 2.1 State the name and address of the acquiror.*

FSD Pharma Inc. (the “**Filer**”) located 520 William Street, Cobourg, Ontario, K9A 3A5.

- 2.2 State the date of the transaction or other occurrence that triggered the requirement to file this report and briefly describe the transaction or other occurrence.*

The transaction that triggered this report was the sale of 5,000,000 common shares of the Corporation at a price of CDN\$0.08 per Share for an aggregate cash proceeds of CDN\$400,000, in a privately negotiated transaction, and the option to purchase an additional 5,000,000 Shares at a price of CDN\$0.10 per Share until June 26, 2020, which was announced and closed on May 21, 2020 (the “**Share Sale**”).

- 2.3 State the names of any joint actors.*

None.

Item 3 – Interest in Securities of the Reporting Issuer

- 3.1 State the designation and number or principal amount of securities acquired or disposed of that triggered the requirement to file this report and the change in the acquiror’s securityholding percentage in the class of securities.*

The Filer sold 5,000,000 Shares pursuant to the Share Sale.

Prior to the Share Sale, the Filer beneficially owned, or exercised control or direction over, 13,562,387 Shares, representing 16.3% of the issued and outstanding Shares on a non-diluted basis.

Following completion of the Share Sale, the Filer beneficially owns or exercises control or direction over 8,562,387 Shares, representing 10.3% of the issued and outstanding Shares on a non-diluted basis, and no convertible securities of the Issuer.

- 3.2 *State whether the acquiror acquired or disposed ownership of, or acquired or ceased to have control over, the securities that triggered the requirement to file this report.*

See item 3.1 above.

- 3.3 *If the transaction involved a securities lending arrangement, state that fact.*

Not applicable.

- 3.4 *State the designation and number or principal amount of securities and the acquiror's security holding percentage in the class of securities, immediately before and after the transaction or other occurrence that triggered the requirement to file this report.*

See item 3.1 above.

- 3.5 *State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities referred to in Item 3.4 over which*

- (a) *the acquiror, either alone or together with any joint actors, has ownership and control,*

See item 3.4.

- (b) *the acquiror, either alone or together with any joint actors, has ownership but control is held by persons or companies other than the acquiror or any joint actor, and*

See item 3.4.

- (c) *the acquiror, either alone or together with any joint actors, has exclusive or shared control but does not have ownership.*

See item 3.4.

- 3.6 *If the acquiror or any of its joint actors has an interest in, or right or obligation associated with, a related financial instrument involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the related financial instrument and its impact on the acquiror's security holdings.*

Not applicable.

- 3.7 *If the acquiror or any of its joint actors is a party to a securities lending arrangement involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the arrangement including the duration of the arrangement, the number or principal amount of securities involved and any right to recall the securities or identical securities that have been transferred or lent under the arrangement.*

Not applicable.

- 3.8 *If the acquiror or any of its joint actors is a party to an agreement, arrangement or understanding that has the effect of altering, directly or indirectly, the acquiror's economic exposure to the security of the class of securities to which this report relates, describe the material terms of the agreement, arrangement or understanding.*

Not applicable.

Item 4 – Consideration Paid

- 4.1 *State the value, in Canadian dollars, of any consideration paid or received per security and in total.*

CDN\$400,000.

- 4.2 *In the case of a transaction or other occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance from treasury, disclose the nature and value, in Canadian dollars, of the consideration paid or received by the acquiror.*

On May 21, 2020, the Filer sold 5,000,000 Shares of the Corporation at a price of CDN\$0.08 per Share for an aggregate cash proceeds of CDN\$400,000, in a privately negotiated transaction, and the option to purchase an additional 5,000,000 Shares at a price of CDN\$0.10 per Share until June 26, 2020.

- 4.3 *If the securities were acquired or disposed of other than by purchase or sale, describe the method of acquisition or disposition.*

Not applicable.

Item 5 – Purpose of the Transaction

5.1 *State the purpose or purposes of the acquiror and any joint actors for the acquisition or disposition of securities of the reporting issuer. Describe any plans or future intentions which the acquiror and any joint actors may have which relate to or would result in any of the following:*

Not applicable.

Item 6 – Agreements, Arrangements, Commitments or Understandings With Respect to Securities of the Reporting Issuer

Not applicable.

Item 7 – Change in Material Fact

If applicable, describe any change in a material fact set out in a previous report filed by the acquiror under the early warning requirements or Part 4 in respect of the reporting issuer's securities.

Not applicable.

Item 8 – Exemption

If the acquiror relies on an exemption from requirements in securities legislation applicable to formal bids for the transaction, state the exemption being relied on and describe the facts supporting that reliance.

Not applicable.

Item 9 – Certification

I, as the acquiror, certify to the best of my knowledge, information and belief, that the statements made in this report are true and complete in every respect.

DATED this 22nd day of May, 2020.

FSD PHARMA INC.

Per: (signed) "Dr. Raza Bokhari"
Name: Dr. Raza Bokhari
Title: Executive Co-Chairman and CEO

I have the authority to bind the corporation