LOBE SCIENCES LTD.
ANNUAL INFORMATION FORM
FOR THE YEAR ENDED AUGUST 31, 2020

DATED: MARCH 8, 2021

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Explanatory Notes and Cautionary Statements

Unless otherwise noted or the context indicates otherwise, "we", "us", "our", the "Company" or "Lobe" refer to Lobe Sciences Ltd. and its subsidiaries in this annual information form ("**AIF**").

All financial information in this AIF is prepared in Canadian dollars, unless otherwise indicated, and using International Financial Reporting Standards as issued by the International Accounting Standards Board. The information contained in this AIF is dated as of March 8, 2021, unless otherwise stated.

Cautionary Note Regarding Forward-Looking Statements

Certain statements in this AIF, other than statements of historical fact, are forward-looking statements within the meaning of applicable securities laws and may contain forward-looking information. Such statements are based upon Lobe's and its management's current internal expectations, estimates, projections, assumptions and beliefs. In some cases, words such as "plan", "expect", "intend", "believe", "anticipate", "estimate", "may", "will", "potential", "proposed" and other similar words, or statements that certain events or conditions "may" or "will" occur are intended to identify forward-looking statements and forward-looking information. Forward-looking statements are provided for the purposes of assisting the reader in understanding Lobe's financial performance, financial position and cash flows as at and for the periods ended on certain dates and to present information about management's current expectations and plans relating to the future and the reader is cautioned that such statements may not be appropriate for other purposes. These statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in the forward-looking statements or information. In addition, this AIF may contain forward-looking statements and information attributed to third-party industry sources. Undue reliance should not be placed on these forward-looking statements, as there can be no assurance that the plans, intentions or expectations upon which they are based will occur. By its nature, forward-looking information involves numerous assumptions, known and unknown risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and other forward-looking statements will not occur. Such forward-looking statements and information in this AIF speak only as of the date of this AIF. Some of the risks and other factors, some of which are beyond the Company's control, which could cause results to differ materially from those expressed in the forward-looking statements and information contained in this AIF, include, but are not limited to, those set forth under "*Risk Factors*" as well as statements relating to:

- the business objectives of the Company;
- the Company's expectations regarding its revenue, expenses and operations;
- market position, and future financial or operating performance of the Company;
- liquidity of the common shares of the Company;
- the ability of the Company to operate as a going concern if there are any changes in laws or regulatory requirements;
- the approval by regulatory bodies of psychedelic substances for the treatment of various health conditions;
- the acceptance by the medical community of psychedelic substances for the treatment of various health conditions;
- the acceptance by the market and society of psychedelic substances for the treatment of various health conditions;

- the Company's ability to conduct all required clinical and non-clinical trials relating to the Company's products, including the timing and result of such trials;
- timing and costs associated with completing research and development work relating to the development of the Company's products;
- the Company's vision to administer the compounds of psilocybin and N-acetylcysteine ("**NAC**") in certified drug and talk therapy clinics;
- the Company's aims regarding treatment protocols and professionally trained personnel;
- the Company's expectations regarding the clinical outcomes and superiority of the combination of compounds utilized in its treatment as compared to psilocybin or NAC alone;
- the outcome of the Preclinical Research Study (as defined in this AIF);
- the ability to obtain and protect the Company's intellectual property and proprietary rights; and
- the impact of COVID-19 on the business of the Company.

Defined Terms

For an explanation of the capitalized terms and expressions in this AIF, please refer to the "Glossary of Terms" at Appendix "B" of this AIF.

Corporate Structure

Name, Address and Incorporation

Lobe Sciences Ltd. was incorporated under the *Business Corporations Act* (British Columbia) on May 13, 2010 under the name "Bethpage Capital Corp." Effective May 30, 2019, the Company acquired 100% of the issued and outstanding securities of a private company, Green Star BioSciences Inc. ("**GSBI**"), through a subsidiary, 2173969 Alberta Ltd., which constituted a "reverse takeover" ("**RTO**") of the Company by GSBI under Canadian securities laws. In connection with the RTO, the Company changed its name to "Greenstar Biosciences Corp."

GSBI was incorporated under the *Business Corporations Act* (Alberta) on March 21, 2018 under the name "2106989 Alberta Ltd." On April 17, 2018, GSBI changed its name to "Green Star BioSciences Inc." Upon completion of the RTO, GSBI became a wholly-owned subsidiary of the Company.

On November 16, 2020, the Company changed its name to "Lobe Sciences Ltd."

The Company's head office is located at 1400 – 1199 West Hastings Street, Vancouver, BC, V6E 3T5. Lobe's common shares (each, a "**Share**") are traded on the Canadian Securities Exchange (the "**CSE**") under the symbol "LOBE".

Intercorporate Relationships

The following table indicates the Company's subsidiaries, including their place of incorporation and the Company's ownership interest, as at the date of this AIF:

Name of Subsidiary	Jurisdiction of Incorporation	Percentage of Shares Owned
Green Star BioSciences Inc. ("**GSBI**")	Alberta	100%
Eleusian Biosciences Corp. ("**Eleusian**")	Ontario	100%
Green Star Washington LLC. ("**GSW**")	Washington State	100%

General Development of the Business

Summary

Effective May 30, 2019, the Company completed the RTO, as further described in this AIF. At the time of the RTO, GSBI owned acquired brands and intellectual property, and leased office and production premises to a cannabis processor and retailers, as further described in this AIF. On March 8, 2021, the Company disposed of these acquired brands, intellectual property, leased office and production premises.

The Company, through the acquisition of Eleusian Biosciences Corp., as further described in this AIF, and collaborations with industry leading partners, is engaged in drug research and development using psychedelic compounds, and the development of innovative devices and delivery mechanisms to improve mental health and wellness. The Company is working to develop effective psilocybin-based therapeutics for the treatment of mild traumatic brain injury/ concussion ("**mTBI**") and post-traumatic stress disorder ("**PTSD**") and devices for the efficient application of medications.

Three Year History

The following is a summary of key developments in the Company's business in the last three financial years that have influenced the general development of the Company's business.

Cowlitz County Cannabis Cultivators Inc.

In April and May 2018, GSBI acquired certain intellectual property and a property lease of Cowlitz County Cannabis Cultivation Inc. ("**Cowlitz**"), a licensed cannabis producer and processor located in the state of Washington.

Pursuant to an Asset and Debt Assignment Agreement dated April 10, 2018 with Northwest Cultivation Corp. and an Intellectual Property Purchase Agreement dated May 17, 2018 (the "**IP Agreement**") with Cowlitz, GSBI acquired certain intellectual property of Cowlitz. Cowlitz is engaged in the marijuana processing business and in connection with such business had developed significant intellectual property. GSBI had the right and ability to sell the brands and trademarks acquired under the IP Agreement at any time and to license the assets to various companies and generate revenues from licensing fees.

Pursuant to a License Agreement dated May 17, 2018 (the "**Cowlitz License Agreement**") with Cowlitz, GSBI granted Cowlitz the right to use the intellectual property acquired by GSBI under the IP Agreement in connection with the manufacture, marketing, distribution and sale of certain licensed products.

Pursuant to an Option Agreement dated May 17, 2018 (the "**Cowlitz Option Agreement**") with Cowlitz, Cameron Svenson and Blake Svenson (collectively, the "**Grantors**") GSBI acquired the option to purchase all of the issued and outstanding shares of capital stock in Cowlitz from the Grantors for a period of 10 years from May 17, 2018.

On May 17, 2018, GSBI entered into a Lease Purchase, Assignment and Assumption Agreement (the "**Lease Assignment Agreement**") with Svenson & Svenson Liquidators, Inc. ("**Svenson Inc.**") pursuant to which GSBI assumed the obligations and rights of Svenson Inc. pertaining to the premises located at 1445 Industrial Way, Building 19B, Longview, Washington, 98632. Pursuant to an October 22, 2014 sublease agreement between Svenson Inc. and Angel Industrial LLC, GSBI is subleasing the premises back to Cowlitz.

On October 1, 2018, GSBI entered into an amendment to the IP Agreement that provided for the purchase by GSBI of additional Cowlitz intellectual property.

On December 2, 2019, Cowlitz completed the first phase of its expansion initiatives with the completion of several grow rooms at its existing facilities.

On December 1, 2020, the Company signed a non-binding letter of intent with IONIC Brands Corp. ("**Ionic**") (CSE:IONC) for the proposed sale to Ionic of certain assets held by the Company related to Cowlitz including the IP Agreement, the Cowlitz License Agreement, the Cowlitz Option Agreement and the Lease Assignment Agreement (collectively, the "**Cowlitz Assets**") for the aggregate purchase price of $23 million.

On February 23, 2021, the Company entered into an Asset Purchase Agreement (the "**APA**") with Ionic for the sale of the Cowlitz Assets for an aggregate purchase price of $32,000,000. Pursuant to the terms of the APA, the Company will receive: (i) $1.75M in cash; (ii) 100,406,701 Series E non-voting preferred shares of Ionic (each, an "**Ionic Preferred Share**") at a deemed price of $0.30 per Ionic Preferred Share; (iii) 4,000,000 consideration warrants exercisable into one common share of Ionic (each, an "**Ionic Share**") at a price of $0.30 for a period of 5 years from the date of issuance; and (v) a secured promissory note in the amount of US$50,000, maturing two years from the date of issuance and carrying an annual interest rate of 7%, secured against the Cowlitz Assets.

Each Ionic Preferred Share is exchangeable into one Ionic Share on a one-for-one basis at any time at the Conversion Rate (as defined in the APA), and carries an annual, cumulative, preferential dividend on the issue price per share equal to 13% for a period of two years from the date of issuance. The Ionic Preferred Shares are retractable, such that any outstanding Ionic Preferred Shares will automatically be converted into to Ionic Shares four years from the issuance date at the Conversion Rate, and any accrued and unpaid dividends will be converted into Ionic Shares at the closing market price of the of the Ionic Shares on the CSE on the trading day preceding such conversion. If there is a change of control prior to the automatic conversion date, Ionic may elect to convert the Ionic Preferred Shares into Ionic Shares by providing notice to the Company via news release.

All Ionic Preferred Shares and Ionic Shares issued will be subject to contractual restrictions on transfer, pursuant to which 20% of the shares issued will be restricted from trading for a period of seven months from the closing date, and further 20% releases will occur on the date that is 10, 13, 15 and 18 months from the closing date. Pursuant to the APA, the Company may not convert any Ionic Preferred Shares or exercise any warrants if such conversion or exercise, as the case may be, would result in the Company holding more than 9.99% of the issued and outstanding Ionic Shares at the time of such exercise or conversion.

In connection with the APA, the Company dissolved its wholly-owned subsidiary, Green Star Biosciences Packing LLC, and will also dissolve GSW. The transaction closed effective March 8, 2021.

Progressive Herbs, Inc.

On February 1, 2019, GSBI entered into a joint venture agreement (the "**Progressive JV Agreement**") with Progressive Herbs, Inc. ("**Progressive**") an Illinois-based agricultural technology company. Progressive and its affiliate, Aggressively Organic, Inc., are the owners of proprietary technology for a sustainable, easy-to-use, inexpensive growing system known as Micro Dendritic Pods™ (the "**Progressive IP**"). Pursuant to the Progressive JV Agreement, Progressive and GSBI formed a limited liability joint venture corporation, Capri, LLC ("**Capri**"), for the purposes of producing, processing, marketing and distributing cannabis, hemp,

medicinal and bio pharmaceutical products for consumption worldwide utilizing the Progressive IP. Progressive has executed an exclusive sublicense agreement with Capri for the use, reproduction, development, manufacture, commercialization, sublicense and exploitation of the Progressive IP solely in connection with the production, development, manufacture and sale of cannabis, hemp, medicinal and bio pharmaceutical products for consumption.

On September 11, 2019, the Company received positive results from an initial cultivation test involving the growth of approximately 2,500 plants using Capri's proprietary patent-pending grow and cultivation technology. The Company also received results from independent laboratory testing on the three strains used in the initial cultivation test, which demonstrated total cannabinoid percentages between 22.85% to 32.54%, depending on the strain tested.

Management no longer anticipates involvement with the Progressive JV Agreement and as of the date of this AIF has dissolved Capri.

Delta One Consultants LLC

On February 26, 2019, GSBI entered into a non-binding letter of intent (the "**LOI**") for a Partnership Agreement with Delta One Consultants LLC ("**Delta1**") whereby GSBI sought to secure a 51% ownership interest in the Inkster, Michigan indoor grow facility ("**Inkster**"). Inkster consists of a 20,800 square foot facility, with access/ownership to up to five (5) class C grow licenses, each license representing the ability to grow in perpetuity 1,500 individual cannabis plants.

As of the date of this AIF, GSBI no longer anticipates completion of the acquisition of a 51% interest in the Inkster Michigan facility and has determined that there is significant doubt regarding the ability of GSBI to collect the $139,930 (USD$100,000) deposit which is refundable per the LOI.

Eleusian Biosciences Corp.

On July 27, 2020, the Company acquired all of the outstanding securities of Eleusian (the "**Eleusian Transaction**") for total consideration of $7,224,007, through the issuance of 60,200,056 Shares at a price of $0.12 per Share. All Shares issued were subject to voluntary pooling arrangements, pursuant to which 25% of the Shares were released on July 31, 2020 and a further 25% released every three months thereafter. The Company paid a finder's fee of 5% to an arms-length finder in connection with the Eleusian Transaction, which was settled by the issuance of 3,001,002 Shares. In addition, the Company appointed Mr. Jonathan Gilbert to the Board and Mr. Maghsoud Dariani as its Chief Science Officer.

Corporate

Effective May 30, 2019, the Company completed the RTO. In connection with the RTO, Bethpage Capital Corp. consolidated its common shares on a 2:1 basis.

Recent developments subsequent to August 31, 2020

Eleusian Biosciences Corp.

On November 30, 2020, the Company launched a preclinical research study using psilocybin and NAC for the treatment of mTBI with PTSD (the "**Preclinical Research Study**"). The study is in collaboration with a multidisciplinary team of scientists and physicians at the University of Miami Miller School of Medicine under the lead of Michael E. Hoffer, M.D., Professor of Otolaryngology and Neurological Surgery.

On December 3, 2020, the Company engaged VisionWorks Engineering ("**VisionWorks**") of San Diego, CA to commence engineering work to complete and test a proof-of-concept prototype of its nasal mist device (the "**Nasal Mist Device**"). This is a major milestone towards the Company's ultimate goal of development of effective delivery methods and commercialization of the Company's products.

As of December 3, 2021, the Company held five provisional patent applications (as further described under "*Business Description - Intangible Property*") including for the Nasal Mist Device, entitled "Device and Method for the Treatment of Traumatic Brain Injuries and Post-Traumatic Stress Disorder". The Nasal Mist Device includes a nasal delivery system for administration of pharmaceutical agents such as a psilocybin-derived agent and/or NAC at preselected dosages and times. The Nasal Mist Device design allows for the precise control and delivery of medicines through the nasal cavity for faster and more efficient uptake of psychedelics and other medicines that target the brain.

Corporate

On November 16, 2020, the Company changed its name to Lobe Sciences Ltd. and the Shares began trading under its new trading symbol on the CSE. In addition, the Company launched a rebranding and marketing campaign.

Recent Financings

On September 21, 2020, the Company completed a first tranche closing of its non-brokered private placement of units, originally announced on August 17, 2020 (the "**September 2020 Offering**"), for gross proceeds of $831,748. The first closing consisted of the issuance of an aggregate of 10,396,852 units at a price of $0.08 per unit (the "**September 2020 Units**"). Each September 2020 Unit consisted of one Share and one half of one Share purchase warrant, with each warrant exercisable into one Share at an exercise price of $0.20 until March 31, 2022.

On October 5, 2020, the Company closed the second and final tranche of the September 2020 Offering for gross proceeds of $866,498 through the issuance of 10,831,234 September 2020 Units. In connection with the September 2020 Offering, the Company paid finder's fees to Peak Asset Management in the amount of $129,639, of which $29,639.90 was settled through the issuance of 370,498 September 2020 Units, and 1,620,498 finder's warrants, with each finder's warrant exercisable into one Share at an exercise price of $0.20 until October 2, 2023.

On December 24, 2020, the Company announced the first tranche closing of a non-brokered private placement of units (the "**December 2020 Offering**"), for gross proceeds of $2,327,100 through the issuance of 23,271,000 units at a price of $0.10 per unit. Each unit consisted of one Share and one Share purchase warrant, with each warrant exercisable into one Share at an exercise price of $0.25 until December 22, 2022.

On January 6, 2021, the Company announced the second and final tranche closing of the December 2020 Offering for gross proceeds of $1,118,747 through the issuance of 11,187,475 units at a price of $0.10 per unit. Each unit consists of one Share and one Share purchase warrant. Each warrant is exercisable into one Share at an exercise price of $0.25 per warrant until January 5, 2023.

Business Description

Business of the Company

As of the date of this AIF, the business of the Company is the development of effective psilocybin-based therapeutics for the treatment of mTBI and PTSD and devices for the efficient application of medications.

Psychedelic (psilocybin-based) therapeutic research and development;

On July 27, 2020, and as further described in this AIF, upon completion of the Eleusian Transaction, the Company acquired a 100% interest in Eleusian. The Company, through Eleusian, holds the provisional patents set forth under "*Intangible Property"*. A summary of the provisional patents is as follows:

- U.S. Provisional Patent Application entitled "Methods and Compositions for Treating Post Traumatic Stress Disorder or Mild Traumatic Brain Injury with Post Traumatic Stress Disorder" Serial No.: 63/012,435 Filing Date: April 20, 2020. Claims are focused on treating PTSD and mTBI with psilocybe-derived agent in combination with NAC.

- U.S. Provisional Patent Application entitled "Device and Method for the Treatment of Traumatic Brain Injuries and Post-Traumatic Stress Disorder" Serial No.: 63/016,455 Filing Date: April 28, 2020. Claims are focused on the nasal mist transducer ("**NMT**") for administration of pharmaceutical agents at preselected dosages and times.

- U.S. Provisional Patent Application entitled "Methods and Compositions for Treating Post Traumatic Stress Disorder or Mild Traumatic Brain Injury with Post Traumatic Stress Disorder" Serial No.: 63/040,032 Filing Date: June 17, 2020. Claims are focused on treating PTSD and mTBI with 3,4-methylenedioxymethamphetamine ("**MDMA**") plus NAC.

- U.S. Provisional Patent Application entitled "Methods and Compositions for Treating Post Traumatic Stress Disorder or Mild Traumatic Brain Injury with Post Traumatic Stress Disorder" Serial No.: 63/059,272 Filing Date: July 31, 2020; claims are focused on treating PTSD and mTBI with psilocybe-derived agent in combination with NAC with imprint pairing one or more symptoms of PTSD or mTBI with PTSD in the subject with an odor and eliminating the subject's ability to smell the odor.

- U.S. Provisional Patent Application entitled "Facial Worn Device for Administration of Pharmaceutical Agents in Combination with Virtual and Augmented Reality Simulations" Serial No.: 63/040,032 Filing Date: September 1, 2020. Claims are focused on facial worn device for co-administration of virtual reality therapy and one or more pharmaceutical agents and/or fragrances for treating mTBI with PTSD, or PTSD alone.

On February 12, 2021, the Company announced that it had retained Jolt Communications LLC ("**Jolt**") to lead its investor relations efforts. In connection with the announcement, the Company entered into a three-month engagement with Jolt, with an effective date of February 1, 2021, for total consideration of US $250,000.

On February 18, 2021, the Company announced the completion and testing of the proof-of-concept prototype of the Nasal Mist Device.

mTBI, PTSD and the Psychedelic Health Industry

Advances in neurodiagnostic assessment have revealed that mTBI is more common than previously thought and potentially associated with a host of negative health outcomes. The Centers for Disease Control and Prevention (the "**CDCP**") estimates that there are 3 million emergency room visits and over 280,000 hospitalizations due to mTBI in any given year in the United States alone.[1] At the same time, there are 5.3 million Americans living with the effects of mTBI (a 53% increase over ten years ago).[2] The WHO calls traumatic brain injury a "silent epidemic" that affects over 70 Million individuals across the world.[3] The United States Department of Defense estimates that over 345,000 individuals are affected by mTBI and that 20% of all US service members who deploy suffer from mTBI.[4]

PTSD, formerly known by the terms "shell shock" and "combat fatigue", is well documented among combat veterans. Individuals with PTSD experience intense and disturbing uncontrollable thoughts following

1. Traumatic Brian Injury & Concussion, Accessed March 2, 2020, https://www.cdc.gov/traumaticbraininjury/index.html
2. Traumatic Brian Injury & Concussion, Accessed March 2, 2020, https://www.cdc.gov/traumaticbraininjury/index.html
3. Dewan MC, Rattani A, Gupta S, Baticulon RE, Hung YC, Punchak M, Agrawal A. Adeleye AO, Shrime MG, Rubiano AM, Rosenfeld JV, Park KB. Estimating the global incidence of traumatic brain injury. J Neurosurg. 2018 Apr 1:1-18. doi:10.3171/2017.10.JNS17352. PubMed PMID: 29701556
4. Traumatic Brain Injury, Department of Defense Special Report, Accessed March 2, 2020, https://dod.defense.gov/News/Special-Reports/0315_tbi/

exposure to trauma, as well as strong emotional reactivity that may include intense fear or anger, severe anxiety and depression, detachment, and strong negative reactions to loud noises. The National Institute of Health estimates that there are 8 Million new cases per year in the U.S. and that 6.8% of the U.S. population will suffer from PTSD at some point in their lifetime.[5] This number is mirrored worldwide with the WHO reporting a rate of 2.1%-7.8% of the world's population affected by the disorder.[6]

According to the CDCP, mTBI is a major cause of death and disability in the United States. According to the CDCP, the number of Traumatic brain injury ("**TBI**") related emergency department visits, hospitalizations, and deaths increased by 53% from 2006 to 2014.[7] TBI cases can range from mild to severe. Mild TBI is the most prevalent form of TBI and effects can include physical symptoms such as loss of consciousness, headache, nausea, fatigue, dizziness and others, sensory problems such as blurred vision, ringing in the ears and sensitivity to light and sound, and cognitive or mental symptoms such as memory problems, mood changes and feelings of depression. These issues not only affect individuals with TBI but can also have lasting effects on families and communities. According to the U.S. Department of Veterans Affairs, National Center for PTSD, about 7-8% of the U.S. population will have PTSD at some point in their lives and about 8 million U.S. adults have PTSD during a given year.[8] PTSD is a mental health condition that can affect anyone, with potentially long-lasting effects. PTSD and mTBI have similar symptoms and often coexist because brain injuries are often sustained in traumatic experiences and there is increasing evidence that mTBI can increase risk of PTSD.[9]

mTBI and PTSD are significant healthcare issues that often co-occur and impact each other. For example, PTSD may complicate mTBI recovery and mTBI can impede emotional resilience associated with psychological trauma. Longitudinal studies examining the combined impact of PTSD and mTBI indicate enduring psychological and cognitive effects that remain intertwined well post-exposure to trauma. These include poor physical health, reduced quality of life, and negative psychological well-being.[10] Depending on the circumstances, over 50% of mTBI cases in the U.S. have concurrent PTSD and that figure continues to grow over time.[11,12] The combination of these disorders, therefore, affects millions of individuals worldwide. Moreover, the physical and cognitive effects of the combined disorders are dramatically greater than for either disorder alone. That is to say that the mTBI sequelae are greater when there is coincident PTSD than when there is mTBI alone and the PTSD sequelae are more impactful when the PTSD is secondary to mTBI. Attempting to treat mTBI with PTSD and/or PTSD alone is challenging. To date, there are no effective pharmaceutical treatments for the combination of these disorders. The Company has submitted a provisional patent application and launched the Preclinical Research Study to examine a strategy that combines two products for the treatment of PTSD and mTBI with PTSD. The proposal will use a well-established rat model to test the use of a combination of NAC and psilocybin in animals that have been subjected to mild-moderate traumatic brain injury with PTSD induced through an established rodent PTSD paradigm.

No proven treatment modality currently exists for the sequelae/long term effects of either mTBI with PTSD or PTSD. The Company's vision is to administer the compounds of psilocybin and NAC in certified drug and talk therapy clinics. As well, the Company's aim is to ensure the use of treatment protocols and professionally trained personnel collaboratively appointed with its university research institute partners,

5. Post-Traumatic Stress Disorder, Accessed March 2, 2020, https://www.nimh.nih.gov/health/topics/post-traumatic-stress-disorder-ptsd/index.shtml
6. WHO releases guidance on mental health care after trauma, Accessed March 2, 2020, https://www.who.int/mediacentre/news/releases/2013/trauma_mental_health_20130806/en/
7 TBI. Get the Facts, Accessed March 2, 2020, https://www.cdc.gov/traumaticbraininjury/get_the_facts.html
8 PTSD: National Centre for PTSD, Accessed March 2, 2020, https://www.ptsd.va.gov/understand/common/common_adults.asp
9 Post-traumatic stress disorder vs traumatic brain injury, Accessed March 2, 2020, https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3182010/
7. Vasterling JJ, Jacob SN, Rasmusson A. Traumatic Brain Injury and Posttraumatic Stress Disorder: Conceptual, Diagnostic, and Therapeutic Considerations in the Context of Co-Occurrence. J Neuropsychiatry Clin Neurosci. 2018 Spring;30(2):91-100. doi: 10.1176/appi.neuropsych.17090180. Epub 2017 Nov 14. Review. PubMed PMID: 29132272
8. Stein MB, Jain S, Giacino JT, Levin H, et al Risk of Posttraumatic Stress Disorder and Major Depression in Civilian Patients After Mild Traumatic Brain Injury: A TRACK-TBI Study. JAMA Psychiatry. 2019 Mar 1;76(3):249-258. 10.1001/jamapsychiatry.2018.4288. PubMed PMID: 30698636; PubMed Central PMCID:PMC6439818.
9. Traumatic Brian Injury and Posttraumatic Stress Disorder, Accessed March 2, 2020, https://www.psychiatrictimes.com/traumatic-brain-injury-and-posttraumatic-stress-disorder

consistent with the highest patient safety standards, reviewed and approved by pertinent regulators including the United States Food and Drug Administration ("**FDA**").

Patent Development

Other than medicines that mask individual symptoms related to either condition, there are currently no effective drugs for mTBi and PTSD. Eleusian, in collaboration with the University of Miami Miller School of Medicine under the guidance of Michael E. Hoffer, M.D, intends to prove that clinical and physiological effectiveness in mTBi and PTSD are enhanced by timely measured dosages of psilocybin and NAC with superior clinical results as measured by objective outcomes. The Company expects this combination to elicit clinical outcomes that are superior to psilocybin or NAC alone and will alleviate one or more symptoms of mTBI and PTSD.

By alleviating one or more symptoms of mTBI with PTSD, it is meant to decrease severity of one or more of intrusive memories, nightmares, a sense of reliving the trauma, or psychological or physiological distress when reminded of the trauma, active avoidance of thoughts, feelings, or reminders of the trauma, inability to recall some aspect of the trauma, withdrawal from others, or emotional numbing, insomnia, irritability, difficulty concentrating, hypervigilance, or heightened startle response.

On September 1, 2020, Eleusian added another provisional patent application to the overall existing intellectual property portfolio of the Company. The provisional patent application entitled "Facial Worn Device for Administration of Pharmaceutical Agents in Combination with Virtual and Augmented Reality Simulations" was filed with the United States Patent and Trademark Office for a facial worn device combining virtual reality ("**VR**") glasses for delivery of programmed virtual and augmented reality simulations. This device includes a nasal delivery system for administration of pharmaceutical agents and/or fragrances at preselected dosages and times. Uses include methods and kits for alleviating unwanted memories and emotions lined with PTSD or mTBI with PTSD.

On November 30, 2020, the Company announced the launch of the Preclinical Research Study. The study intends to prove that clinical and physiological effectiveness in post-concussion syndrome and PTSD are enhanced by timely measured dosages of psilocybin plus NAC with superior clinical results as measured by objective outcomes. The Company expects this combination to elicit clinical outcomes that are superior to psilocybin or NAC alone. Pending the outcome of the Preclinical Research Study, the Company anticipates filing an IND with the FDA in March 2022 and commencing human clinical trials post FDA approval of the IND.

On February 18, 2021, VisionWorks completed testing of the proof-of-concept prototype of the Nasal Mist Device. This device includes a nasal delivery system for administration of pharmaceutical agents such as a psilocybin-derived agent and/or NAC at preselected dosages and times. The device design allows for the precise control and delivery of medicines through the nasal cavity for faster and more efficient uptake of psychedelics and other medicines that target the brain. During the first phase of development of the device, a test platform was built. The platform was then used to quantify key characteristics of the actuator, atomizer, and control system. The testbed was also used to refine the mist volume, quality, and spray pattern. The Company believes that the results reflect a clear path for delivering precise doses of drugs to the upper region of the nasal cavity. The completion of this prototype phase is an important milestone towards the ultimate goal of developing effective delivery methods for commercialization.

Cannabis branding and intellectual property

As of the date of this AIF, the Company has divested its cannabis business consisting of Cowlitz, Progressive and Delta1. The Company will continue to passively maintain its interest in its cannabis business through its equity investment in Ionic; however, management's primary focus is currently on its psychedelic therapy business.

Cowlitz County Cannabis Cultivation, Inc.

As further described in this AIF, the Company owned the property lease and certain intellectual property of Cowlitz. Cowlitz is a leading producer, marketer, and vendor in the Washington recreational cannabis market.

Cowlitz holds a Washington State marijuana processor license as granted by the Washington State Liquor and Cannabis Board, which licenses Cowlitz to process, dry, cure, package, and label useable marijuana, marijuana concentrates, and marijuana-infused products for sale at wholesale to marijuana processors and marijuana retailers in the state of Washington.

On March 8, 2021, the Company completed the sale of the Cowlitz Assets to Ionic pursuant to the APA.

Specialized Skill and Knowledge

Many aspects of the Company's business require specialized skills and knowledge, including academic qualifications. The Company relies heavily on the availability of physicians and other healthcare professionals to conduct research studies. If physicians and other healthcare professionals were unable or unwilling to conduct these studies in the future, this would cause interruptions in the Company's business until these services are replaced. As the Company expands its operations, it may encounter difficulty in securing the necessary professional medical and skilled support staff to support its expanding operations. There is currently a shortage of certain medical physicians in the United States and this may affect Lobe's ability to secure physicians and other healthcare practitioners in adequate numbers, which may adversely affect the business, financial condition, and results of operations. See "*Risk Factors"*.

Market – Psychedelics Industry

In 2017, the FDA granted breakthrough therapy designation for MDMA-assisted psychotherapy for the treatment of PTSD. The Multidisciplinary Association for Psychedelic Studies ("**MAPS**") has already successfully completed Phase 2 clinical trials for MDMA-assisted psychotherapy for PTSD, where of 107 participants, 68% no longer had PTSD at the 12-month follow up.[13] All participants had chronic treatment-resistant PTSD and had suffered from PTSD for an average of 17.8 years.[14] MAPS has obtained the FDA's agreement for an Expanded Access program, which will allow early access to potentially beneficial investigational therapies for people facing a serious or life-threatening condition for whom currently available treatments have not worked, and who are not able to participate in Phase 3 clinical trials. The Company believes that these agreements provide validation for the fact that MDMA can be an effective therapeutic option for people suffering from PTSD.

Unlike other hallucinogenics which may have neurotoxic effects, psilocybin has the capacity for psychosocial healing that is not accompanied by adverse physiological or psychological reactions. Rather, literature is emerging, beginning in the 1960s, that this psychedelic intervention, when administered in the appropriate setting by experienced clinicians to carefully screened individuals, can activate one's inner capacity for healing by inducing a psychological experience, described by terms that include "spiritual" and "mystical", that leads to a replenished sense of purpose and self and new meaning in life.[15]

Psilocybin, a compound found within psychoactive fungi species, has the potential to become one of the key medicines in eradicating mental illnesses and returning lost cognitive ability. The benefits of psilocybin in the treatment of depression, anxiety and other disorders were first suggested in the 1960s when

13 A Phase 3 Program of MDMA-Assisted Therapy for the Treatment of Severe Posttraumatic Stress Disorder (PTSD), Accessed March 13, 2020, https://maps.org/research/mdma/ptsd/phase3

14 A Phase 3 Program of MDMA-Assisted Therapy for the Treatment of Severe Posttraumatic Stress Disorder (PTSD), Accessed March 13, 2020, https://maps.org/research/mdma/ptsd/phase3

15 Mithoefer MC, Grob CS, Brewerton TD. Novel psychopharmacological therapies for psychiatric disorders: psilocybin and MDMA. Lancet Psychiatry. 2016 May;3(5):481-8. doi: 10.1016/S2215-0366(15)00576-3. Epub 2016 Apr 5. Review. PubMed PMID: 27067625.

psilocybin was actively marketed in many countries, including the United States.[16] Pharmacologically, psilocybin is rapidly metabolized to psilocin, which then acts on serotonin receptors in the brain. In addition, psilocybin indirectly increases the concentration of the neurotransmitter dopamine in the basal ganglia.[17]

Competitive Conditions

The Company will face competition from larger companies that are, or may be, in the process of offering similar products or services to those of the Company. Many of the Company's current and potential competitors have longer operating histories, significantly greater financial, marketing and other resources that the Company has or may be expected to have. A summary of the Company's primary competitors is below.

Name	Primary Business	Geographic Area
Champignon Brands Inc. (CSE:SHRM)	Mental health clinics specialized in ketamine therapy, functional mushroom consumer packaged goods, drug development, drug formulations and delivery systems	Mississauga, On
Numinus Wellness Inc. (TSXV:NUMI)	Research and development, drug processing, wellness centres	Vancouver, BC Montreal, QB
Field Trip Psychedelics Inc. (CSE:FTRP)	Mental health clinics specialized in ketamine therapy, drug development	Toronto, ON New York, NY Los Angeles, C

Intangible property

The Company, through Eleusian, holds the following provisional patent applications:

U.S. Provisional Patent Application entitled "Methods and Compositions for Treating Post Traumatic Stress Disorder or Mild Traumatic Brain Injury with Post Traumatic Stress Disorder" Serial No.: 63/012,435 Filing Date: April 20, 2020.

- This patent application provides methods and compositions for alleviating one or more symptoms of PTSD or mTBI with PTSD. The methods and compositions involve administration of a psilocybe-derived agent in combination with NAC.

  The psilocybe-derived agent and NAC are administered in combination immediately following the mTBI or within 12 to 24 hours of the mTBI or upon the onset of symptoms of PTSD. The psilocybe-derived agent and NAC are co-administered in a nasal spray or mist transducer programmed time release administration. The nasal spray or mist transducer is situated deep into the nasal vestibule at close proximity to the olfactory bulb where the blood-brain barrier is easily circumvented by virtue of the anatomical uniqueness of the nasal mucosa there, whereby superficial and deep veins drain directly into brain's circulation, as opposed to draining toward the right heart chamber as most other veins do. This provides for a faster drug to brain introduction and enables drug(s) dosage control and therefore physiological effect.

U.S. Provisional Patent Application entitled "Device and Method for the Treatment of Traumatic Brain Injuries and Post-Traumatic Stress Disorder" Serial No.: 63/016,455 Filing Date: April 28, 2020.

16 The abuse potential of medical psilocybin according to the 8 factors of the Controlled Substances Act, Accessed March 2, 2020, https://www.sciencedirect.com/science/article/pii/S0028390818302296

17 Psilocybin bound to Serotonin Receptor, Accessed March 2, 2020, https://biologicmodels.com/project/psilocybin-bound-to-serotonin-receptor/

- This patent application relates to an NMT for administration of pharmaceutical agents at preselected dosages and times. The NMT provides a simple, efficient and rapid means of delivering one or more pharmaceutical ingredients deep into the nasal cavity vestibule at close proximity to the olfactory bulb where the deep and superficial veins drain directly to the circulatory system of the brain.

  The NMT is used to administer psilocybin or a psilocybe-derived agent and NAC at preselected dosages and times for the treatment or alleviation of symptoms of mTBI and PTSD.

U.S. Provisional Patent Application entitled "Methods and Compositions for Treating Post Traumatic Stress Disorder or Mild Traumatic Brain Injury with Post Traumatic Stress Disorder" Serial No.: 63/040,032 Filing Date: June 17, 2020.

- This patent application provides methods for treating or alleviating symptoms of PTSD or mTBI via administration of MDMA in combination with NAC. MDMA and NAC are administered in combination immediately following the mTBI or within 12 to 24 hours of the mTBI or upon the onset of symptoms of PTSD. MDMA and NAC are co-administered in a nasal spray or mist transducer programmed time release administration. The nasal spray or mist transducer is situated deep into the nasal vestibule at close proximity to the olfactory bulb where the blood-brain barrier is easily circumvented by virtue of the anatomical uniqueness of the nasal mucosa there, whereby superficial and deep veins drain directly into brain's circulation, as opposed to draining toward the right heart chamber as most other veins do. This provides for a faster drug to brain introduction and enables drug(s) dosage control and therefore physiological effect.

U.S. Provisional Patent Application entitled "Methods and Compositions for Treating Post Traumatic Stress Disorder or Mild Traumatic Brain Injury with Post Traumatic Stress Disorder" Serial No.: 63/059,272 Filing Date: July 31, 2020

- This patent application is focused on treating PTSD and mTBI with psilocybe-derived agent in combination with NAC with imprint pairing one or more symptoms of PTSD or mTBI with PTSD whereby the psilocybe-derived agent and NAC are administered in combination with a memory-odor imprint pairing which is administered through an NMT. It is expected that an odor immediately or shortly after a trauma or electively any time thereafter during memory of the trauma, followed by multiple odor-memory pairing sessions thereafter will elicit a Pavlovian reaction to the odor.

U.S. Provisional Patent Application entitled "Facial Worn Device for Administration of Pharmaceutical Agents in Combination with Virtual and Augmented Reality Simulations" Serial No.: 63/040,032 Filing Date: September 14, 2020.

- This patent application relates to a facial worn device combining VR glasses for delivery of programmed virtual and augmented reality simulations. This device includes a nasal delivery system for administration of pharmaceutical agents and/or fragrances at preselected dosages and times. Uses include methods and kits for alleviating unwanted memories and emotions lined with PTSD or mTBI with PTSD.

- The device provides for immersion into a multi-sensory, three-dimensional environment that can simulate various senses, such as vision and hearing, to guide and enhance the therapeutic effects of one or more pharmaceutical ingredients. The device may be used in a clinical setting or remotely via, for example, wifi where the dosing and VR content can be controlled from a remote distance via wireless connectivity and access to a shared database. In addition to single user applications, multiple devices can be used for group therapy and a therapist or clinician may wear a device along with a single user or group to watch the VR content along with the single user or group.

- Through the VR glasses and VR delivery system, the device would allow for the administration to an individual a psilocybin-derived agent and/or NAC in combination with the VR therapy, providing an immersive VR involving affective media experiences. The unique abilities of VR technology allow this device to provide experiences such as guided meditations, visual and audio simulations of therapeutic journeys, guided virtual trips to different locations or timelines of past perceived traumatic experiences, and exposure therapy. Combined with nasal administration of one or more pharmaceutical agents such as a psilocybin-derived agent and/or NAC, a user of the device can be guided towards unique combinations of altered states of consciousness including, but not limited to, meditation, trance and dreamlike states, within a safe and therapeutic manner that has positive benefits for the user.

Employees

At August 31, 2020, the Company had no full-time employees and five consultants, with all required positions filled by consultants.

External Advisors

Dr. Mark A. Geyer, PhD

Dr. Geyer is Distinguished Professor of Psychiatry and Neurosciences Emeritus at the University of California San Diego and directs the Neuropsychopharmacology Unit of the VISN 22 Veterans Administration Mental Illness Research, Clinical, and Education Center. Since receiving his doctorate in Psychology in 1972, he has focused on basic research addressing the behavioral and neurobiological effects of psychedelics and other psychoactive drugs. Dr. Geyer is respected internationally for his research. He has published over 470 peer-reviewed papers, including many addressing the mechanisms subserving the effects of psychostimulants, psychedelics, and entactogens. Dr. Geyer's broad experience as a researcher, grant reviewer, journal editor, and teacher lends invaluable scientific and professional expertise to the Company.

Ilan Hayman, B. IS, ITIL Cert, Master Project Management

Mr. Hayman is an experienced operations executive with a demonstrated history of working in the medical practice industry and IT sector. Since 2019 he has been the Operations Manager with Mind Medicine Australia ("**Mind Medicine**"), a registered charity acting as the central node for regulatory-approved and research-backed psychedelic medicines to assist with the treatment of mental illness in Australia. Mind Medicine supports innovation in the treatment of mental illness and in the promotion of psychological wellbeing through the development of regulatory approved psychedelic medicines. They do this by bringing together all of the key stakeholders including academia, government, medical practitioners, technology, philanthropy and culture. Mind Medicine is focused specifically on the clinical application of medicinal psilocybin and medicinal MDMA for certain mental illnesses and supports and funds clinical psychedelic research, conducted by independent institutions and affiliates, working towards regulatory-approved and evidence-based psychedelic-assisted therapies.

Prior to joining Mind Medicine, Mr. Hayman oversaw a group of national medical centers and was involved in general management of healthcare businesses including a private cosmetic surgery chain, and led the development and commercialization of a line of skincare products.

Mr. Hayman sits on several boards of not-for-profit organizations. He also holds Bronze and Silver Duke of Edinburgh awards and brings along a unique set of community and industry related experience. Mr. Hayman received his Bachelor Degree in Information Systems from the Macquarie University Australia as well as a Masters Degree focused on Project Management from Torrens University Australia.

Bart Oates, Esq.

Mr. Oates is a three-time Superbowl Champion who graduated magna cum laude with a Juris Doctor degree from Seton Hall during his off season. Prior to his NFL career, Mr. Oates earned a BS in Accounting from the Marriott School of Business at BYU and was inducted into their athletic Hall of Fame in 1992. Throughout his NFL career, Mr. Oates was selected to five Pro Bowls during his career and to the UPI All-NFC team three times. Mr. Oates is now the President of the NFL Alumni Association where he offers alumni a diverse package of medical, business, and legal services to help keep them and their families healthy, productive, and connected to the league and their former teammates.

Environmental Protections

The Company's business is not materially impacted by environmental conditions. The Company does not expect that there will be any financial or operational effects as a result of environmental protection requirements on its capital expenditures, profit or loss, or its competitive position in the current fiscal year or in future years.

Bankruptcy and Similar Procedures

There have been no bankruptcy, receivership or similar proceedings against the Company or any of its subsidiaries, or any voluntary bankruptcy, receivership or similar proceedings by the Company or any of its subsidiaries, within the three most recently completed financial years or during or proposed for the current financial year.

Reorganizations

There have been no material reorganizations of the Company or any of its subsidiaries within the three most recently completed financial years or during or proposed for the current financial year other than the RTO as described under "*Corporate Structure*".

Risk Factors

In addition to any other risks contained in this AIF, as well as the Company's management's discussion and analysis and consolidated financial statements and accompanying notes, the risks described below are the principal risks that could have a material and adverse effect on our business, financial condition, results of operations, cash flows, future prospects or the trading price of our Shares. This AIF also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in the forward-looking statements as a result of a number of factors, including the risks described below. See "*Cautionary Note Regarding Forward-Looking Statements*".

Any investment in the securities of the Company is speculative, due to the nature of its business and its general stage of development. These risk factors could materially affect the Company's future operating results and could cause actual events to differ materially from those described in forward looking statements relating to the Company. In addition to the usual risks associated with investment in a business, investors should carefully consider the following risk factors as well as the risk factors set out in the Company's other public disclosure.

The Company's business and results of operations are subject to a number of risks and uncertainties, including but not limited to the following:

Risks Related to the Psychedelic Health Industry

Our prospects depend on the success of our patent applications which are at early stages of development, and we may not generate revenue for several years, if at all, from these products.

Given the early stage of our patent applications, the Company can make no assurance that our research and development programs will result in regulatory approval or commercially viable products. To achieve profitable operations, we, alone or with others, must successfully develop, gain regulatory approval, and market our future products. We currently have no products that have been approved by the FDA, Health Canada or any similar regulatory authority. To obtain regulatory approvals for our 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. While we have commenced Phase I trials, we have not yet completed a Phase I clinical trial or subsequent required clinical trials. Many 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.

Candidates may fail for a number of reasons, including, but not limited to, 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 us or our collaborators to abandon commitments to that program. Positive results of early preclinical 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 favorable outcomes in later-stage clinical trials. We can make no assurance that any future studies, if undertaken, will yield favorable results.

The early stage of our product development makes it particularly uncertain whether any of our product development efforts will prove to be successful and meet applicable regulatory requirements, and whether any of our product candidates will receive the requisite regulatory approvals, be capable of being manufactured at a reasonable cost or be successfully marketed. If we are successful in developing our current and future product candidates into approved products, we will still experience many potential obstacles such as the need to develop or obtain manufacturing, marketing and distribution capabilities. If we are unable to successfully commercialize any of our products, our financial condition and results of operations may be materially and adversely affected.

Risks Associated with Clinical Trials

We rely and will continue to rely on third parties to plan, conduct and monitor our clinical trials, and their failure to perform as required could cause substantial harm to our business. If there is any dispute or disruption in our relationship with third parties, or if they are unable to provide quality services in a timely manner and at a feasible cost, our patents will face delays. Further, if any of these third parties fails to perform as we expect or if their work fails to meet regulatory requirements, our testing could be delayed, cancelled or rendered ineffective.

Risks Associated with the Regulated Psychedelic Health Industry

The Company's business activities rely on newly established and/or developing laws and regulations, relating to the regulated psychedelics industry. These laws and regulations are rapidly evolving and subject to change with minimal notice. The psychedelics industry may come under the scrutiny or further scrutiny of the FDA or the CSE. It is impossible to determine the extent of the impact of any new laws, regulations or initiatives that may be proposed, or whether any proposals will become law. The regulatory uncertainty surrounding the Company's industry may adversely affect the business and operations of the Company, including without limitation, the costs to remain compliant with applicable laws and the impairment of its ability to raise additional capital, which could reduce, delay or eliminate any return on investment in the Company. There is no assurance the Corporation will be able to derive meaningful revenue. In addition, there would be no assurance that the psychedelic market and industry would continue to exist and grow as anticipated or function and evolve in a manner consistent with management's expectations and assumptions. Any event or circumstance that adversely affects the psychedelic industry and market could have a material adverse effect on the Company's business, financial conditions and results of operations.

Unfavourable Publicity or Consumer Perception Towards Psychedelics

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

Difficulty in Forecasting the Market

The Company 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 U.S. 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 Company.

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 could adversely affect the Company's ability to finance future developments or the price of the Shares, and the Company's business and financial results could be materially and adversely affected.

Competition

The psychedelic therapy industry in Canada is an emerging industry with high levels of competition. The Company expects that, due to the urgent need for new and innovative treatments for mental health conditions and the evidence-based studies showing the positive impact of psychedelics as a treatment for certain mental health conditions, psychedelics as a treatment for these conditions will become more accepted in the medical community. As such, the Company expects to compete with other similar businesses as well as with individual medical professionals who undertake the prescribing to and supervision of psychedelics use with their patients. While the Company was an early entrant to the psychedelic-enhanced psychotherapy market in Canada, other market participants have emerged. The Company 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 Company.

Unfavorable 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 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 Company's operational results, consumer base and financial results.

Business Risks

Limited Operating History

The Company is subject to many risks common to early-stage enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources, history of losses and lack of substantial revenues. There is no assurance that the Company will be successful in achieving a

return on shareholders' investment and the likelihood of success must be considered in light of its relatively early stage of operations. Because the Company has a relatively limited operating history in an emerging area of business, investors should consider and evaluate its operating prospects in light of the risks and uncertainties frequently encountered by early-stage companies in rapidly evolving markets. These risks may include:

- risks that it may not have sufficient capital to achieve its growth strategy;
- risks that it may not develop its product and service offerings in a manner that enables it to be profitable and meet its customers' requirements;
- risks that its growth strategy may not be successful;
- risks that fluctuations in its operating results will be significant relative to its revenues; and
- risks relating to an evolving regulatory regime.

Covid-19 Pandemic

In December 2019, the 2019 novel coronavirus ("**COVID-19**") surfaced in Wuhan, China. The World Health Organization declared a global emergency on January 30, 2020 with respect to the outbreak and characterized it as a pandemic on March 11, 2020. The outbreak has spread throughout the world, causing companies and various international jurisdictions to impose restrictions, such as quarantines, closures, cancellations and travel restrictions.

At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Company in the long-term as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, quarantine and isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus. If the Company's operations or development initiatives are suspended or scaled back, or if its supply chains are disrupted, it may have a material adverse impact on the Company's profitability, results of operations, financial condition and the trading price of the Company's securities. To the extent that the Company'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 Company's profitability, results of operations, financial condition and the trading price of the Company's securities. However, future impact of the outbreak is highly uncertain and cannot be predicted, and there is no assurance that the outbreak will not have a material adverse impact on the future results of the Company. The extent of the impact, if any, will depend on future developments, including actions taken to contain COVID-19.

Managing Growth

If the Company implements its business plan as intended, it may in the future experience rapid growth and development in a relatively short period of time. The management of this growth will require, among other things, continued development of financial and management controls, stringent control of costs, the ability to attract and retain qualified management personnel and the training of new personnel. The Company intends to utilize outsourced resources, and hire additional personnel, to manage its expected growth and expansion. Failure to successfully manage its possible growth and development could have a material adverse effect on the Company's business and the value of the Company's Shares.

Retention and Acquisition of Skilled Personnel

The Company's success has depended and continues to depend upon its ability to attract and retain key management, including its Chief Executive Officer. The Company will attempt to enhance its management

and technical expertise by continuing to recruit qualified individuals who possess desired skills and experience in certain targeted areas. The Company's inability to retain employees and attract and retain sufficient additional employees could have a material adverse effect on its business, results of operations, sales, cash flow or financial condition. Shortages in qualified personnel or the loss of key personnel could adversely affect the financial condition of the Company and results of operations of the business. The loss of any member of the Company's senior management team could materially adversely affect its ability to execute its business plan and strategy, and the Company may not be able to find adequate replacements on a timely basis, or at all.

Integration of Acquired Businesses

Failure to successfully integrate acquired businesses, their products and other assets into the Company, or if integrated, failure to further the business strategy, may result in the Company's inability to realize any benefit from such acquisition. The Company expects to grow by acquiring businesses. The consummation and integration of any acquired business, product or other assets into the Company may be complex and time consuming and, if such businesses and assets are not successfully integrated, the Company may not achieve the anticipated benefits, cost-savings or growth opportunities. Furthermore, these acquisitions and other arrangements, even if successfully integrated, may fail to further the Company's business strategy as anticipated, expose the Company to increased competition or other challenges with respect to the Company's products or geographic markets, and expose the Company to additional liabilities associated with an acquired business, technology or other asset or arrangement.

Legal Proceedings

The Company may be forced to litigate to enforce or defend its intellectual property rights, to protect its trade secrets or to determine the validity and scope of other parties' proprietary rights. Any such litigation could be very costly and could distract its management from focusing on operating the business. The existence and/or outcome of any such litigation could harm the business. Further, because the content of much of the Company's intellectual property concerns psychedelics and other activities that are not legal in some state jurisdictions or under federal law, the Company may face additional difficulties in defending its intellectual property rights.

The Company may also be named as a defendant in a lawsuit or regulatory action. The Company may also incur uninsured losses for liabilities which arise in the ordinary course of business, or which are unforeseen, including, but not limited to, employment liability and business loss claims. Any such losses could have a material adverse effect on the Company's business, results of operations, sales, cash flow or financial condition.

Third Party Liability

The Company is exposed to the risk that its independent contractors and consultants may engage in fraudulent or other illegal activity. Misconduct by these parties could include intentional, reckless and/or negligent conduct or disclosure of unauthorized activities to the Company that violate government regulations. It is not always possible for the Company to identify and deter misconduct by its contractors and consultants and other third parties, and the precautions taken by the Company to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting the Company from governmental investigations or other actions or lawsuits stemming from a failure to be in compliance with such laws or regulations. If any such actions are instituted against the Company, and it is not successful in defending itself or asserting its rights, those actions could have a significant impact on its business, including the imposition of civil, criminal and administrative penalties, damages, monetary fines, contractual damages, reputational harm, diminished profits and future earnings, and curtailment of the Company's operations, any of which could have a material adverse effect on its business, financial condition and results of operations.

Regulatory Compliance Risks

Achievement of the Company's business objectives is subject to compliance with regulatory requirements enacted and enforced by governmental authorities and obtaining and maintaining all required regulatory approvals. The Company may incur costs and obligations related to regulatory compliance. Failure to comply with applicable laws, regulations and permitting, license or approval 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 Company 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.

The Company cannot predict the timeline required to secure all appropriate regulatory approvals or licenses for the intended business or the extent of testing and documentation that may be required by governmental authorities. Any delays in obtaining, or failing to obtain, required regulatory approvals or licenses may significantly delay or impact the research and development activities and could have a material adverse effect on the business, results of operations and financial condition of the Company. In addition, changes in regulations, more vigorous enforcement thereof or other unanticipated events could require extensive changes to the Company'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 Company.

The impact of the various legislative regimes on the Company's business plans and operations is uncertain. There is no guarantee that the applicable legislation regulating the Company's business activities will create or allow for the growth opportunities the Company currently anticipates.

Financial and Accounting Risks

Liquidity and Future Financing Risk

Historically, the Company has financed its operations through equity financing. While the Company generates revenues, these revenues may not be sufficient to support future operations or plans for business development. There is no assurance that the Company will be able to maintain the current level of revenue or access further equity. Due to the fact the Company operates a psychedelics-related business certain financing options may not be available to the Company. If the Company is unable to sustain or grow its revenue and not be able to attract further equity financing, the Company may not be able to pay liabilities as they become due and thereby would suffer significant financial damage.

There can be no assurance that the Company 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 Company to alter its capitalization significantly and, if additional financing is raised by issuance of additional shares of the Company from treasury, control may change and shareholders may suffer dilution. The inability of the Company to access sufficient capital for its operations could have a material adverse effect on the Company's financial condition and results of operations.

No Assurance to Turn a Profit

The Company has never declared or paid cash dividends on the Shares. There is no assurance as to whether the Company will be profitable or pay dividends. The Company has incurred and anticipates that it will continue to incur substantial expenses relating to the development and initial operations of its business. The payment and amount of any future dividends will depend upon, among other things, the results of operations, cash flow, financial condition, and operating and capital requirements. There is no assurance that future dividends will be paid, and, if dividends are paid, there is no assurance with respect to the amount of any such dividends. In the event that any of the Company's investments, or any proceeds thereof, any dividends or distributions therefrom, or any profits or revenues accruing from such investments

in the United States were found to be in violation of money laundering legislation or otherwise, such transactions may be viewed as proceeds of crime under one or more of the statutes noted above or any other applicable legislation. This could restrict or otherwise jeopardize the ability of the Company to declare or pay dividends, effect other distributions or subsequently repatriate such funds back to Canada.

Income Streams

Pursuant to the Cowlitz License Agreement, the Company had relied on a single source of income, being its business relationship with Cowlitz. Cowlitz is a Washington State company engaging in the cannabis production, processing and retail business. Subsequent to the completion of the transactions contemplated by the APA, the Company will no longer have a consistent revenue stream.

Future Offerings and Dilution

If additional funds are raised through issuances of equity or convertible debt securities, existing shareholders could suffer significant dilution. The Company's articles permit the issuance of an unlimited number of Shares, and shareholders will have no pre-emptive rights in connection with such further issuance. The directors of the Company have discretion to determine the price and the terms of issue of further issuances. Moreover, additional Shares will be issued on the exercise of options under the Option Plan and upon the exercise of outstanding Warrants. In addition, from time to time, the Company may enter into transactions to acquire assets or the shares of other companies. These transactions may be financed wholly or partially with debt, which may temporarily increase the Company's debt levels above industry standards. Any debt financing secured in the future could involve restrictive covenants relating to capital raising activities and other financial and operational matters, which may make it more difficult for the Company to obtain additional capital and to pursue business opportunities, including potential acquisitions. The Company may require additional financing to fund its operations to the point where it is generating positive cash flows. Negative cash flow may restrict the Company's ability to pursue its business objectives.

The Company continues to sell its equity for cash to fund operations, capital expansion, mergers and acquisitions that will dilute the current shareholders.

Volatility of Market Shares

The market price for the Shares may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond the Company's control, including the following:

(1) actual or anticipated fluctuations in the Company's quarterly results of operations;

(2) recommendations by securities research analysts;

(3) changes in the economic performance or market valuations of companies in the industry in which the Company operates;

(4) additions to or departures of the Company's executive officers and other key personnel;

(5) release or expiration of lock-up or other transfer restrictions on outstanding Shares;

(6) sales or perceived sales of additional Shares;

(7) significant acquisitions or business combinations, strategic partnerships, joint ventures or capital commitments by or involving the Company or the Company's competitors;

(8) operating and share price performance of other companies that investors deem comparable to the Company;

(9) fluctuations to the costs of vital production materials and services;

(10) changes in global financial markets and global economies and general market conditions, such as interest rates;

(11) operating and share price performance of other companies that investors deem comparable to the Company or from a lack of market comparable companies;

(12) news reports relating to trends, concerns, technological or competitive developments, regulatory changes and other related issues in the Company's industry or target markets; and

(13) regulatory changes in the psychedelic health industry.

Financial markets have recently 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 Shares may decline even if the Company'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 might result in impairment losses. There can be no assurance that continuing fluctuations in price and volume will not occur. If such increased levels of volatility and market turmoil continue, the Company's operations could be adversely affected and the trading price of the Shares might be materially adversely affected.

Currency Fluctuations

The Company's revenues and expenses are expected to be primarily denominated in U.S. dollars, and therefore may be exposed to significant currency exchange fluctuations. Recent events in the global financial markets have been coupled with increased volatility in the currency markets. Fluctuations in the exchange rate between the U.S. dollar and the Canadian dollar may have a material adverse effect on the Company's business, financial condition and operating results. The Company may, in the future, establish a program to hedge a portion of its foreign currency exposure with the objective of minimizing the impact of adverse foreign currency exchange movements. However, even if the Company develops a hedging program, there can be no assurance that it will effectively mitigate currency risks.

Potential Undisclosed Liabilities Associated with the Eleusian Transaction

Upon completion of the Eleusian Transaction, Eleusian became a direct wholly-owned subsidiary of the Company and continues to have the liabilities that existed prior to completion of the Eleusian Transaction. There may be liabilities of Eleusian that the Company failed to discover or was unable to accurately assess or quantify in its due diligence.

Other Risks

Licenses

If obtained, any state licenses in the U.S. are expected to be subject to ongoing compliance and reporting requirements. Failure by the Company to comply with the requirements of licenses or any failure to maintain licenses would have a material adverse impact on the business, financial condition and operating results of the Company. Should any state in which the Company considers a license important not grant, extend or renew such license, or should it renew such license on different terms, or should it decide to grant more than the anticipated number of licenses, the business, financial condition and results of the operation of the Company could be materially adversely affected.

Intellectual Property

The Company's ability to compete may depend on the superiority, uniqueness and value of any intellectual property and technology that it may develop. To the extent the Company is able to do so, to protect any proprietary rights, the Company intends to rely on a combination of patent, trademark, copyright and trade secret laws, confidentiality agreements with its employees and third parties, and protective contractual provisions. Despite these efforts, any of the following occurrences may reduce the value of any of the Company's intellectual property:

(1) patents in the psychedelic health industry involve complex legal and scientific questions and patent protection may not be available for some or any products;

(2) the Company's applications for trademarks and copyrights relating to its business may not be granted and, if granted, may be challenged or invalidated;

(3) issued patents, trademarks and registered copyrights may not provide the Company with competitive advantages;

(4) the Company's efforts to protect its intellectual property rights may not be effective in preventing misappropriation of any its products or intellectual property;

(5) The Company's efforts may not prevent the development and design by others of products or marketing strategies similar to or competitive with, or superior to those the Company develops;

(6) another party may assert a blocking patent and the Company would need to either obtain a license or design around the patent in order to continue to offer the contested feature or service in its products; or

(7) the expiration of patent or other intellectual property protections for any assets owned by the Company could result in significant competition, potentially at any time and without notice, resulting in a significant reduction in sales. The effect of the loss of these protections on the Company and its financial results will depend, among other things, upon the nature of the market and the position of the Company's products in the market from time to time, the growth of the market, the complexities and economics of manufacturing a competitive product and regulatory approval requirements but the impact could be material and adverse.

Conflicts of Interest

Although certain officers and Board members of the Company are bound by confidentiality clauses in their respective consultancy agreement, the Company may be subject to various potential conflicts of interest because some of its officers and directors may be engaged in a range of business activities. In addition, the Company's executive officers and directors may devote time to their outside business interests, so long as such activities do not materially or adversely interfere with their duties to the Company. In some cases, the Company's executive officers and directors may have fiduciary obligations associated with these business interests that interfere with their ability to devote time to the Company's business and affairs and that could adversely affect the Company's operations. These business interests could require significant time and attention from the Company's executive officers and directors.

In addition, the Company may also become involved in other transactions which conflict with the interests of its directors and the officers who may from time-to-time deal with persons, firms, institutions or companies with which the Company may be dealing, or which may be seeking investments similar to those desired by it. The interests of these persons could conflict with those of the Company. In addition, from time to time, these persons may be competing with the Company for available investment opportunities. Conflicts of interest, if any, will be subject to the procedures and remedies provided under applicable laws. In particular, if such a conflict of interest arises at a meeting of the Company's directors, a director who has such a

conflict will abstain from voting for or against the approval of such participation or such terms. In accordance with applicable laws, the directors of the Company are required to act honestly, in good faith and in the best interests of the Company.

Dividends and Distributions

The holders of Shares are entitled to receive distributions as and when declared from time to time on the Shares by the Board, acting in its sole discretion, out of the Company's assets properly available for the payment of dividends.

The Company intends to reinvest all future earnings in order to finance the development and growth of its business. As a result, the Company does not intend to pay dividends on the Shares in the foreseeable future. The declaration of any future dividends by the Board will be dependent on the Company's earnings, liquidity position, financial condition and capital requirements, as well as any other factors deemed relevant by the Board.

Description of Capital Structure

The Company's authorized share capital consists of an unlimited number of Shares and an unlimited number of preferred shares. As at August 31, 2020, there were 143,114,425 Shares and no preferred shares issued and outstanding. As at March 8, 2021 there were 199,733,984 Shares and no preferred shares issued and outstanding.

Each Share entitles its holder to notice of and to one vote at all meetings of the Company's shareholders. Each Share is also entitled to receive dividends if, as and when declared by the Board. Holders of Shares are entitled to participate in any distribution of the Company's net assets upon liquidation, dissolution or winding-up of the Company on an equal basis per Share.

Market for Securities

Trading Price and Volume

The Shares are listed and posted for trading on the CSE under the symbol "LOBE". The following table sets forth the reported price range and total volume of the Shares for the most recently completed financial year traded through the CSE. The Company's Shares were listed and commenced trading on the CSE on June 7, 2019.

Shares

CSE Trading

Month	High Trading Price ($)	Low Trading Price ($)	Total Monthly Volume
September 2019	0.16	0.10	1,301,180
October 2019	0.11	0.08	3,354,120
November 2019	0.16	0.08	6,968,718
December 2019	0.17	0.08	18,833,225
January 2020	0.14	0.06	3,528,107
February 2020	0.10	0.06	3,181,140
March 2020	0.10	0.04	3,859,055

Month	High Trading Price ($)	Low Trading Price ($)	Total Monthly Volume
April 2020	0.05	0.04	503,190
May 2020	0.06	0.02	1,179,567
June 2020	0.10	0.04	8,920,522
July 2020	0.14	0.06	15,440,051
August 2020	0.11	0.07	9,397,655

Prior Sales

During the year ended August 31, 2020 and up to the date of this AIF, the Company issued (cancelled) the following securities:

Date of Issuance/Grant	Type of Security	Issue/ Exercise Price	Number of Securities Issued	Nature of Consideration
September 6, 2019 (1)	Options	$0.20	550,000	Stock option grant
September 11, 2019 (2)	Shares	$0.10	330,000	Cash for warrant exercise
November 29, 2019 (2)	Shares	$0.10	1,200,000	Cash for warrant exercise
December 6, 2019 (3)	Shares	$0.13	507,692	Issued as consideration for debt settlement
January 16, 2020 (4)	Options	$0.14	1,350,000	Stock option grant
February 5, 2020 (2)	Shares	$0.10	600,000	Cash for warrant exercise
February 6, 2020 (2)	Shares	$0.10	350,000	Cash for warrant exercise
February 6, 2020 (5)	Options	$0.085	3,378,836	Stock option grant
February 7, 2020 (2)	Shares	$0.10	450,000	Cash for warrant exercise
February 17, 2020 (6)	Shares	N/A	(4,568,524)	Share cancellation agreement
February 24, 2020 (7)	Options	$0.06	500,000	Stock option grant
May 19, 2020 (8)	Options	$0.14	200,000	Stock option grant
July 23, 2020 (9)	Shares	$0.05	11,700,000	Private Placement
July 23, 2020 (10)	Shares	$0.05	1,500,000	Issued as consideration for debt settlement
July 27, 2020 (11)	Shares	N/A	60,200,056	Issued in connection with Eleusian Transaction

Date of Issuance/Grant	Type of Security	Issue/ Exercise Price	Number of Securities Issued	Nature of Consideration
July 27, 2020 (12)	Shares	$0.05	3,010,002	Issued in consideration for Finder's services
September 12, 2020 (13)	Options	$0.08	300,000	Stock option grant
September 21, 2020 (14)	Units	$0.08	10,396,852	Private Placement
October 5, 2020 (15)	Units	$0.08	562,500	Issued as consideration for debt settlement
October 5, 2020 (16)	Units	$0.08	10,831,234	Private Placement
October 5, 2020 (17)	Finder's Warrants	$0.20	1,620,498	Issued in consideration for Finder's services
October 5, 2020 (18)	Units	$0.08	370,498	Issued in consideration for Finder's services
October 19, 2020 (19)	Options	$0.10	1,400,000	Stock option grant
December 24, 2020(20)	Units	$0.10	23,271,000	Private Placement
January 6, 2021(21)	Units	$0.10	11,187,475	Private Placement
January 15, 2021 (22)	Options	$0.15	7,400,000	Stock option grant
February 12, 2021 (23)	Options	$0.17	225,000	Stock option grant
February 23, 2021 (24)	Options	$0.23	100,000	Stock option grant

Notes:

(1) Expire on September 6, 2021 and 50% vest immediately and 50% vested on September 6, 2020. On February 6, 2020, the Company cancelled 400,000 options.

(2) Issued pursuant to the exercise of warrants.

(3) Issued as payment in satisfaction of outstanding trade payables in the amount of $66,000.

(4) Expire on January 16, 2025 and 1,225,000 vested on January 16, 2020 with the remaining 125,000 vesting on January 16, 2021. On February 26, 2020, the Company cancelled 1,000,000 options.

(5) Expire on February 6, 2025 and 100% vested immediately.

(6) Shares reacquired and cancelled pursuant to a share cancellation agreement for no consideration.

(7) Expire on February 23, 2022 and 100% vested immediately. Expiry date was subsequently amended to July 15, 2021 pursuant to the resignation of Mr. Baird as CEO.

(8) Expire on May 19, 2023 and 75% vest immediately, 7,143 vest June 2020 to November 2020, and 7,142 vest December 2020.

(9) Issued pursuant to a non-brokered private placement for gross proceeds of $585,000.

(10) Issued as payment in satisfaction of various trade payables in the amount of $75,000.

(11) Issued in connection with the Eleusian Transaction at a deemed price of $0.05 per Share.

(12) Issued for Finder's services in connection with the Eleusian Transaction at a deemed price of $0.05 per Share.

(13) Expire on September 12, 2022 and 100,000 vest on the assignment of a provisional patent with 200,000 vesting quarterly from the grant date.

(14) The Company issued 10,396,852 units pursuant to a non-brokered private placement at $0.08 per unit for gross proceeds of $831,748. Each Unit consists of one Share and one half of one Share purchase warrant. Each Warrant entitles the subscriber to acquire one additional Share at a price of $0.20 until March 31, 2022.

(15) Issued as payment in satisfaction of outstanding trade payables in the amount of $45,000. Each unit consists of one Share and one-half of one Share purchase warrant. Each warrant entitles the subscriber to acquire one additional Share at a price of $0.20 until March 22, 2022.

(16) The Company issued 10,831,234 units pursuant to a non-brokered private placement at $0.08 per unit for gross proceeds of $866,498. Each unit consists of one Share and one Share purchase warrant. Each warrant entitles the subscriber to acquire one additional Share at a price of $0.20 until March 31, 2022.

(17) Broker warrants issued in relation to the September 2020 Offering. Each warrant entitles the subscriber to acquire one additional Share at a price of $0.20 until October 2, 2023.

(18) Broker units issued in relation to the September 2020 Offering. Each unit consists of one Share and one Share purchase warrant. Each warrant entitles the subscriber to acquire one additional Share at a price of $0.20 until March 31, 2022.

(19) Expire on October 19, 2023 and 100% vested immediately.

(20) The Company issued 23,271,000 units pursuant to a non-brokered private placement at $0.10 per unit for gross proceeds of $2,327,100. Each Unit consists of one Share and one Share purchase warrant. Each warrant entitles the subscriber to acquire one additional Share at a price of $0.25 until December 24, 2022.

(21) The Company issued 11,187,475 units pursuant to a non-brokered private placement at $0.10 per unit for gross proceeds of $1,118,747. Each Unit consists of one Share and one Share purchase warrant. Each warrant entitles the subscriber to acquire one additional Share at a price of $0.25 until January 6, 2023.

(22) Expire January 15, 2024 and 100% vested immediately.

(23) Expire on February 12, 2023 and 125,000 vested immediately and 25,000 vest quarterly commencing February 12, 2021.

(24) Expire on February 23, 2023 and 50,000 vested immediately and 50,000 vest quarterly commencing February 23, 2021.

Escrowed Securities and Securities subject to Contractual Restriction on Transfer

The following securities of the Company are held in escrow or subject to a contractual restriction on transfer:

Designation of class	Number of securities held in escrow or that are subject to a contractual restriction on transfer	Percentage of class
Shares	15,800,266(1)	11.04%

Notes:

(1) Escrowed pursuant to the Eleusian Transaction. The trading restrictions will be lifted on April 27, 2021.

Directors and Officers

Name, Occupation and Security Holding

The following table sets out, as of the date of this AIF, for each of the Company's directors and executive officers, the person's name, province or state and country of residence, position with the Company, principal occupation and, if a director, the date on which the director first became a director.

Directors are elected each year at the annual meeting of shareholders of the Company to serve until the next annual meeting or until a successor is elected or appointed.

The following table sets forth information regarding our directors and executive officers as of the date of this AIF.

Name and Province or State and Country of Residence	Position / Title	Period(s) during which each director or officer has served as a director or officer	Principal Occupation Within Last Five Years	Current Principal Occupation (if applicable)
Jonathan Gilbert[(2)] *New York, USA*	Executive Chairman, Director	Executive Chairman: December 14, 2020 to present. Director: July 27, 2020 to present	Executive Chairman of the Company since December 14, 2020; Director of the Company since July 27, 2020; CEO and Director, Eleusian Biosciences Corp. from May 2020 to July 2020; CEO and Director of SOL Global Investments Corp. from December 2014 to August 2018; CEO and Director of Tassili Life Sciences Corp. from July 2019 to April 2020; Executive Chairman of Exactus Inc. from February 2019 to July 2019.	Executive Chairman and Director
Philip J. Young *Florida, USA*	Chief Executive Officer, Corporate Secretary and Director	CEO and Corporate Secretary: January 15, 2021 to present. Director: January 8, 2021 to present	CEO of the Company since January 15, 2021; President and CEO of TrippBio from August 2020 to present; CEO of Exactus Inc. from February 2016 to August 2019.	CEO
Brian Zasitko *Chonburi, Thailand*	Chief Financial Officer	January 1, 2020 to present	CFO of the Company since December 31, 2019. Senior Consultant with Invictus Accounting Group LLP since December 2018. Treasurer with the Oppenheimer Group from May 2015 to June 2018.	Chartered Professional Accountant
Maghsoud Dariani *New Jersey, USA*	Chief Science Officer	July 27, 2020 to present	Chief Science Officer ("**CSO**") of the Company since July 27, 2020. President, Chief Executive Officer & Director at Semorex, Inc. since 2014.	CSO
Leighton Bocking[(1)(2)] *British Columbia, Canada*	Director	July 25, 2019 to present	Director of the Company since July 25, 2019; President of the Company and Green Star Biosciences Inc. from April 1, 2019 to June 19, 2019; Private and public finance consultant since 2010.	Consultant and Director

Name and Province or State and Country of Residence	Position / Title	Period(s) during which each director or officer has served as a director or officer	Principal Occupation Within Last Five Years	Current Principal Occupation (if applicable)
Michael Petter[(2)] *California, USA*	Director	January 8, 2021 to present	Director of the Company since January 8, 2021; Managing Director of Eyvo eProcurement Solutions since January 2009; Co-founder and Director, Eleusian Biosciences Corp. from March 2020 to July 2020; Co-founder and Director, Tassili Life Science Corp from July 2019 to March 2020; Director, Scythian Biosciences Corp from January 2015 to January 2018.	Director and Managing Director

Notes:

(1) Chair of the Audit Committee.

(2) Member of the Audit Committee.

As at August 31, 2020, the directors and executive officers of the Company directly or beneficially owned or controlled an aggregate of 18,175,000 Shares as a group, representing approximately 9.1% of the Company's issued and outstanding Shares as of August 31, 2020.

On October 7, 2020, the Company formed and launched its science advisory board (the "**Science Advisory Board**") and appointed its first distinguished board member, Dr. Mark Geyer, Professor Emeritus at University of California San Diego, who is a recognized pioneer in the psychedelics industry.

Biographies

The following are brief profiles of our executive officers and directors, including a description of each individual's principal occupation within the past five years.

Jonathan Gilbert, Executive Chairman and Director

Mr. Gilbert has over 20 years of leadership, capital raising and public markets expertise. Previously, he was the co-founder, CEO and director of SOL Global Investments Corp. (formerly Scythian Biosciences Corp.), a publicly traded research and development company. He was also founder, CEO and a director of Tassili Life Sciences Corp., which was acquired by CSE-listed Champignon Brands Inc. in March 2020. Mr. Gilbert was also executive chairman of Exactus Inc., an OTC-listed company. Jonathan received his BBA in Finance and Financial Management Services from The George Washington University and received his MBA from Kennedy Western University.

Philip J. Young, Chief Executive Officer, Corporate Secretary and Director

Mr. Young is an analytical and results driven life sciences executive who has successfully managed public and private companies through product development, international growth, commercialization and M&A transactions. He has served as Director and Chief Executive Officer for public companies for the past 20 years where he has created significant shareholder value, built integrated scientific, manufacturing and commercial operations, directed successful M&A transactions and was responsible for generating more than $900M through acquisitions and equity financings. Mr. Young started his management career in the biopharmaceutical industry at Genentech Inc. where he was responsible for their cardiovascular and endocrine product launches sales and marketing.

Brian Zasitko, Chief Financial Officer

Mr. Zasitko is a Senior Consultant at Invictus Accounting Group LLP with 13 years' experience in financial reporting, auditing, taxation, budgeting and forecasting, risk management, internal controls and treasury. Brian has worked with small and large capitalization companies in the public sector and small capitalization private companies across multiple industries including agriculture, manufacturing, real estate, and utilities. Previously, Brian was a manager at Ernst & Young leading audit and assurance engagements.

Brian graduated from Simon Fraser University with a Bachelor of Business Administration (Accounting Major) in 2005 and received his CPA (CA) designation from the CPABC in 2010.

Maghsoud Dariani, Chief Science Officer

Concurrent to leading science and technology efforts at the Company, Maghsoud is also President and CEO of Semorex, Inc. a privately held company focused on the discovery and development of novel therapeutics for cancer. Prior to joining Semorex, Mr. Dariani was President of Focus Pharmaceuticals, Inc., where he managed the development and approval of drug products, achieving one FDA approval and bringing another to the clinical evaluation stage, then successfully negotiated the sale of the company in February 2003. Prior to Focus, Mr. Dariani was Vice President of the chiral pharmaceutical business unit at Celgene Corporation. During his twelve years at Celgene, he was responsible for the successful development and FDA approval of the chirally pure versions of Ritalin, which are currently marketed by Novartis under the Focalin and Focalin XR trade names.

Leighton Bocking, Director

Mr. Bocking has been working in the capital markets for over 18 years. His primary role has been as an independent corporate development consultant in addition to holding various directorship positions. Mr. Bocking has been particularly focused on financing and structuring companies.

Michael Petter, Director

Michael Petter is an accomplished leader and entrepreneur with significant experience, co-founding and acting as a director of several companies that successfully completed M&A transactions. He holds a Bachelors in Computer Science from London University and is a Chartered Engineer. He also runs a business mentoring program that assists businesses and individuals with change management. Mr. Petter was co-founder and director of Eleusian Biosciences Corp., and co-founded and was a director of Tassili Life Sciences Corp. which was acquired by CSE-listed Champignon Brands Inc. in March 2020. Mr. Petter has independent board experience being chairman of a compensation committee and as a member of an audit committee.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions Corporate Cease Trade Orders

Other than as disclosed below, no director or executive officer of the Company has, within the 10 years prior to the date of this AIF, been a director, chief executive officer or chief financial officer of any company (including Lobe) that, while such person was acting in that capacity (or after such person ceased to act in that capacity but resulting from an event that occurred while that person was acting in such capacity) was the subject of a cease trade order, an order similar to a cease trade order, or an order that denied the company access to any exemption under securities legislation, in each case for a period of more than 30 consecutive days:

(a) that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or

(b) that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred

while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Corporate Bankruptcies

No director or executive officer of the Company, or a shareholder holding a sufficient number of securities of the Company to affect materially the control of Lobe:

(a) is, as at the date of this AIF, or has been within the 10 years before the date of this AIF, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(b) has, within the 10 years before the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become 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 the director, executive officer or shareholder.

None of our directors or executive officers has, within the 10 years prior to the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, been a director or executive officer of any company, that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Penalties or Sanctions

To the best of management's knowledge, no director or executive officer of the Company or shareholder holding sufficient securities of the Company to affect materially the control of the Company has:

(a) been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(b) been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision.

Jonathan Gilbert is a director of ITOK Capital Corp. ("**ITOK**"), which was the subject of cease trade orders (the "**Cease Trade Orders**") issued by the Ontario Securities Commission, the British Columbia Securities Commission and the Alberta Securities Commission on May 27, 2013, May 13, 2013, and August 26, 2013, respectively, for failing to file its audited annual financial statements and management's discussion and analysis for the year ended December 31, 2012, together with the related certifications, and its interim unaudited financial statements and interim management's discussion and analysis for the period ended March 31, 2013, along with related certifications. The Cease Trade Orders were lifted on January 22, 2021, after ITOK updated the requisite filings. Mr. Gilbert was appointed to the board of ITOK in October, 2020 and was not a director of the company at the time the Cease Trade Orders were issued.

Conflicts of Interest

To the best of our knowledge, there are no known existing or potential conflicts of interest among us and our directors, officers or other members of management as a result of their outside business interests except that certain of our directors and officers serve as directors and officers of other companies, and therefore it is possible that a conflict may arise between their duties to us and their duties as a director or officer of such other companies.

Interests of Management and Others in Material Transactions

To the best of our knowledge, there are no material interests, direct or indirect, of any of our directors or senior management, any shareholder that beneficially owns, or controls or directs (directly or indirectly), more than 10% of any class or series of our outstanding voting securities, or any associate or affiliate of any of the foregoing persons, in any transaction within the three years before the date hereof that has materially affected or is reasonably expected to materially affect us or any of our subsidiaries other than as described below.

On January 15, 2021, the Company granted Mr. Gilbert a bonus in the amount of US$100,000 related to his efforts in the Company's capital raising and corporate development initiatives since he joined the Board. Mr. Gilbert abstained from voting on the approval of the bonus. The Board approved the bonus which was paid in January 2021.

Promoters

No person will be or has been within the two most recently completed financial years or during the current financial year, a promoter of the Company.

Legal Proceedings and Regulatory Actions

Legal Proceedings

The Company was not involved in any legal proceedings during the year ended August 30, 2020 that had, or could have a material adverse effect on the Company. To the knowledge of management of the Company, the Company is not involved in any outstanding, threatened or pending litigation that could have a material adverse effect on the Company.

Regulatory Actions

Neither the Company nor its subsidiaries are involved in any regulatory action which would have a material adverse effect on the Company.

Transfer Agents and Registrar

The transfer agent and registrar for the Shares is Olympia Trust Company at its principal office in Calgary, Alberta.

Material Contracts

The following is a list of material contracts of the Company entered into by the Company during its most recently completed financial year and also more recently, other than contracts entered into in the ordinary course of business:

- Share Exchange Agreement dated July 20, 2020 with Eleusian in respect of the Eleusian Acquisition.

- Asset Purchase Agreement dated February 23, 2021 with Ionic in respect of the Cowlitz Assets.

Experts

Names of Experts

Our annual consolidated financial statements as of August 31, 2020 have been audited by Manning Elliott LLP, an independent registered public accounting firm, as stated in their report appearing herein, and have been so included in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

Interests of Experts

To the Company's knowledge, Manning Elliott LLP is independent within the meaning of the Rules of Professional Conduct of the Institute of Chartered Professional Accountants of British Columbia. Manning Elliott LLP did not receive and will not receive any direct or indirect interest in any securities of the Company or of any associate or affiliate of the Company in connection with the preparation of such statements. Based on information provided by the relevant persons, Manning Elliott LLP, nor any directors, officers or employees of Manning Elliott LLP, are currently expected to be elected, appointed or employed as a director, officer or employee of the Company or of any associate or affiliate of the Company.

Information on the Audit Committee

The Audit Committee's Charter

The Company's Audit Committee Charter is included in Appendix "A".

Composition of the Audit Committee

Lobe's Audit Committee consists of three directors, Mr. Leighton Bocking (Chair), Mr. Michael Petter and Mr. Jonathan Gilbert, of which Messrs. Bocking and Petter are independent under applicable Canadian standards. They are also all financially literate in accordance with National Instrument 52-110 – *Audit Committees* ("**NI 52-110**").

Relevant Education and Experience

The Board has considered the extensive financial experience of Mr. Bocking, Mr. Petter and Mr. Gilbert and has determined that each is (i) financially literate in accordance with NI 52-110 and (ii) an independent director as that term is defined by the applicable Canadian securities rules, other than Mr. Gilbert who is the Executive Chairman of the Company, and therefore he is not considered independent.

Specifically, for the purposes of NI 52-110, an individual 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 issuer's financial statements. All members of the Audit Committee have experience reviewing financial statements and dealing with related accounting and auditing issues.

Audit Committee Oversight

Pre-Approval Policies and Procedures

Under its charter, the Audit Committee is required to pre-approve all audit and non-audit services to be performed by the external auditors in relation to the Company, including audit services, audit-related services, tax services and other services as described above, other than those for de minimis services or

routine advisory work as required by management during the year. The Audit Committee is also required to approve the engagement letter for all non-audit services and estimated fees thereof, other than those for de minimis services or routine advisory work as required by management during the year. The pre-approval process for non-audit services will also involve a consideration of the potential impact of such services on the independence of the external auditors. The Audit Committee has also established an External Auditor Hiring Policy.

External Auditor Service Fees (By Category)

The following table sets forth the aggregate fees by categories specified below in connection with certain professional services rendered by Manning Elliott LLP in fiscal years 2019 and 2020. We did not pay any other fees to our auditors during the periods indicated below.

	Year ended August 31, 2020	**Year ended August 31, 2019**
Audit Fees[(1)]	$49,000	$52,500
Audit Related Fees[(2)]	$nil	$12,000
Tax Fees	$7,000	$nil
All Other Fees[(3)]	$nil	$nil
Total Fees Paid	**$56,000**	**$64,500**

Notes:

(1) "Audit fees" means the aggregate fees billed for professional services rendered by our principal auditors for the annual audit of our consolidated financial statements.

(2) "Audit related fees" represents the aggregate fees billed for assurance and related services by our principal auditors that are reasonably related to the performance of the audit or review of our consolidated financial statements and are not reported as audit fees.

(3) "All other fees" refers to the routine consulting services.

Additional Information

Additional information including directors' and executive officers' remuneration and indebtedness, principal holders of the Company's securities and securities authorized for issuance under equity compensation plans is contained in the Company's management information circular for its annual meeting of shareholders dated February 11, 2021.

Additional information relating to Lobe Sciences Ltd. can be found on SEDAR at www.sedar.com. Additional financial information is available in the annual audited financial statements and management's discussion and analysis for the financial year ended August 31, 2020.

Appendix A – Audit Committee Charter

THE AUDIT COMMITTEE'S CHARTER

PURPOSE

The overall purpose of the Audit Committee (the "**Committee**") of Lobe Sciences Ltd. (the "**Company**") is to ensure that the Company's management has designed and implemented an effective system of internal financial controls, to review and report on the integrity of the consolidated financial statements and related financial disclosure of the Company, and to review the Company's compliance with regulatory and statutory requirements as they relate to financial statements, taxation matters and disclosure of financial information. It is the intention of the Board that through the involvement of the Committee, the external audit will be conducted independently of the Company's Management to ensure that the independent auditors serve the interests of Shareholders rather than the interests of Management of the Company. The Committee will act as a liaison to provide better communication between the Board and the external auditors. The Committee will monitor the independence and performance of the Company's independent auditors.

COMPOSITION, PROCEDURES AND ORGANIZATION

(1) The Committee shall consist of at least three members of the Board of Directors (the "**Board**").

(2) At least two (2) members of the Committee shall be independent and the Committee shall endeavor to appoint a majority of independent directors to the Committee, who in the opinion of the Board, would be free from a relationship which would interfere with the exercise of the Committee members' independent judgment. At least one (1) member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices applicable to the Company. For the purposes of this Charter, an individual 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 Company's financial statements.

(3) The Board, at its organizational meeting held in conjunction with each annual general meeting of the shareholders, shall appoint the members of the Committee for the ensuing year. The Board may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee.

(4) Unless the Board shall have appointed a chair of the Committee, the members of the Committee shall elect a chair and a secretary from among their number.

(5) The quorum for meetings shall be a majority of the members of the Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and to hear each other.

(6) The Committee shall have access to such officers and employees of the Company and to the Company's external auditors, and to such information respecting the Company, as it considers to be necessary or advisable in order to perform its duties and responsibilities.

(7) Meetings of the Committee shall be conducted as follows: (a) the Committee shall meet at least four times annually at such times and at such locations as may be requested by the chair of the Committee. The external auditors or any member of the Committee may request a meeting of the Committee; (b) the external auditors shall receive notice of and have the right to attend all meetings of the Committee; and (c) management representatives may be invited to attend all meetings except private sessions with the external auditors.

(8) The internal auditors and the external auditors shall have a direct line of communication to the Committee through its chair and may bypass management if deemed necessary. The Committee, through its chair, may contact directly any employee in the Company as it deems necessary, and any employee may bring before the Committee any matter involving questionable, illegal or improper financial practices or transactions.

ROLES AND RESPONSIBILITIES

(9) The overall duties and responsibilities of the Committee shall be as follows:

(a) to assist the Board in the discharge of its responsibilities relating to the Company's accounting principles, reporting practices and internal controls and its approval of the Company's annual and quarterly consolidated financial statements and related financial disclosure;

(b) to establish and maintain a direct line of communication with the Company's internal and external auditors and assess their performance;

(c) to ensure that the management of the Company has designed, implemented and is maintaining an effective system of internal financial controls; and

(d) to report regularly to the Board on the fulfillment of its duties and responsibilities.

(10) The duties and responsibilities of the Committee as they relate to the external auditors shall be as follows:

(a) to recommend to the Board a firm of external auditors to be engaged by the Company, and to verify the independence of such external auditors;

(b) to review and approve the fee, scope and timing of the audit and other related services rendered by the external auditors;

(c) review the audit plan of the external auditors prior to the commencement of the audit;

(d) to review with the external auditors, upon completion of their audit:

(i) be non-audit services provided by the external auditors;

(ii) to discuss with the external auditors the quality and not just the acceptability of the Company's accounting principles; and

(iii) to implement structures and procedures to ensure that the Committee meets the external auditors on a regular basis in the absence of management.

(11) The duties and responsibilities of the Committee as they relate to the internal control procedures of the Company are to:

(a) review the appropriateness and effectiveness of the Company's policies and business practices which impact on the financial integrity of the Company, including those relating to internal auditing, insurance, accounting, information services and systems and financial controls, management reporting and risk management;

(b) review compliance under the Company's business conduct and ethics policies and to periodically review these policies and recommend to the Board changes which the Committee may deem appropriate;

(c) review any unresolved issues between management and the external auditors that could affect the financial reporting or internal controls of the Company; and

(d) periodically review the Company's financial and auditing procedures and the extent to which recommendations made by the internal audit staff or by the external auditors have been implemented.

(12) The Committee is also charged with the responsibility to:

(a) review the Company's quarterly statements of earnings, including the impact of unusual items and changes in accounting principles and estimates and report to the Board with respect thereto;

(b) review and approve the financial sections of:

(i) the annual report to Shareholders;

(ii) the annual information form, if required;

(iii) annual and interim MD&A;

(iv) prospectuses;

(v) news releases discussing financial results of the Company; and

(vi) other public reports of a financial nature requiring approval by the Board,

(vii) and report to the Board with respect thereto;

(c) review regulatory filings and decisions as they relate to the Company's consolidated financial statements;

(d) review the appropriateness of the policies and procedures used in the preparation of the Company's consolidated financial statements and other required disclosure documents, and consider recommendations for any material change to such policies;

(e) review and report on the integrity of the Company's consolidated financial statements;

(f) review the minutes of any audit committee meeting of subsidiary companies;

(g) review with management, the external auditors and, if necessary, with legal counsel, any litigation, claim or other contingency, including tax assessments that could have a material effect upon the financial position or operating results of the Company and the manner in which such matters have been disclosed in the consolidated financial statements;

(h) review the Company's compliance with regulatory and statutory requirements as they relate to financial statements, tax matters and disclosure of financial information; and

(i) develop a calendar of activities to be undertaken by the Committee for each ensuing year and to submit the calendar in the appropriate format to the Board of Directors following each annual general meeting of shareholders.

(13) The Committee shall have the authority:

(a) to engage independent counsel and other advisors as it determines necessary to carry out its duties,

(b) to set and pay the compensation for any advisors employed by the Committee; and

(c) to communicate directly with the internal and external auditors.

Appendix B – Glossary of Terms

"**AIF**"	means this annual information form;
"**APA**"	has the meaning ascribed to it on page 7;
"**Board**"	means the Company's board of directors;
"**Capri**".....	means Capri, LLC;
"**CDCP**".....	means the Centers for Disease Control and Prevention;
"**Cease Trade Orders**".....	has the meaning ascribed to it on page 33;
"**Company**"	means Lobe Sciences Ltd. and its subsidiaries;
"**COVID-19**"	means the 2019 novel coronavirus;
"**Cowlitz**"	means Cowlitz County Cannabis Cultivation Inc.;
"**Cowlitz Assets**"	means, collectively, the IP Agreement, the Cowlitz License Agreement, the Cowlitz Option Agreement and the Lease Assignment Agreement;
"**Cowlitz License Agreement**".....	has the meaning ascribed to it on page 6;
"**Cowlitz Option Agreement**".....	has the meaning ascribed to it on page 6;
"**CSE**"	means the Canadian Securities Exchange;
"**December 2020 Offering**"	has the meaning ascribed to it on page 9;
"**Delta1**"	means Delta One Consultants LLC;
"**Eleusian**"	means Eleusian Biosciences Corp.;
"**Eleusian Transaction**".....	has the meaning ascribed to it on page 8;
"**FDA**".....	means the United States Food and Drug Administration;
"**Grantors**".....	has the meaning ascribed to it on page 6;
"**GSBI**"	means Green Star BioSciences Inc.;
"**GSW**"	means Green Star Washington LLC.;
"**Inkster**"	means the Inkster, Michigan indoor grow facility;
"**Ionic**"	means IONIC Brands Corp.;
"**Ionic Preferred Share**"	means Series E non-voting preferred shares of Ionic;
"**Ionic Share**"	means each common share in the capital of Ionic;

"**IP Agreement**"	has the meaning ascribed to it on page 6;
"**ITOK**"	means ITOK Capital Corp.;
"**Jolt**"	means Jolt Communications LLC;
"**Lease Assignment Agreement**"	has the meaning ascribed to it on page 7;
"**Lobe**"	means Lobe Sciences Ltd.;
"**LOI**"	has the meaning ascribed to it on page 8;
"**MAPS**"	means the Multidisciplinary Association for Psychedelic Studies;
"**MDMA**"	means 3,4-methylenedioxymethamphetamine;
"**Mind Medicine**"	means Mind Medicine Australia;
"**mTBI**"	means mild traumatic brain injury/concussion;
"**NAC**"	means N-acetylcysteine;
"**Nasal Mist Device**"	has the meaning ascribed to it on page 9;
"**NI 52-110**"	means National Instrument 52-110 – *Audit Committees*;
"**NMT**"	means nasal mist transducer;
"**Preclinical Research Study**"	has the meaning ascribed to it on page 8;
"**Progressive**"	means Progressive Herbs, Inc.;
"**Progressive IP**"	has the meaning ascribed to it on page 8;
"**Progressive JV Agreement**"	has the meaning ascribed to it on page 7;
"**PTSD**"	means post-traumatic stress disorder;
"**RTO**"	means the reverse takeover by the Company of GSBI through a subsidiary, 2173969 Alberta Ltd.;
"**Science Advisory Board**"	means the Company's science advisory board;
"**September 2020 Offering**"	has the meaning ascribed to it on page 9;
"**September 2020 Units**"	has the meaning ascribed to it on page 9;
"**Share**"	means each common share in the capital of the Company;
"**Svenson Inc.**"	means Svenson & Svenson Liquidators, Inc.;
"**TBI**"	means Traumatic brain injury;

"**VisionWorks**"	.....	means VisionWorks Engineering; and
"**VR**"	.....	means Virtual Reality.