ANNUAL INFORMATION FORM

FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2021

March 31, 2022

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DESCRIPTION **PAGE NO.**

GENERAL MATTERS

In this annual information form ("**AIF**"), unless the context otherwise requires, the "Company" or "Mydecine" refers to Mydecine Innovations Group Inc. Unless otherwise indicated, information in the AIF is provided as of December 31, 2021.

This AIF applies to the business activities and operations of the Company for the year ended December 31, 2021. Unless otherwise indicated, the information in this AIF is given as of the date hereof.

Unless otherwise indicated, all references to "$" in this AIF refer to Canadian dollars.

This AIF should be read in conjunction with the Company's consolidated financial statements and management's discussion and analysis for the year ended December 31, 2021. The financial statements and management's discussion and analysis are available under the Company's profile on SEDAR at www.sedar.com.

CAUTIONARY STATEMENT ON FORWARD LOOKING STATEMENTS

This AIF contains "forward-looking statements". These statements, identified by words such as "plan," "anticipate," "believe," "estimate," "should," "expect" and similar expressions include our expectations and objectives regarding the Company's future financial position, operating results and business strategy. Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, general business, economic, competitive, political and social uncertainties; lack of brand awareness; dependence on consumer taste; reliance on third party suppliers and third party distributors; limited operating history of the Company; market fluctuations; potential product liability claims and retention of key personnel, as well as those factors discussed in the section titled "*Risk Factors*."

Forward looking statements are based on a number of material factors and assumptions, including that consumer buying patterns will increase in specialty and grocery stores, that economic conditions in Canada will continue to show modest improvement in the near to medium future, that the average cost of raw materials will fluctuate in line with historical trends, that there will be no material change to the competitive environment in the distribution of mushroom food additives and supplements, that the Company will be able to access sufficient qualified staff, that the Company will be able to develop distribution channels and a customer base, that there will be no material changes with the Company's larger customers and that there will be no material changes to the tax and other regulatory requirements governing the Company. While the Company considers these assumptions reasonable based on information currently available to it, these assumptions may prove to be incorrect. Actual results may vary from such forward-looking information for a variety of reasons, including but not limited to risks and uncertainties disclosed in the section titled "*Risk Factors*."

Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. The Company's actual results and financial condition may differ materially from those indicated in the forward-looking statements. Therefore, you should not rely on any of these forward- looking statements.

Important risk factors that could cause the Company's actual results and financial condition to differ materially from those indicated in the forward-looking statements include, among others, the following: forward-looking statements may prove to be inaccurate; limited operating history; management of growth; retention and acquisition of skilled personnel; conflicts of interest; personnel; public health crises, including COVID-19; raw materials; select number of products; medical community and patient perception of psychedelics; brand awareness; development of new medications; certain arrangement with research partners not yet formalized; legal proceedings; failure to achieve its publicly announced milestones; regulatory compliance; regulatory changes; risk related to clinical testing; the Company's prospects depend on the success of its product candidates which are at early stages of development, and it may not generate revenue for several years, if at all, from these products; patients for clinical trials; future Health Canada approval; product liability; product liability claims; distribution/supply chain interruption; reliance on third party manufacturers; product recalls; trademark protection; competition; emerging market risks; enforcement of legal rights in foreign jurisdictions; dependence on management team; the Company's employees may engage in misconduct or other improper activities, including noncompliance with regulatory standards and requirements, which could have a material adverse effect on its business; the Company may expand its business through the acquisition of companies or businesses or by entering into collaborations, each of which could disrupt the Company's business and harm its financial condition; risks associated with smaller companies; tax issues; the Company may not pay dividends; speculative nature of investment risk; negative operating cash flow and going concern; discretion over use of proceeds; potential need for additional financing; volatile market price of the Company's Common Shares; liquidity of Common Shares; potential dilution; and the market for securities. Actual results may vary from such forward-looking information for a variety of reasons, including but not limited to, risks and uncertainties disclosed in this AIF. See "*Risk Factors*".

These forward-looking statements are made as of the date of this AIF and are based on the reasonable beliefs, expectations and opinions of management on the date of this AIF (or as of the date they are otherwise stated to be made). Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. New factors emerge from time to time, and it is not possible for management to predict all of such factors and to assess in advance the impact of each such factor on the Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement. There is no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. We do not undertake to update or revise any forward-looking statements, except as, and to the extent required by, applicable securities laws in Canada. Investors are cautioned against placing undue reliance on forward-looking statements.

GLOSSARY OF TERMS

"**BCSC**" means the British Columbia Securities Commission;

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

"**CBD**" means cannabidiol;

"**CCO**" means chief compliance officer;

"CEO" means chief executive officer;

"CFO" means chief financial officer;

"**CMO**" means chief marketing officer;

"**CSA**" means the Title 21 United States Code (USC) *Controlled Substances Act*;

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

"**CSO**" means chief scientific officer;

"**DEA**" means the Drug Enforcement Administration;

"**FinCEN**" means the U.S. Department of Agriculture;

"**Fresh Water**" means Drink Fresh Water LLC;

"**Levee Street**" means Levee Street Holdings, LLC

"**Kured**" means We are Kured, LLC;

"**M&A**" means mergers and acquisitions;

"**Mydecine**" or the "**Company**" means Mydecine Innovations Group Inc.;

"**Mydecine Group**" means 1220611 B.C. Ltd. operating as Mydecine Group;

"LOI" means a letter of intent;

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

"**NEO**" means Aequitas NEO Exchange Inc.

"Options" means incentive stock options to purchase Shares of Mydecine;

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval;

"**Shares**" means the common shares in the capital of Mydecine;

"SKU" means a stock keeping unit;

"**Spinco**" means ALT House Cannabis Inc.

"**Spin-out Arrangement**" means the plan of arrangement under the *Business Corporations Act (British Columbia)* pursuant to which Mydecine completed the Spin-out.

"**Spin-out**" means the transaction completed pursuant to the Spin-out Arrangement whereby the U.S. Cannabis Assets were transferred from the Company to Spinco and the shareholders of the Company received, for each common share held in the capital of the Company, one new Share and a fractional common share in the capital of Spinco.

"**Option Plan**" means the 2021 Equity Incentive Plan of Mydecine, as approved by the shareholders of the Company at the annual general and special meeting held on September 20, 2021;

"**R&D**" means research and development;

"**ReLyfe**" means ReLyfe Brand, LLC;

"**TeaLief**" means TeaLief Brand, LLC;

"**THC**" means tetrahydrocannabinol;

"**Trellis**" means Trellis Holdings Oregon Op LLC;

"**TSXV**" means the TSX Venture Exchange;

"**Units**" means a unit of Mydecine;

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

"**U.S. Cannabis Assets**" means all of the shares held by the Company in the following subsidiaries: 1176392 BC Ltd.; Alternative Distribution Company, LLC; Drink Fresh Water, LLC; New Age Farm Washington, LLC; Tealief Brands, LLC; Relyfe Brands, LLC; We are Kured, LLC; Trellis Holdings Oregon OP, LLC.

"**USDA**" means the U.S. Department of Agriculture;

"**Warrants**" means Share purchase warrants of Mydecine;

CORPORATE STRUCTURE

Name, Address and Incorporation

The Company was incorporated under the *Business Corporations Act* (British Columbia) on September 27, 2013, under the name 0981624 B.C. Ltd. The Company subsequently changed its name to New Age Brands Inc. on November 14, 2018; to NewLeaf Brands Inc. on April 2, 2019; and to Mydecine Innovations Group Inc. on June 5, 2020.

The Company's head office and registered and records office is located at Suite 810 – 789 West Pender Street, Vancouver, British Columbia V6C 1H2. Mydecine's corporate website is https://mydecine.com. The information contained on the Company's website is not incorporated by reference into this AIF.

The Company trades on the NEO under the symbol "MYCO" for its common shares and under the symbol "MYCO.WT" for its warrants. The Company also trades on the OTC Pink Sheets under the symbol "MYCOF" and the Frankfurt Stock Exchange under the symbol "0NFA".

Intercorporate Relationships

The following chart illustrates, as at the date of this AIF, the Company's material subsidiaries, the percentage of voting securities of each that are held by Mydecine either directly or indirectly, and their respective jurisdictions of incorporation, continuance, formation or organization.

Subsidiary Name	Ownership by Mydecine	Jurisdiction of Incorporation
1220611 B.C. Ltd.	100%	British Columbia
NeuroPharm Inc.	100%	Canada
Mindleap Health Inc.	100%	British Columbia

*The above table illustrates the Company's material subsidiaries after giving effect to the Spin-out.

GENERAL DEVELOPMENT OF THE BUSINESS

Three Year History

Year Ended December 31, 2019

On January 8, 2019, the Company announced that Kured plans to launch a new vape option for their broad spectrum 48% CBD oil. The new 500mg cartridge will include the industry standard 5/10 thread to be compatible with most vape batteries on the market. The cartridge will include the Strawberry Diesel, Pineapple Express and OG Kush oil options, and will retail for $29.50.

On January 14, 2019, the Company announced that Kured has signed an agreement with MassRoots, Inc. ("**MassRoots**"), a leading technology and rewards platform, to serve as the online retailer of the Company's CBD vaporizer pen.

On February 12, 2019, the Company announced that, following the success of Kured in South America, Kured has expanded into Europe by launching Kured International, LLC. Kured CBD vape pens will be offered in CBD stores throughout Paris, France. After introducing Kured's disposable vape pen to some of Paris's CBD store owners and distributors, the Kured team feels that the European market will soon become a focus for distribution.

On February 25, 2019, the Company announced that Kured has officially become the first CBD only company to be featured on the nationwide cannabis platform, LeafLink. LeafLink is a platform for cannabis brands, distributors, and retailers who want to streamline the ordering process, simplify communication, and spend less time on busy work.

On March 6, 2019, the Company announced that Kured has officially moved into Paris, France's CBD market. Kured's CBD vape pens will be offered at one of the largest chains with eight stores throughout France. In addition, Kured is offering a 500mg CBD 5/10 thread cartridge in all three CBD flavors. This CBD cartridge will fit the industry standard 5/10 thread batteries and will give the consumer as much vaping ability at a lower cost than their disposable pens.

On March 8, 2019, the Company announced that Kured is to launch the industry's first disposable vape pen equipped with a micro USB port.

On April 1, 2019, the Company announced that it has consolidated all of its issued and outstanding share capital on the basis of one (1) post-consolidation Share for each forty-five (45) pre-consolidation Shares.

On April 12, 2019, the Company announced that it has changed its name to NewLeaf Brands Inc. In connection with the name change, the Company's trading symbol on the CSE will be changed to "NLB".

On May 22, 2019, the Company announced that FINRA has approved a change in the Company's stock symbol on the OTC Markets. Effective May 23, 2019, the Company's Shares will begin trading on the OTC Markets under the symbol "NLBIF". The previous trading symbol was "NWGFF".

On June 5, 2019, the Company announced that it has granted Options to purchase up to 583,553 Shares of the Company pursuant to its Option Plan. The Options were granted to various directors and officers of the Company. Each option is exercisable for a period of five years at an exercise price of $0.54 per Share, subject to regulatory regulations.

On June 20, 2019, the Company announced that it has extinguished its debt to certain creditors in the amount of $1,794,427.65 by way of the issuance of an aggregate of 4,916,240 Shares (the "**Debt Shares**"). The issuance of the Debt Shares was a result of the creditors exercising their right to convert debt into Shares at an attributed price equal $0.365, being the closing price of a Share on the date of conversion pursuant to the convertible note instruments, as amended, that were issued by the Company in favour of the creditors, dated June 8, 2018.

On June 24, 2019, the Company announced that it has entered into a binding LOI with ReLyfe Brand, LLC. Under the terms of the LOI, the Company will acquire 100% of the issued and outstanding common shares of ReLyfe. In consideration for the acquisition, the Company will pay to ReLyfe an aggregate amount of $3,000,000 USD in the form of Shares. The Share price is to be set on the closing price as of the date of signing of the LOI.

On June 24, 2019, the Company announced that it has entered into a binding LOI with TeaLief Brand, LLC. Under the terms of the LOI, the Company will acquire 100% of the issued and outstanding common shares of TeaLief. In consideration for the acquisition, the Company will pay to TeaLief an aggregate amount of $3,000,000 USD in the form of Shares. The Share price is to be set on the closing price as of the date of signing of the LOI.

On July 8, 2019, the Company announced that it has entered into an exclusive distribution agreement with Best Strains, LLC ("**Best Strains**") based out of Tennessee, USA. Under the

terms of the agreement, the Company will have the rights for distribution of the Kured disposable vape pens, vape cartridges and Fresh Water to convenient stores, liquor stores, novelty/tourist retailers, and other big box retailers throughout Tennessee.

On July 12, 2019, Kured announced that it will be releasing two new flavors of the 500mg disposable vape pens as well as the 500mg 5/10 thread cartridges. Kured has chosen to introduce a mango flavored pen which will come in yellow, and a watermelon flavored pen which will come in pink.

On July 23, 2019, Kured announced that the company plans to launch the Veteran Pen ("**Veteran Pen**") as well as introduce a Veteran charity program. The Veteran Pen, a mint flavored pen which will come in a camouflage color scheme and will be added to the expanding Kured product offerings. These 500mg disposable pen will come equipped with a micro USB and the oil will be infused with Eybna's mint terpenes.

On July 25, 2019, the Company announced the closing of the first tranche (the "**First Tranche**") of non-brokered private placement financing. Under the First Tranche, the Company has issued 1,005,737 Shares at an issue price of $0.305 per Share, for aggregate gross proceeds of up to CDN$306,750. The Company is paying a finder's fee which will be issued as 50,287 Shares to an arm's length party in connection with the closing of this First Tranche.

On August 1, 2019, the Company announced the closing of the second tranche (the "Second Tranche") of a non-brokered private placement. Under the Second Tranche, the Company has issued 1,148,843 Shares at an issue price of $0.305 per Share, for aggregate gross proceeds of up to $350,397.00. The Company is paying a finder's fee which will be issued as 32,850 Shares to an arm's length party in connection with the closing of this Second Tranche.

On August 13, 2019, the Company announced that it has signed a share purchase agreement (an "**SPA**") with CBD gel capsule company, ReLyfe (the "**ReLyfe Agreement**"). Pursuant to the terms of the ReLyfe Agreement, the Company will acquire 100% of the issued and outstanding shares of ReLyfe (the "**ReLyfe Acquisition**"). In consideration for the ReLyfe Acquisition, the Company will pay to ReLyfe an aggregate amount of $3,000,000 USD in the form of Shares. The Issuer will pay a finder's fee of 843,319 Shares to an arm's length party in connection with the closing of the ReLyfe Acquisition. The Company further announced that it has signed an SPA with CBD tea company TeaLief (the "**TeaLief Agreement**"). Pursuant to the terms of the TeaLief Agreement, the Company will acquire 100% of the issued and outstanding shares of TeaLief (the "**TeaLief Acquisition**"). In consideration for the TeaLief Acquisition, the Company will pay to TeaLief an aggregate amount of $3,000,000 USD in the form of Shares. The Issuer will pay a finder's fee of 843,319 Shares to an arm's length party in connection with the closing of the TeaLief Acquisition.

On August 19, 2019, the Company announced it has signed an LOI dated August 9, 2019 to acquire approximately 400 acre ranch property located in Pottus, Texas with the intent for a large scale hemp farm. The purchase price of the ranch property is $1,300,000 USD, which includes, among other things: water rights to use adjacent bodies of water, a four bedroom house, a utility barn and farming machinery and equipment. In connection to the LOI, the Company provided a non-refundable deposit in the amount of $50,000 USD.

On August 22, 2019, Kured announce that it will be offering a new 500MG Gem Pod in addition to their disposable vape pen and cartridges. Kured's Gem Pods will fit the industry standard pod battery that all pod consumers already have on hand. The new Gem Pod will be available in a 1 unit packet and a 3 unit packet that will be slated to be sold in gas stations and convenient stores.

On August 26, 2019, the Company announced that it has been working to develop a proprietary line of fully water soluble, CBD and probiotic mixtures. The powder formulas will come in the following three flavored mixtures: blood orange morning mixture infused with a healthy dose of caffeine, exotic berry mid-day mixture containing a proprietary vitamin blast and passion fruit night time mixture containing melatonin. The Company has developed a number of in house product offerings utilizing the proprietary formula. In addition, the company plans to license the formula to product companies worldwide.

On September 5, 2019, Kured signed a white label agreement with Must Haves, LLC ("**Must Haves**") dated September 4, 2019 for their 500mg vape cartridges. Must Haves is an Indiana, USA based CBD distribution company is well-established within the CBD community and has built strong relationships with CBD retailers around the greater Chicago, USA area, and are looking to expand their product offerings and reach.

On September 9, 2019, Kured announced that it has signed a white label agreement with Denver Marketing Co, LLC ("**Denver Marketing**"). Kured and Denver Marketing have worked together to custom design three white labeled pens for the group's one-of-a-kind CBD dispensaries. The three pens will be available in Pineapple Express, Strawberry Diesel and a new terpene profile Blue Dream.

On September 25, 2019, Kured announced that it has signed a second wholesale order with Best Strain. In May 2019, Best Strains signed an agreement with Kured to distribute its products to their already existing retail accounts. The initial CBD purchase order delivered to Best Strains has been completely depleted and a second order was placed.

On September 30, 2019, the Company announced that it has entered into a retail implementation agreement dated August 30, 2019 with New Implementation Program, LLC ("**NIP**"). Pursuant to the terms of the agreement, NIP will provide to the Company distribution services and sale of the Company's CBD branded products to NIP's community of operators, partners, retailers and distributors in the United States. NIP will present and contract its retail locations for the purpose of selling up to three SKUs of the Company's product offerings at each NIP location.

On October 7, 2019, Kured announced that it has successfully manufactured and fulfilled its first large shipment of its white labeled 500mg disposable vaporizer pens for its client, Denver Marketing.

On October 9, 2019, Kured announced that its new CBD oil formulation, which contains high-end CBD distillate, flavorless hemp derived terpenes and flavored terpenes in Pineapple Express, Strawberry Diesel and OG Kush. With the news of the harmful side- effects caused by vaping cutting agents, like MCT, VG, and Vitamin E, Kured has partnered with Floraplex Terpenes, LLC to provide a 100% plant based oil formulation.

On October 15, 2019, Kured announced that it has successfully manufactured and fulfilled its first large white label 510 thread refill cartridge order for Indiana based distribution company, Must Haves.

On October 23, 2019, Kured announced that it has successfully passed an extensive testing of its CBD oil for pesticides, microbial and heavy metals completed by Botanacor Laboratories, a nationally recognized third party testing facility. The test results state that the following microbial were not detected in Kured's CBD oil: aerobic plate count, coliforms, yeast and molds, Escherichia coli (E. coli) and salmonella. There was also zero detection of any pesticides or heavy metals.

On October 28, 2019, the Company, Kured and ReLyfe announced that the Company has entered into an agreement with Herbfluence, Inc. ("**Herbfluence**"). Under the terms of the agreement, Herbfluence has selected two of the Company's CBD branded products to be included in the initial launch of the Herbfluence marketing platform. Herbfluence is an influencer marketplace for the Cannabis Industry.

On October 30, 2019, the Company announced that it has completed the redesign of its CBD bottled water. The CBD bottled water will now be offered in 12oz cans. These cans will decrease overall production costs and keep the CBD more sustainable as light will not be degrading the product through clear plastic bottles. Additionally, Fresh Water has been working with its development team to create a new formulation that increases the per unit dosage from 5MG to 25MG while keeping the same Fresh Water taste.

On November 1, 2019, the Company announced the launch of three new flavor profiles for its disposable vape pens and 510 thread refill cartridges. The new profiles consist of three crafted flavors, available in mango, tangerine and Charlotte's Web. Each flavor has its own colored packaging expressing the product's taste and feel.

On November 9, 2019, Kured announced that it has entered into an LOI with Denver based marijuana infused product license holder, Denver Packaging Company ("**DPAC**"), to enter the Colorado cannabis market. Under the terms of the LOI, DPAC will commit to all licensing, manufacturing and distribution of Kured products and Kured will cover the cost of all goods, as well as provide marketing and sales force and sales management on behalf of DPAC. Further, Kured will introduce a THC version of its flagship 500mg custom disposable vaporizer line that includes the Eybana terpene profiles and subsequent cartridges.

On November 25, 2019, the Company announced that it has entered into an LOI with an arm's length party, Vida Concepts, LLC ("**Vida**") and its wholly-owned subsidiary NXTGEN CBD Supplements, LLC ("**NXTGEN**"), pursuant to which the Company has agreed to acquire 100% of the issued and outstanding share capital of Vida, its products lines and inventory. In consideration for the acquisition, the Company has agreed to the following terms: (i) the issuance of 8,517,308 Shares at a deemed value of $0.39 to the Shareholders of Vida; (ii) make a cash payment of $300,000 USD ($398,610 CAD); and (iii) the Company will enter into an executive employment agreement with Michael Alexander.

On December 9, 2019, the Company, TeaLief, Fresh Water and ReLyfe announced the launch of its products on social media platform Herbfluence.com. After the successful launch of Kured, the Company and Tyler Knight, CEO and founder of Herbfluence decided to feature TeaLief, Drink Fresh and ReLyfe on the Herbfluence platform. Since partnering with Herbfluence, Kured has witnessed an increase of 4.6% of daily traffic to wearekured.com and an 89% return on investment.

On December 10, 2019, the Company announced that it has granted Options to purchase up to 1,990,000 Shares pursuant to its Stock Option Plan. The Options were granted to various directors and officers of the Company. Each option is exercisable for a period of five years at an exercise price of $0.29 per Share, subject to regulatory regulations.

Year Ended December 31, 2020

On February 6, 2020, the Company announced that it has entered into a binding LOI dated February 4, 2020 with Trellis to acquire 37.5% of all of the issued and outstanding Share capital of Trellis from David Joshua Bartch and Benjamin Martch by way of a share exchange.

On February 14, 2020, the Company announced that has entered into three distribution agreements with each of HemPup LLC ("**HemPup**"), Vida and NXTGEN. These agreements brings to completion the Company's CBD product offering and will also include the CBD SKUs for the health-minded consumers and pet-focused consumers. Pursuant to the terms of the agreements, the Company will distribute certain HemPup, Vida and NXTGEN products and provide their expertise in the marketing, business development, product formulation, online advertising and worldwide sales force and in exchange for the services, the suppliers will pay to the Company a commission fee in the amount of 20% of all gross sales arranged by the Company to its contacts and is customers.

On February 19, 2020, the Company announced that is has officially started the development of a new online marketplace named The Hemp Stand. The Hemp Stand's (www.TheHempStand.com) will feature the Company's products and a variety of other hemp/CBD SKUs to include the following: full spectrum distillate, THC Free distillate, isolate, hemp flower, hemp pre-rolls and hemp clothing.

On February 27, 2020, the Company announced that it has developed a new sales and revenue initiative focused on building sales and revenue. The Company's management team is creating sales teams in different marketable states, starting in the State of Colorado, USA. The Colorado, USA initiative started in February 2020 and since its inception has collected numerous new sales leads. The Company has now hired twelve experienced sales representatives with the goal to hit 500 brick and mortar retails locations per week. The new sales representatives have established retail clients in the CBD and or THC space.

On March 3, 2020, the Company announced that it has sold out of their Fresh premium CBD water bottles. The 16.9 fluid ounce bottle contains 5MG of nano-amplified CBD per bottle. The order was placed by Colorado's largest nightclub group.

On March 17, 2020, the Company announced that the Company has cancelled an aggregate of 2,573,553 Options previously held by certain directors and officers of the Company.

On March 31, 2020, the Company announced its partnership with Herbfluence, and OnTheHouse App, LLC in offering free CBD samples to residents in the State of Colorado, USA that have been laid-off from work due to the Coronavirus pandemic. The free sample pack will include three bags of TeaLief's CBD infused tea, a seven day pack of ReLyfe's 25mg CBD soft gels and a free Kured 500MG disposable vape pen, an information package on the benefits of CBD and a list of the Company's various product offerings. The Company is offering up to 50% off on all products through their online store to non-Colorado residents.

On April 7, 2020, the Company announced that it has signed an LOI dated April 6, 2020 to acquire Mydecine Group, a Colorado headquartered company. Mydecine Group is a vertically integrated company engaged to utilize the vast medicinal, health and wellness capabilities of the many compounds found in various strains of mushroom and fungi as a whole. Pursuant to the LOI, the Company will purchase 100% of the issued and outstanding shares in the capital of Mydecine Group for USD $850,000, payable in Shares.

On April 9, 2020, Kured announced the launch of its new CBD flower pre-rolled joints. The CBD flower used is grown naturally with no chemical herbicides, pesticides or synthetic fertilizers. These 1.0-1.2 gram joints are vegan, 3rd party lab tested and are available in 6 terpene infused flavor profiles. The flavor profiles include Pineapple Express, Blueberry Cookies, Strawberry Diesel, OG Kush, Charlotte's Web and Mango. The CBD flower is grown on a 100% Organic hemp farm. These joints are manufactured utilizing GMP in a brand new 8,000 Sq. Ft.

automated facility. Kured's CBD flower pre-rolled joints will be sold online and in retail locations starting at $4.99 USD.

On April 22, 2020, the Company announced that it has signed a share swap agreement with Levee Street Holdings, LLC purchase 50% of Levee Street for $450,000 CAD in Shares. Greg Kassanoff founded Levee Street to infiltrate the "alternative" beverage space, which includes CBD products. This share swap agreement with Levee Street will include the distribution of Kured, ReLyfe, TeaLief and Fresh Water products.

On April 30, 2020, the Company announced that it has signed a definitive agreement dated April 29, 2020 to acquire Mydecine. Pursuant to the agreement, the Company will purchase 100% of the issued and outstanding share capital of Mydecine in exchange for 17,000,000 Shares at a deemed value of $0.071 per Share representing, in the aggregate, 30.9% of the issued and outstanding Shares on a non-diluted and partially diluted basis for an aggregate gross proceeds of $1,207,000 CAD ($850,000 USD) (the "**Mydecine Acquisition**"). The Company paid a finder's fee of 1,360,000 Shares at a deemed price of $0.071 per Share to a qualified arms' length third party in connection with the closing of the acquisition. In connection, and as part of the acquisition, 3063625 Nova Scotia Ltd. of Halifax, Nova Scotia will acquire 11,500,000 Shares at a deemed value of $0.071 per Share, representing, in the aggregate, 20.9% of the issued and outstanding Shares on a non-diluted and partially diluted basis.

On May 6, 2020, the Company announced that it has signed a definitive agreement dated May 5, 2020 with Trellis to acquire 37.5% of the issued and outstanding Share capital of Trellis from David Joshua Bartch and Benjamin Martch by way of a Share exchange (the "**Trellis Acquisition**"). Pursuant to the agreement, the Company will purchase 37.5% of the issued and outstanding Share capital of Trellis in exchange for 28,000,000 Shares at a deemed value of $0.106 per Share representing, in the aggregate, 33.20% of the issued and outstanding Shares on a non-diluted and partially diluted basis for an aggregate gross proceeds of $2,968,000 CAD ($2,250,000 USD).

On May 7, 2020, the Company announced that it has closed a non-brokered private placement of up to 52,908,420 Shares at a price of $0.05 per Share for gross proceeds of up to $2,645,421.00. Finder's fees of an aggregate total $76,875.84 cash, 529,034 Shares at a deemed value of $0.05 per Share and 1,183,000 finder's warrants, with each finder's warrant exercisable to purchase one additional Share at a price $0.05 per Share for a period of 12 months from closing have been paid to qualified third parties in connection with the closing of the private placement. The net proceeds from the private placement will be used for general corporate and working capital purposes.

On May 11, 2020, the Company announced that it has appointed Damon Michaels to the position of Chief Operations Officer. Mr. Michaels previously served on the management team of Ebbu, a leading multi-platform cannabinoid research and technology firm based in Colorado. He will transition to overseeing the day to day operations for the Company as well as working to position its mycology segment for optimal future growth.

On May 12, 2020, the Company announced that it has appointed Robert Roscow to the position of Chief Science Officer. Mr. Roscow previously served as the Director Research of Ebbu. After Canopy Growth's acquisition of Ebbu, Mr. Roscow has focused his attention on the thriving medical mushroom space, co-founding Mydecine.

On May 19, 2020, the Company announced that Mydecine is working to build an ecosystem of resources targeted at unlocking the potential of fungi for human wellness. Mydecine also announced the build out of a specialty mycology lab in Denver Colorado. The lab will serve

Mydecine's needs for the study, selection and cultivation of rare fungal products and will incorporate analytical chemistry, molecular biology, next-gen sequencing, and tissue culture. Additionally, work at this lab will both enable and support numerous research partnerships.

On May 21, 2020, the Company announced that it has signed a non-binding LOI with Mindleap Health Inc., dated May 20, 2020, pursuant to which the Company will acquire, by way of share exchange, 100% of all of the issued and outstanding securities of Mindleap, an arm's-length company. Mindleap is an advanced digital health platform that helps people connect with mental health specialists that can empower them to thrive and develop habits for a healthy mind. Pursuant to the LOI, the Company will acquire 100% of the issued and outstanding shares in the capital of Mindleap in exchange for CAD$3,500,000, payable in Shares at a deemed price per Share equal to CAD$0.55, as of the date of signing the LOI. The Company will also advance CAD$500,000 in direct investment into Mindleap upon closing of the transaction and CAD$500,000 before, or on, September 1, 2020.

On May 21, 2020, the Company announced that it has entered into an agreement with Canaccord Genuity Corp. (the "**Agent**") to act as lead agent and sole bookrunner to sell, by way of private placement, on a commercially reasonable efforts basis, up to 6,666,667 Units at a price of C$0.30 per Unit for aggregate gross proceeds of up to C$2,000,000 (the "**Offering**"), subject to receipt of all applicable regulatory approvals. Each Unit will consist of one Share and one half of one Warrant. Each Warrant will entitle the holder to acquire one Share at a price of C$0.50 per Share for a period of 24 months from the date of closing of the offering. If, at any time following the date that is four months and one day from the closing date, the daily volume weighted average trading price of the Shares on the CSE is greater than C$1.00 per Share for the preceding 10 consecutive trading days, the Company will have the right to accelerate the exercise of the Warrants at the exercise price. If the Company exercises its Warrant acceleration right, the new expiry date of the Warrants will be the 30th day following the notice of such exercise.

On June 1, 2020, the Company announced that it has changed its name from NewLeaf Brands Inc. to Mydecine Innovations Group Inc. and its ticker symbol from "NLB" to "MYCO". The Shares began trading on the CSE under the new name and symbol on June 5, 2020. Pursuant to the Company's acquisition of Mydecine Group, the Company's fundamental business continues to be the development of innovative products in the Naturally Sourced Therapies (NST) space, comprised of the hemp, cannabis, and psilocybin markets.

On June 10, 2020, the Company announced it has signed a non-binding LOI dated June 9, 2020 to acquire NeuroPharm Inc., ("**NeuroPharm**") a Canadian-based healthcare company working to deploy the power of nature's medicine for the wellness of veterans, EMS and front line personnel in North America and globally. Mydecine and NeuroPharm will combine to focus on an integrated health and wellness research strategy and the development of products underpinned by therapies to assist veterans with mental health issues. NeuroPharm is focused on developing unique pharmaceutical and natural health products for veteran wellness, with a specific focus on the use of psilocybin. Pursuant to terms of the LOI, the Company will purchase all of the issued and outstanding common shares in the capital of NeuroPharm for $6,000,000, payable in Shares at a deemed price per Share of $0.90.

On June 13, 2020, the Company announced the establishment of a research division agreement with Applied Pharmaceutical Innovation ("**API**"), a translational commercial drug development institute hosted in the University of Alberta's Faculty of Pharmacy and Pharmaceutical Sciences. Through the agreement, Mydecine has the ability to immediately commence fungal discovery investigations with varietal mushrooms and their extracts, including scheduled substances. Research and development is commencing with a significant program

to extract, analyze, and determine the effects of various compounds from fungi and their pharmacokinetic disposition and development of dosage forms for specific indications, providing Mydecine with an extensive assets and capacity to become a leader in the space. The end goal is developing products with clinical applications over a period of three years. In exchange for these services, Mydecine entered into a two-year commitment and will be paying API a total $1,099,345 in year one and $1,136,249 in year two ending February 1, 2022. Year three and beyond will be a right of first refusal to either party.

On June 17, 2020, the Company announced that it has signed a definitive share exchange agreement with Mindleap for the acquisition of a 100% interest in Mindleap's Digital Telehealth Platform focused on the emerging psychedelics industry. Pursuant to the share exchange agreement, Mydecine will acquire 100% of the issued and outstanding shares of Mindleap in exchange for: (i) 6,363,636 Shares, and (ii) the binding commitment to advance CAD $500,000 in working capital to Mindleap upon closing of the transaction and an additional CAD $500,000 on or before September 1, 2020. Mindleap is focused on making a considerable difference in people's lives by improving access to mental health services and providing more personalized and effective treatments utilizing the latest technology. The Mindleap Platform upon launch will provide:

- Convenient and more affordable access to mental health services
- Psychedelic aftercare, addiction, and holistic wellness services
- On Demand access to mental health programs
- Automated appointment booking and international payments
- Secure and confidential video sessions
- Critical tools for improved outcomes and personalized care
- Easy to use software with fast learning curve for specialists
- Secured encrypted system that is HIPAA and GDPR compliant
- High engagement features and gamification that improve user experience

On June 19, 2020, the Company announced that it has successfully closed its oversubscribed brokered private placement, pursuant to an agency agreement dated June 19, 2020 with the Agent. Pursuant to the Offering, the Company sold an aggregate of 8,000,000 Units for aggregate gross proceeds of CAD$2,400,000. The Company intends to use the net proceeds from the Offering to further its psychedelic medicine research programs in Canada, for investment in its recently acquired Colorado and Oregon-based mushroom and fungi lab facilities, and for general working capital purposes. In consideration of the services by the Agent in connection with the Offering, the Agent received an aggregate cash commission of CAD$124,350 and 345,500 Units (each a "**Compensation Unit**"). Each Compensation Unit is comprised of one Share and one-half of one Warrant. Each Warrant underlying the Compensation Unit is exercisable to acquire one Share for a period of 24 months following the closing date at an exercise price of CAD$0.50 per Share. Additionally, the Agent received 560,000 options to acquire Units (the "**Agent's Unit Options**") exercisable for a period of 24 months from the closing date at an exercise price of CAD$0.30 per Agent's Unit Option. Each Agent's Unit Option entitles the Agent to acquire one Share and one-half of one Warrant, whereby each whole Warrant is exercisable into one Share at CAD$0.50 for a period of 24 months from the closing date, subject to customary adjustments and acceleration as noted above.

On June 23, 2020, the Company announced the addition of two key strategic advisors to the company's Scientific Advisory Committee, Mr. Vince Polito and Mr. Anton Gomez-Escolar. The new members of the science team will provide scientific expertise and corporate strategy support as Mydecine begins its R&D program at its Innovation Center in Denver, Colorado. The

advisory committee will review/monitor/access specific protocols and serve as an advocate for the organization providing technical expertise and collaborating with team members to help shape the direction of the various research programs.

On June 30, 2020, the Company announced that it has added world renowned drug discovery expert Dr. Denton Hoyer to its Scientific Advisory Board. As part of his role with the company, Dr. Hoyer will directly work with Mydecine's CSO Rob Roscow in developing research strategies, computational assessment of drug properties, formulation and pharmacokinetic studies as well as synthetic chemistry of drug substances.

On July 7, 2020, the Company announced that seven-time Nobel Prize-nominated scientist Dr. Malireddy Srinivasulu Reddy will be joining the Mydecine team as a Scientific Advisor. As Scientific Advisor, Dr. Reddy will be responsible for overseeing the Company's 7,500 sq. ft mycology lab in Denver, Colorado and will assist in the development of proprietary therapies using bacteria and rare fungal strains.

On July 16, 2020, NeuroPharm entered into a collaborative relationship with Leiden University of The Netherlands for the initiation of clinical trials.

On July 21, 2020, Mindleap entered into an agreement with Brightmind Meditation LLC to launch a comprehensive meditation program on Mindleap's advanced digital health platform.

On July 27, 2020, the Company hired former Red Bull marketing executive, Jim Gunning, as the Company's new Chief Marketing Officer.

On August 4, 2020, Mindleap expanded its digital therapeutic offerings by adding three additional programs to its platform.

On August 18, 2020, the Company became the first organization to exercise its cGMP capabilities under a special license to legally produce, transfer, sell, and export pharmaceutical-grade psilocybin, naturally derived from whole- psilocybin mushroom extraction.

On August 19, 2020, the Company announced the addition of two new strategic advisors, Dr. Robin Carhart-Harris and Dr. David Erritzoe, to the Company's SAB.

On August 21, 2020, the Company completed its acquisition of Mindleap.

On August 21, 2020, the Company, through its research partner, API, commenced work at a cGMP facility under a special license issued to its research partner to legally produce, transfer, sell, and export pharmaceutical-grade psilocybin.

On August 28, 2020, the Company appointed Damon Michaels, the Company's current COO, to its board of directors ("**Board of Directors**") at the annual general meeting of the Company's shareholders.

On September 3, 2020, the Company closed its acquisition of NeuroPharm.

On September 15, 2020, the Company formed a special committee to evaluate a number of options to increase shareholders value.

On September 16, 2020, the Company granted stock options to purchase up to 3,000,000 Common Shares in the capital of the Company to Damon Michaels, the COO, and a director of the Company. The Company also cancelled an aggregate of 2,400,000 stock options previously held by a former consultant of the Company.

On September 17, 2020, Mindleap implemented a comprehensive information security rollout of next-generation cyber-security solutions to meet *Health Insurance Portability and Accountability Act* compliance standards.

On September 21, 2020, the Company announced that its Board of Directors has approved the settlement of a principal amount of $15,600.00 in debt for services rendered through the issuance of Common Shares. Pursuant to the settlement, the Company issued 74,286 Common Shares at a deemed price of $0.21 per share to a creditor of the Company.

On September 21, 2020, the Company further announced that it cancelled and returned to treasury 529,034 Common Shares that were originally issued to a former consultant of the Company on May 7, 2020.

On September 25, 2020, the Company granted stock options to certain directors and officers of the Company to purchase up to 8,000,000 Common Shares in the capital of the Company.

On September 28, 2020, the Company issued an aggregate 35,737,460 share purchase warrants of the Company to certain shareholders who agreed to extend the resale restrictions on their Common Shares.

On September 30, 2020, Mindleap, a digital telehealth mobile application for mental coaching and wellbeing, officially launched and became available for download.

On October 1, 2020, the Company announced it granted stock options to purchase up to 1,000,000 Common Shares in the capital of the Company to Michael A. Connolly, the Chief Compliance Officer and a director of the Company.

On October 7, 2020, NeuroPharm filed a provisional patent application with the United States Patent and Trademark Office covering composition of matter claims regarding a psychedelic therapy enhancer for the treatment of certain psychiatric disorders, including enhancements to treatments for PTSD.

On October 7, 2020, the Company announced that its Board of Directors has approved the settlement of a principal amount of $847,500.00 in debt for services rendered through the issuance of Common Shares. Pursuant to the debt settlement, the Company issued 3,684,783 Common Shares at a deemed price of $0.23 per share to a creditor of the Company.

On October 14, 2020, NeuroPharm engaged FreeMind Group LLC to assist NeuroPharm in securing nondilutive funding opportunities globally.

On October 16, 2020, the Company closed a non-brokered private placement (the "**Private Placement Offering**") of secured convertible debenture notes (the "**Debentures**"). Pursuant to the Private Placement Offering, the Company placed an aggregate of $4.7 million aggregate principal amount of Debentures.

Disclosure in October 16, 2020 Press Release	Use of Proceeds (as at December 31, 2020)
The Company intends to use the net proceeds from the Offering for capital projects and for general working capital purposes.	The net proceeds of the October 16, 2020 private placement have been used as follows: • $500,000 - technology investment • $500,000 – Neuropharm acquisition • $1,500,000 – research and development • $500,000 - clinical trials • $600,000 – construction at Colorado lab • Remainder - general working capital

On November 17, 2020, the Company appointed Dr. Rakesh Jetly as Chief Medical Officer.

On December 8, 2020, the Company completed its first commercial harvest at its research facility in Jamaica and announced it will make the first commercial export of legal psilocybin mushrooms.

On December 24, 2020, the Company partnered with ProPharma Group ("**ProPharma**"), the leading provider of regulatory and compliance services to the pharmaceutical industry, for ProPharma to provide regulatory advice as the Company seeks approval from the Food and Drug Administration for its drug development platform as well as its various stage clinical trials.

Year Ended December 31, 2021

On January 5, 2021, the Company sponsored a study titled: "The neurocognitive effects of low dose psychoactive substances," at Australia's Macquarie University. It is the first study of naturalistic microdosing in a laboratory setting and will be the first study to use Magnetoencephalography scans to identify brain activity, cognitive and biometric measures during micro-dosing.

On January 7, 2021, the Company announced filing seven provisional patent applications with the United States Patent and Trademark Office in its efforts to discover valuable novel compounds in fungi for medicinal and pharmaceutical use.

On January 11, 2021, the Company announced that Gordon Neal has been appointed to the Company's Board of Directors. Additionally, Dean Ditto was appointed as the Company's Chief Financial Officer.

On February 3, 2021, the Company announced that Josephine Wu has been appointed to the Company's Board of Directors.

On February 12, 2021, the Company closed a bought deal prospectus offering of units of the Company, in which, pursuant to the offering, the Company issued 34,500,000 units of the Company at a price of C$0.50 (the "**Issue Price**") per Unit for aggregate gross proceeds to the

Company of C$17,250,000, which includes the full exercise of the over-allotment option to purchase 4,500,000 units at the Issue Price.

On February 17, 2021, the Company announced that its subsidiary Mindleap Health, a digital health platform and the world's-first telemedicine application purpose-built for the psychedelic medicine industry, has filed a provisional patent for its technology platform in both The United States Patent and Trademark Office and the Canadian Intellectual Property Office.

On February 24, 2021, the Company announced an exclusive partnership with Applied Pharmaceutical Innovation at the University of Alberta, as well as expanded capabilities that enables support of multiple drug development and clinical trial programs simultaneously. Through this partnership the company currently has the ability to legally cultivate, extract, import, export and commercialize full cGMP pharmaceutical grade natural and synthetic compounds to reciprocal licensed facilities globally.

On March 1, 2021, the Company announced the completion of the world's first international legal export of dried psilocybin mushrooms.

On March 10, 2021, the Company announced that it has entered into an arrangement agreement with Spinco in respect of the Spin-out.

On March 15, 2021, the Company announced that the board of directors of the Company appointed MNP LLP, Chartered Professional Accountants as the Company's new auditor, replacing SHIM & Associates LLP, Chartered Professional Accountants.

On March 16, 2021, the Company announced announced that it has appointed Michel Rudolphie, former CEO and President of Make-A-Wish International and former Novartis Norway CEO, as President of the Company's European Operations. The Company also announced that it has partnered with Principal Investigator Dr. David Erritzoe at Imperial College London ("**ICL**") to conduct leading research in the expanding field of psychedelics, as well as the creation of a novel collaborative psychopharmacology/psychedelic research clinic between ICL and a major mental health NHS Trust in London.

On March 22, 2021, The Company announced the issuance of 206,184 common shares of the Company (the "**Shares**") effective March 11, 2021, at a deemed price of approximately $0.336 per Share for total consideration of $69,212.50, to a service provider as payment for consulting services provided to the Company. The Company entered into a consulting agreement with the service provider on August 31, 2020 in respect of the provision of corporate governance consulting services. The Company also announced that it issued, effective March 17, 2021,83,526 Shares to Jim Gunning, chief marketing officer ("**CMO**") of the Company pursuant to Mr. Gunning's employment agreement for the services of Mr. Gunning as CMO of the Company for the period from September 17, 2020 to February 28, 2021.The Shares were issued at a deemed price of approximately $0.329 each. The total compensation for the period is $27,500.

On March 23, 2021, the Company announced that effective market open on March 23, 2021, its common shares and warrants have been approved for migration to the NEO and will commence trading under ticker symbols "MYCO" and "MYCO.WT," respectively.

On April 7, 2021, the Company announced its four lead novel drug candidates as the Company prepares for its Pre-Investigational New Drug meetings with the FDA and Health Canada. The four initial drug candidates include: MYCO-001 is pure psilocybin from natural fungal sources. Its target uses include mid-to-late stage clinical trials; MYCO-002 is an entactogenic

compound that has been created with the goal of reducing harm and improving the safety profile vs. traditional MDMA; MYCO-003 is a psilocybin-based formula with reduced anxiety potential, with the aim of removing the possibility of "bad trips," even with severely ill patients; MYCO-004 is a patch delivered tryptamine compound. Properties include short duration (~2hours), transdermal, precision dosing and long-term compound stability. The target use is mid-to-late-stage clinical trials, taking advantage of current publicly-available data.

On April 13, 2021, the Company announced that it has begun wide-ranging work to extract and characterize various compounds contained within the fruiting bodies of the dried psilocybin mushrooms. The Company announced that it has found what it believes to be multiple chemical entities not previously characterized within these species before. The Company further announced the beginning of a screening process to test the potential therapeutic effects of these entities against serotonin receptors such as HTR1A, HTR2A, HTR2B, HTR2C as well as a broad range of metabolism and absorption assays.

On May 3, 2021, the Company announced the reporting of its financial results for the full year ended December 31, 2020. The Company also announced the appointment of William Cook as the Interim CEO & Technical Director of Mindleap.

On May 5, 2021, the Company announced a partnership with LeadGen Labs, a custom synthesis and contract research organization, to support the Company's novel psychedelic drug development efforts and increase the number of novel molecules the Company can synthesize concurrently.

On May 18, 2021, the Company announced the reporting of its financial results for first quarter ended March 31, 2021.

On May 25, 2021, the Company announced at it has received approval from Health Canada to significantly expand its cultivation capabilities at the Company's Canadian Current Good Manufacturing Practice facility at Applied Pharmaceutical Innovation. Under the new guidance from Health Canada, the Company will begin construction of expanded cultivation facilities in an effort to scale its supply of pharmaceutical grade psilocybin for both internal clinical research and its industry partners

On June 8, 2021, the Company announced that the Company's R&D team has made groundbreaking advances in psilocybin research with the discovery of over 40 compounds with pharmacological potential in mushrooms. Of these compounds, a large majority appear to have never been reported before and could be vital to the critical effects of naturally-sourced mushrooms on human health and wellbeing as well as synergistic effects with pure psilocybin.

On June 16, 2021, the Company announced the launch of its in-silico drug discovery program in conjunction with researchers at the University of Alberta. Led by top computer-aided drug development expert, Dr. Khaled Barakat, the program is focused on developing artificial intelligence/machine learning (AI/ML) supported drug screenings, including both the ability to build drugs from the receptor up and assess drugs around the receptors of the Company's choosing.

On June 24, 2021, the Company announced that it has selected substance abuse disorder and smoking cessation as the initial target indications for its proprietary psychedelic molecule MYCO-004.

On July 13, 2021, the Company announced that its subsidiary, Mindleap Health, is launching the 2.0 version of its virtual health platform on July 30, 2021, which provides the infrastructure to

support the conscious and trustworthy adoption of psychedelics into the broader categories of mental health and inner wellness.

On July 21, 2021, the Company announced that it has filed a new patent for MDMA-like compounds further expanding its portfolio of novel compounds.

On August 16, 2021, the Company announced the reporting of its financial results for the second quarter ended June 30, 2021.

On August 18, 2021, the Company announced the signing of a five-year research agreement with Johns Hopkins University (JHU) School of Medicine, with research to be led by Professor of Psychiatry and Behavioral Sciences at Johns Hopkins University, Dr. Matthew W. Johnson, Ph. D.

On September 7, 2021, the Company announced that it was partnered with Principle Investigator Dr. Matthew Johnson of Johns Hopkins University on a study evaluating the administration of MYCO-001 with a structured smoking cessation treatment program in nicotine dependent individuals.

On September 22, 2021, the Company announced that it has filed its final patent application with the United States Patent and Trademark Office and the World Intellectual Property Organization for one of its lead drug candidates, MYCO-003, which is being developed to offer enhanced treatment of anxiety and post-traumatic stress disorder.

On October 1, 2021, the company completed the Spin-Out of its U.S. Cannabis Assets. The company entered into an arrangement agreement dated March 10, 2020 with a newly-incorporated whollyowned subsidiary,(“Spinco”). Under the Arrangement Agreement, Mydecine will transfer its U.S. Cannabis Assets to SpinCo in accordance with a plan of arrangement pursuant to the Business Corporations Act, in consideration for approximately 10,000,000 common shares of Spinco. The Spinco Shares will then be distributed to Mydecine’s shareholders on a pro rata basis. Upon completion of the Arrangement, Mydecine’s shareholders will own shares in two reporting issuers. Spinco intends to apply to list its common shares on the Canadian Securities Exchange or the Aequitas Neo Exchange upon completion of the Arrangement. The assets to be transferred to Spinco under the Arrangement will be all of the shares held by Mydecine in the following companies:

a) 1176392 BC Ltd.

b) Alternative Distribution Company, LLC

c) Drink Fresh Water, LLC

d) New Age Farm Washington, LLC

e) Tealief Brands, LLC

f) Relyfe Brands, LLC

g) We are Kured, LLC

h) Trellis Holdings Oregon OP, LLC

(collectively, the “**U.S. Cannabis Assets**”)

On October 5, 2021 Mydecine announced that it plans to supply its lead drug candidate, MYCO-001, for a multisite smoking cessation study being conducted at Johns Hopkins University ("JHU"), New York University and the University of Alabama Birmingham by leading drug and substance use researcher, Dr. Matthew Johnson.

On October 25, 2021, the Company announced that its Board approved the settlement of a principal amount of $116,418.60 in debt for services rendered through the issuance of common shares (the "Debt Settlement"). Pursuant to the Debt Settlement, the Company issued 369,583 common shares of the Company at a deemed price of $0.315 per share. All securities issued in connection with the Debt Settlement are subject to a statutory hold period which will expire on the date that is four months and one day from the date of issuance.

On October 27, 2021, the Company announced that it has successfully synthesized a novel psilocin analogue with improved pharmaceutical properties to further expand its library of patent-pending tryptamines.

On November 3, 2021, the Company announced the filing of a technology patent that allows for the creation of formulations that utilize nanoemulsion technology to enhance, stabilize and make repeatable properties of ingredients from traditional medicine. The patent will cover formulations that are generally recognized as safe by FDA (GRAS-certified) and leverages increased bioavailability to enhance the properties available to consumers. Nanoemulsion is an advanced mode of drug delivery that has been developed to overcome the major drawbacks associated with conventional drug delivery systems. This technology is critical to the Company's active drug development as it provides increased control in delivery, which is an essential feature in microdosing and customizing dosages.tryptamines.

On November 15, 2021 Mydecine filed it's short-form base shelf prospectus Offering (over the period of 25- months), the following securities: (i) common shares of the Company; (ii) warrants exercisable to acquire other Securities; (iii) units comprised of one or more of the other Securities; (iv) senior and subordinated unsecured debt securities; and (v) subscription receipts exchangeable for other Securities, or any combination thereof having an offer price of up to $100,000,000 in aggregate (or the equivalent thereof, at the date of issue, in any other currency or currencies, as the case may be). The Securities may be offered separately or together, in amounts, at prices and on terms to be determined based on market conditions at the time of the sale and as set forth in an accompanying prospectus supplement ("**Prospectus Supplement**"). The first Prospectus Supplement filed under this Prospectus shall be subject to a minimum offering amount of $5,000,000 in the aggregate (the "**Minimum Amount**").

On November 30, 2021 Mydecine issued an aggregate of 15,896,116 RSUs to the following individuals in the amounts set forth opposite their name:

David Joshua Bartch 5,298,940

Robert Roscow 4,666,585

Damon Michaels 4,494,125

Larry Dean Ditto Jr. 779,259

Dr. Rakesh Jetly 338,853

Sanford M. Stein 318,354

TOTAL: 15,896,116

The Fair Market Value of the RSUs issued was deemed to be the closing price of underlying securities of such RSUs, being the Common Shares, on the trading day prior to the date of grant of the RSUs, being $0.195 per Common Share. The RSUs were issued with an immediate vesting period such that the RSUs were issued to the foregoing persons as Common Shares effective November 25, 2021.

On December 6, 2021 Mydecine Files Full Patent Application Covering Multiple Families of Psilocin Analogs.

On December 10, 2021 Mydecine closed a nonbrokered private placement of a convertible secured subordinated debenture (the "Debenture") in the principal amount of C$5.5 million, which was issued to existing shareholder of the Company. The Debenture bears interest at a rate of 10% per annum payable annually in arrears and matures three years from the date of issue. The Debenture is convertible at any time at the option of the holder into common shares of the Company ("Common Shares") at a conversion price of $0.17 share.

Also, in connection with the Financing, the investor was issued warrants (the "Warrants") to acquire up to 32,352,941 Common Shares at a price of $0.17 per share at any time up to 36 months following the closing of the Financing. The Company may redeem the Debenture for cash at any time prior to the maturity date without bonus or penalty, at a redemption price equal to the principal amount plus accrued and unpaid interest, if any, provided that the investor may elect to convert the Debenture into Common Shares prior to redemption.

On December 22, 2021 Mydecine Signs LOI with Maya to Co-Develop a Novel Prescription Digital Therapeutic Platform Aiming to Further Increase Safety, Efficacy, and Accessibility of Psychedelic Assisted Treatments.

Recent Developments Subsequent to December 31, 2021

On January 7, 2022, Mydecine engaged JBN Partners, LLC ("JBN") to increase public awareness of and interest in the Company, its management and its products by coordinating certain investor relations and corporate financial public relations with members of the investment community, the financial media and the public, in general. The services agreement with JBN has a six-month term with a total payment value of USD$150,000.

On January 10, 2022, Mydecine ccompleted a target-based model of the classic psychedelic serotonin receptor 5-HT_{2A} for use in their AI-driven drug discovery program. The new model will allow them to expeditiously screen billions of structures to determine which novel compounds are most likely to increase binding affinity, enabling them to continue creating improved second and third generation psychedelic molecules for medical use.

On January 13, 2022, Mydecine will be launching The Special Access Support and Supply Program (SASSP) to provide products and services to physicians, clinics, and hospitals in Canada who are looking to treat patients through psychedelic-assisted psychotherapy. With the new addition of psilocybin and MDMA to the approved list of substances under Health Canada's Special Access Program (SAP), the company aims to fill a critical gap in the market by allowing thousands of healthcare professionals and clinics the resources needed to bring these treatments to patients in need.

On January 18, 2022, Mydecine signed a Letter of Intent (LOI) with The Newly Institute Inc. ("The Newly"), a Calgary, Alberta based company opening private inter-disciplinary mental health clinics across Canada, to collaborate on expanding psychedelic-assisted psychotherapy to patients.

On January 24, 2022, Mydecine entered into a partnership with Combat Stress (Combat Stress) and the King's College London to utilize psilocybin as part of a psychoactive-assisted psychotherapy treatment for post-traumatic stress disorder (PTSD) in veterans. Combat Stress will be one of several sites for Mydecine's upcoming clinical trials.

On February 1, 2022 Mydecine started preparation for its FDA pre-Investigational New Drug (IND) meeting on February 28th, the company has submitted a pre-IND briefing package to the U.S. Food and Drug Administration (FDA) for a clinical study evaluating MYCO-001 in a structured smoking cessation treatment program.

On February 3, 2022, Mydecine appointed Dr. Victoria Hale to the company's Board of Directors. Dr. Hale is a pharmaceutical scientist and executive, as well as a global health social entrepreneur. She currently serves as Chair of the Board of the Multidisciplinary Association for Psychedelic Studies (MAPS), a non-profit research and educational organization leading the psychedelics sector in new medicine development.

On February 8, 2022, Mydecine announced that Health Canada has included the dealer's license Mydecine operates under as a supplier for the Special Access Program, which allows healthcare providers to request specific drugs for approved patients who have not responded to other available treatment options.

On February 16, 2022, Mydecine announced the inclusion of a novel molecule with potentially heart-safe microdose enabling properties in their family of psilocin analogs. The Company has named this group of patent pending molecules MYCO-005.

On March 1, 2022, Mydecine announced a positive meeting with the Food and Drug Administration (FDA) regarding their Investigational New Drug (IND) and breakthrough therapy status applications.

On March 16, 2022, the Company issued 2,658,768 Common Shares under top-up rights granted pursuant to an agreement between the Company and Mindleap Health Inc., dated June 16, 2020.

On March 18, 2022, the Company announced it has entered into a Common Share Subscription Agreement with a third party investor, allowing the Company to issue and sell up to $10,000,000 of common shares in the capital of the Company.

On March 22, 2022, the company announced that it had filed a shelf prospectus supplement in connection with the Common Share Subscription Agreement and that the Company was qualifying a distribution of 10,582,011 common shares in the capital of the Company to the investor under the Common Share Subscription Agreement at a price of $0.0945 per common share for aggregate gross proceeds of $1,000,000.00.

On March 24, 2022, the Company announced it had received conditional approval from the Institutional Review Board for its multi-site Phase 2b smoking cessation trial, and that Johns Hopkins University will serve as the lead investigational site.

Significant Acquisitions

The Company has not completed any significant acquisition during its most recently completed financial year for which a business acquisition report and disclosure is required under Part 8 of National Instrument 51-102.

General

Mydecine Innovations Group Inc. is an emerging biotech and life sciences company dedicated to developing and commercializing innovative solutions for treating mental health problems and enhancing wellbeing. The Company's medical and scientific advisory board ("**SAB**") is building out an R&D pipeline of nature-sourced psychedelic-assisted therapeutics, novel compounds, therapy protocols, and unique delivery systems.

Through its research and development partner, Applied Pharmaceutical Innovation ("**API**"), Mydecine has access to a full Current Good Manufacturing Practices ("**cGMP**") certified pharmaceutical manufacturing facility with the ability to import/export, cultivate, extract/isolate, and analyze active psilocybin mushroom compounds and potential serotonin agonists and other novel drug candidates for the Company's clinical trials with government approval through Health Canada. On May 21, 2020, the Company and API entered into a master services agreement (the "**API Agreement**") that set out the terms of this arrangement. Pursuant to the API Agreement and work orders entered into in connection thereto, API has agreed to complete certain research and development work related to developing products using mushrooms. Pursuant to the API Agreement, the Company is responsible for all costs related to the work carried out by API on the Company's behalf, such amounts to be agreed to by the Company and API in each applicable work order. The initial term of the API Agreement expires on May 21, 2023, unless terminated by either party with 30 days' prior written notice.

Mydecine also operates out of a mycology lab in Denver, Colorado, to focus on developing proprietary technology related to the Company's drug candidates and genetic research for scaling commercial cultivation of rare (non-psychedelic) medicinal mushrooms and targeting the improvement of over-the-counter supplements.

At the heart of Mydecine's core philosophy is that psychedelic-assisted psychotherapy will continue to gain acceptance in the medical community with many accredited research organizations around the world demonstrating its clinical effectiveness. Mydecine recognizes the responsibility associated with psychedelic-assisted therapy and will continue to advocate for clinical trials, research, technology, and global supply.

The current members of the Company's SAB are medical and scientific professionals drawn from within academic, research and development, military, and corporate environments. As specialists in the field of post-traumatic stress disorder ("**PTSD**") and mental health (including clinical practice and advocacy), each member has made contributions to advancing the field and are committed to furthering Mydecine's mission. The mandate of the SAB is to continue to provide strategic guidance and direction for Mydecine's clinical trials for PTSD (underpinned by data research, therapy and scientific programs), provide advice on intellectual property and contribute commentary on Mydecine's telehealth platform, Mydecine Health.

Products

Drug Discovery Program

Mydecine currently has several clinical initiatives with its lead drug candidate MYCO-001 (a form of purified psilocybin) with multiple research institutions, globally. Further, the Company has designed several libraries of novel molecules believed to have enhanced safety and efficacy profiles. The Company is currently working with its pre-clinical team at the University of Alberta to work these molecules through the Investigational New Drug ("**IND**") enabling stage.

The Company has identified both formulation and manufacturing partnerships for its initial functional mushroom products. Once the formulation stage is complete, the Company will manufacture and market the mushroom products through its various lines of distributions.

Pre-Clinical Studies

The Company is currently completing several pre-clinical studies encompassing multiple indications, namely: (a) micro-dose study at Macquarie University (indication agnostic) (the "**Macquarie Study**"); (b) micro-dose study at Imperial College of London (indication agnostic) (the "**Imperial College Study**"); (c) mechanistic understanding study at University of Maryland (indication PTSD and drug addiction) (the "**Maryland Study**"); and (d) preclinical studies on several novel drug candidates at the University of Alberta (the "**Alberta Study**" and together with the Macquarie Study, the Imperial College Study and the Maryland Study, the "**Pre-Clinical Studies**").

As of the date hereof, the Pre-Clinical Studies are progressing but have not concluded. The Company has worked with applicable partners to increment the staff resources needed to move the Pre-Clinical Studies to their next milestones.

Additionally, in 2021 the Company sponsored new research conducted by Dr. Vince Polito at Macquarie University on the potential use of psilocybin for the treatment of methamphetamine addiction and other drug related addictions. The Company believes that this research has the potential to justify further clinical research into regulatory label expansion to its core drug pipeline.

Clinical Trials

The Company has entered into a partnership with Leiden University Medical Center ("**Leiden University**") pursuant to which Leiden University has agreed carry out a Phase 2a clinical trial for psilocybin-assisted psychotherapy for the treatment of veterans and EMS personnel suffering from PTSD on Mydecine's behalf (the "**Leiden University Phase 2a Clinical Trial**"). Under the arrangement, the Company is responsible for all costs associated with the Leiden University Phase 2a Clinical Trial. The arrangement may be terminated by either party at any time.

The Company has entered into a partnership with the University of Alberta pursuant to which the University of Alberta has agreed carry out a Phase 2a clinical trial for psilocybin-assisted psychotherapy for the treatment of veterans and EMS personnel suffering from PTSD on Mydecine's behalf (the "**University of Alberta Phase 2a Clinical Trial**"). Under the arrangement, the Company is responsible for all costs associated. The arrangement may be terminated by either party at any time.

The Company has entered into a partnership with the Royal Ottawa Mental Health Centre ("**Royal Ottawa**" and together with Leiden University and University of Alberta, the "**Phase 2a Research Partners**") pursuant to which Royal Ottawa has agreed carry out a Phase 2a clinical trial for psilocybin-assisted psychotherapy for the treatment of veterans and EMS personnel suffering from PTSD on Mydecine's behalf (the "**Royal Ottawa Phase 2a Clinical Trial**" and together with the Leiden University Phase 2a Clinical Trial and the University of Alberta Phase 2a Clinical Trial, the "**Phase 2a Clinical Trials**"). Under the arrangement, the Company is responsible for all costs associated with the Royal Ottawa Phase 2a Clinical Trial. The arrangement may be terminated by either party at any time.

The Company and each Phase 2a Research Partner is currently in the process of completing the preliminary steps in anticipation of the human-trials stage of the respective Phase 2a Clinical Trial, including the establishment of the protocols for the Phase 2a Clinical Trial. In order to commence the human trials stage of the Phase 2a Clinical Trial, the Company and the applicable Phase 2a Research Partner must complete the applicable protocols, obtain necessary internal approvals from the Phase 2a Research Partner, including ethics board approval. The Company has Institutional Review Board ("**IRB**") ready protocols and there are over 20 principal investigators and site personnel currently enrolled in psychedelic-assisted therapy training in preparation for the Phase 2a Clinical Trials. Additionally, the Company has obtained all necessary insurance coverage for the Phase 2a Clinical Trials.

On October 13, 2021, the Company entered into a contract research organization master services agreement (the "**Master Services Agreement**") with Ethica CRO Inc. ("**Ethica**"). Under the Master Services Agreement, the parties agree to transfer certain Good Clinical Practice ("**GCP**") duties of the Company and certain functions that must be performed by the Company in accordance with GCP guidelines during the performance of certain of its clinical trials. The services provided to the Company by Ethica, and terms of payment in connection therewith, will be further specified in a separate, fully executed individual project agreement ("**IPA**"). The Master Services Agreement shall remain in full force and effect through to October 13, 2025 and may be renewed for an additional term upon the written agreement of the parties. Furthermore, the Master Services Agreement or any applicable IPA may be terminated upon immediate prior notice in the event any of the following conditions occur: (a) if the authorization and approval to perform the Study (as defined in the Master Services Agreement) is withdrawn by the regulatory agency in the locality where the Study is being conducted; (b) if animal, human and/or toxicological test results or business considerations of the Company support termination of the Study; (c) if the emergence of any adverse reaction or side effect with the Study Drug/Device (as defined in the Master Services Agreement) is of such magnitude or incidence in the opinion of the Company to support termination; and (d) if a party materially fails to comply with the terms of the Master Services Agreement upon receipt of written notice of breach from other party and subsequently fails to cure such breach within sixty (60) days after said written notice of breach.

Due to the impact of COVID-19, the start dates of Phase 2a Clinical Trials have been delayed.

The arrangements between the Company and Leiden University, the University of Alberta and Royal Ottawa have not been formally documented and, instead, have been agreed to pursuant to letters, email communication and conversations, as is customary for research partnerships with hospitals and universities. Although an agreement with each of Leiden University, University of Alberta and Royal Ottawa is in the process of being formalized, there is no assurances that such formal agreement will be entered into. Please see "*Risk*".

Johns Hopkins University School of Medicine Agreements

On August 3, 2021, the Company entered into a five (5) year master research and collaboration agreement (the "**Master Agreement**") with Johns Hopkins University School of Medicine ("**JHU**"). The Master Agreement provides a framework for the Company and JHU to collaborate to conduct research projects which are of mutual benefit to both parties (individually, a "**Project**" and collectively, the "**Projects**"). Pursuant to the Master Agreement, the Company and JHU agree to explore together all financial terms, regulatory issues, and plans for dissemination of results of the collaborative research prior to commencement of any such Project, and to document specific terms and funding in a fully executed IPA.

In consideration for the overall collaborative relationship between the Company and JHU under the Master Agreement, the Company has agreed to provide at least US$1,000,000 cumulative

funding to JHU as specifically allocated for Projects under one or more IPAs. The Master Agreement will expire on August 3, 2026, unless extended by written agreement of the Company and JHU. Further, either party may terminate the Master Agreement at any time with a minimum of ninety (90) days prior written notice.

On August 3, 2021, the Company and JHU entered into an institutional research services agreement under which the Company has partnered with Professor of Psychiatry and Behavioural Sciences at JHU, Dr. Matthew Johnson, Ph.D. to conduct a Phase 2b/3 smoking cessation clinical trial on its leading drug candidate referred to as MYCO-001 (the "**Phase 2b/3 Clinical Trial**"), projected to launch in the second quarter of 2022. Additionally, the Company has received regulatory advisement on its pre-IND meeting submission and briefing package, including regulatory strategies for chemistry, manufacturing, controls and clinical and non-clinical study requirements. In respect of the Phase 2b/3 Clinical Trial, the Company has prepared IRB ready protocols, informed consent forms and investigator brochures. The Company has also entered into agreements with Accenture to assist the Company with the preparation of its IND submission to the U.S. Food and Drug Administration.

AI/ML Drug Discovery and Characterization Program

Partnership and sponsored research with an academic lab focused on both the screening of potential serotonin agonists and discovery of novel molecular structures in the same category, in conjunction with the University of Alberta. In 2021, the Company has expanded and enhanced its synthetic drug production capacity above prior contracted levels, increasing the speed and breadth of the production of research compounds. In addition, the Company has engaged a new artificial intelligence and machine learning ("**AI/ML**") component to enhance its drug discovery pipeline. The new AI/ML component is expected to both generate new patentable compounds and enhance the screening of compounds currently under review.

Intellectual Property

The Company has a comprehensive intellectual property strategy covering novel molecules, drug formulations, delivery mechanisms, and methods of production. The Company believes this covers all described drug development activities in our named pipeline and clinical trials. The Company has filed these applications both in the United States and through the Patent Cooperation Treaty (PCT) for protection in all jurisdictions in which the company does business.

The Company's subsidiary, Mindleap Health, filed a provisional patent for its technology telemedicine platform in both USPTO and the Canadian Intellectual Property Office.

Mindleap App

Mindleap Health Inc. operates a digital telehealth platform that provides access to mental health services and is designed to offer psychedelic integration services, including psychedelic aftercare and wellness services.

CBD and Cannabis Products

As at October 1, 2021, pursuant to the Spin-out Arrangement, the Company completed the Spin-out of the U.S. Cannabis Assets (including the related liabilities) to Spinco. The Company is no longer in the business of handling, producing or distributing CBD or cannabis, or any products related thereto.

Production

The Company intends on developing proprietary formulations for its mushroom products in the Company's state-of-the-art lab in Colorado. The Company is currently in discussions with numerous manufacturing companies to make its various product lines.

Specialized Skill and Knowledge

The Company is currently comprised of numerous scientific advisors with years of experience and numerous awards in the cultivation, manufacturing and administration of various varietals of mushrooms and related products.

Competitive Conditions

The number of competitors and the degree of competition within the North American food industry varies greatly by product segment and region. In the mushroom food industry, there are a limited number of competitors. These competitors offer a similar category of products as the Company, being mushroom extracts, powders, teas and other wellness products.

New Products

The Company is currently formulating multiple proprietary functional mushroom products. The Company has identified a vertically integrated world leader in the coffee, chocolate and honey space and is currently working with its partner to develop a proprietary line of mushroom infused coffees, chocolates and honey that carry strong scientific backing of mushroom's health and wellness benefits.

Components

The Company's business is dependent on a number of key inputs, including raw materials and supplies related to its growing operations, as well as electricity, water and other local utilities. The raw materials that are integral to the Company's products are plant nutrients and water. The Company does not anticipate any difficulty in sourcing the components necessary to operate its business.

Intangible Properties

The Company, through its wholly-owned subsidiary, NeuroPharm, has filed a provisional patent application with the United States Patent and Trademark Office ("**USPTO**") on October 2020, covering composition of matter claims regarding psychedelic therapy enhancer for the treatment of certain psychiatric disorders, including enhancements to treatments for PTSD.

The Company has filed a combination of seven provisional and full PCT patent applications with the USPTO and WIPO in its efforts to discover valuable novel serotonergic compounds, for medicinal, mental health and pharmaceutical use.

The Company's subsidiary, Mindleap Health, filed a provisional patent for its technology telemedicine platform in both USPTO and the Canadian Intellectual Property Office.

Cycles

The Company's business is generally not seasonal or cyclical to any significant extent.

Foreign Operations

The Company's international expansion strategy is dependent on its foreign operations and the success thereof, as well as legislative developments in each of those countries.

Employees

As at December 31, 2021 Mydecine had 11 full-time employees.

Lending

Regarding lending operations, investment policies and lending and investment restrictions of the Company, all decisions are made at the discretion of the Board of Directors of the Company.

Reorganization

On October 1, 2021 the Company completed the Spin-out of its U.S. Cannabis Assets in accordance with the Spin-out Arrangement.

Potential Acquisitions

As at the date hereof, however, the Company has not identified any specific businesses or assets for any acquisitions, partnerships or other business combinations. From time to time, in the normal course, the Company may have outstanding non-binding letters of intent and/or conditional agreements, or may otherwise be engaged in discussions with respect to possible acquisitions of, or joint ventures involving, certain assets, properties or businesses which may or may not be material. There can be no assurance that any of these letters, agreements and/or discussions will result in an acquisition or joint venture and, if they do, what the final terms or timing of any acquisition or joint venture would be. The Company expects to continue to review and consider acquisition, joint venture and investment opportunities, which may include acquisitions that are "related party transactions" under Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*.

Regulatory Overview

Psilocybin Mushroom Products

In Canada, psilocybin is considered a controlled substance under Schedule III of the *Controlled Drugs and Substances Act* ("**CDSA**") meaning activities such as sale, possession, and production etc. of these substances are prohibited unless authorized for clinical trial or research under the *Food and Drugs Act* (Canada). The possession, sale or distribution of controlled substances is prohibited unless specifically permitted by the government. Penalties for contravention of the CDSA related to Schedule I substances are the most punitive, with Schedule II being less punitive than Schedule I, Schedule III being less punitive than Schedule I and II and so forth.

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

transport, send, deliver, import or export a restricted drug (as listed in Part J in the Food and Drugs Regulations – which includes psilocybin and psilocin) (see s. J.01.009 (1) of the Food and Drug Regulations).

Natural health products ("**NHPs**") are regulated by Health Canada under the Natural Health Products Regulations. Under these regulations, a NHP can include an extract or isolate of a substance from an organism such as a fungus if the primary molecular structure of the extract or isolate is identical to that which it had prior to its extraction or isolation. In order to manufacture a NHP in Canada, a party must obtain a Site License in accordance with Part 2 of the Natural Health Products Regulations. In order to sell a NHP in Canada, a party must obtain a product license in accordance with Part 1 of the Natural Health Products Regulations. Once approved, the regulations require detailed record keeping and recall protocols in the event of adverse events.

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

In order to conduct any scientific research, including pre-clinical and clinical trials, using psychoactive compounds listed as controlled substances under the CDSA, an exemption under Section 56 of the CDSA ("**Section 56 Exemption**") is required. This exemption allows the holder to possess and use the controlled substance without being subject to the restrictions set out in the CDSA. The Company has not applied for a Section 56 Exemption from Health Canada. The possession, sale or distribution of controlled substances is prohibited unless specifically permitted by the government. A party may seek government approval for a Section 56 Exemption to allow for the possession, transport or production of a controlled substance for medical or scientific purposes. Products that contain a controlled substance such as psilocybin cannot be made, transported or sold without proper authorization from the government. A party can apply for Dealer's License under the Food and Drug Regulations (Part J). In order to qualify as a licensed dealer, a party must meet all regulatory requirements mandated by the regulations including having compliant facilities, compliant materials and staff that meet the qualifications under the regulations of a senior person in charge and a qualified person in charge. Assuming compliance with all relevant laws (Controlled Drugs and Substances Act, Food and Drugs Regulations) and subject to any restrictions placed on the license by Health Canada, an entity with a Dealer's License may produce, assemble, sell, provide, transport, send, deliver, import or export a restricted drug.

It is anticipated that all of the Company's psilocybin activities in Canada will be carried out in partnership with API, major hospitals or major institutions under licenses held by and exemptions afforded to such partners to legally handle and administer psilocybin. Each of the University of Alberta, Leiden University, Royal Ottawa and the University of Maryland hold all required licenses to use a controlled substance, including psilocybin, and to carry out the Phase 2a Clinical Trial, the Leiden University Phase 2a Clinical Trial, the Royal Ottawa Phase 2a Clinical Trial and the Maryland Study. None of the Macquarie Study, the London Study and the Alberta Study involves the handling of psilocybin and, therefore, no licenses are required by the applicable research partner to carry out the study. The Company has itself not applied for a Section 56 exemption from Health Canada.

In the United States, the potential reclassification of psilocybin and psilocin could create additional regulatory burdens on our operations and negatively affect our results of operations. In the United States, psilocybin is currently a Schedule I drug under the *Controlled Substances*

Act (21 U.S.C. § 811) (the "**CSA**")**.** If psilocybin and/or psilocin, other than the formulation approved by the United States Food and Drug Administration ("**FDA**"), is rescheduled under CSA as a Schedule II or lower controlled substance (i.e., Schedule III, IV or V), the ability to conduct research on psilocybin and psilocin would most likely be improved. However, rescheduling psilocybin and psilocin may materially alter enforcement policies across many federal agencies, primarily the FDA and the Drug Enforcement Administration ("**DEA**"). The FDA is responsible for ensuring public health and safety through regulation of food, drugs, supplements, and cosmetics, among other products, through its enforcement authority pursuant to the *Federal Food, Drug and Cosmetic Act* (U.S.) ("**FD&C Act**"). The FDA's responsibilities include regulating the ingredients as well as the marketing and labeling of drugs sold in interstate commerce. Because it is currently illegal under federal law to produce and sell psilocybin and psilocin, and because there are no federally recognized medical uses, the FDA has historically deferred enforcement related to psilocybin and psilocin to the DEA. If psilocybin and psilocin were to be rescheduled to a federally controlled, yet legal, substance, the FDA would likely play a more active regulatory role. The DEA would continue to be active in regulating manufacturing, distribution and dispensing of such substances. The potential for multi-agency enforcement post-rescheduling could threaten or have a materially adverse effect on our business.

The Opium Act is the primary drug legislation in the Netherlands. Articles 2 and 3 of the Opium Act prohibit the possession, production, preparation, processing, selling, delivering, transporting, importing and exporting of any drug or substance listed on the Opium Act Lists, as well as preparations containing one or more of such prohibited substances. Articles 2 and 3 of the Opium Act also prohibit the above-noted activities in respect of a number of plants or parts of plants which are named in the Opium Act Lists. The Opium Act Lists expressly name psychedelic mushrooms, as well as psilocin (*psilocine*) and psilocybin (*psilocybine*), both of which are substances that naturally occur within psychedelic mushrooms.

Clinical Operations

The Canadian and United States federal governments regulate drugs through the CDSA and the CSA, respectively, which place controlled substances in a schedule. Under the CDSA, psilocybin is currently a Schedule III drug. Under the CSA, psilocybin is currently a Schedule I drug.

Health Canada and the FDA have not approved psilocybin as a drug for any indication. It is illegal to possess such substance without a prescription.

In both Canada and the United States, the applicable federal government is responsible for regulating, among other things, the approval, import, sale and marketing of drugs such as psychedelic substances, whether natural or novel. The Company does not directly engage in any activities that would trigger the need to comply with any federal laws related to psychedelic substances. See "*Risk Factors*"

Natural Products Operations (Jamaica)

Through consultation with local resources and personnel with relevant knowledge and experience, as necessary, in Jamaica, the Company is satisfied that all necessary licenses, permits and regulatory approvals have been obtained in order to carry on the business as currently conducted and that such licenses, permits and regulatory approvals that have been obtained are in good standing.

Research conducted with respect to psilocybin is not in contravention of local laws in Jamaica and the Company has received a legal opinion from local counsel confirming the permissibility of the Company's operations in Jamaica, including operations at the Company's research facility in Jamaica. Psilocybin mushrooms are not an illegal drug under Jamaica's *Dangerous Drugs Act, 1948* (the "**Jamaica Drug Act**"), therefore the Company's research of psilocybin is not in contravention of the laws of Jamaica and does not require any permit or authorization from the regulatory authorities in Jamaica. In addition, the Minister of Health & Wellness of Jamaica has delivered a letter to the Company stating his support for the Company's operations in Jamaica.

As psilocybin is not included in the Jamaica Drug Act, it is not a controlled or restricted substance in Jamaica and therefore no other specific controls, permits, licenses or authorizations are required to conduct research on psilocybin. Such research conducted at the Company's facility in Jamaica is governed by the Jamaica Ministry of Health ("**JMH**"), Ethics and Medico-Legal Affairs Panel and by the JMH Standards and Regulation Division, as would any other research conducted in a clinical setting. In addition to Good Laboratory Practices and cGMP, research involving human subjects is governed by the JMH Guidelines for the Conduct of Research on Human Subjects. Furthermore, medicines, including natural products, require registration with the JMH prior to importation, distribution and sale in Jamaica, as outlined in the *Food and Drugs Act, 1964*.

Pharmaceutical Development and Approval Requirements – Canada

Before a prescription drug product candidate may be marketed in Canada, the process required generally involves:

- *Chemical and Biological Research* – Laboratory tests are carried out on tissue cultures and with a variety of small animals to determine the effects of the drug. If the results are promising, the manufacturer will proceed to the next step of development.

- *Pre-Clinical Development* – Animals are given the drug in varying amounts over differing periods of time. If it can be shown that the drug causes no serious or unexpected harm at the doses required to have an effect, the manufacturer will proceed to clinical trials.

- *Clinical Trials — Phase 1* – The first administration in humans is to test if people can tolerate the drug. If this testing is to take place in Canada, the manufacturer must prepare a clinical trial application for the Therapeutic Products Directorate of Health Canada (the "**TPD**"). This includes the results of the first two steps and a proposal for testing in humans. If the information is sufficient, the Health Products and Food Branch of Health Canada (the "**HPFB**") grants permission to start testing the drug, generally first on healthy volunteers.

- *Clinical Trials — Phase 2* – Phase 2 trials are carried out on people with the target condition, who are usually otherwise healthy, with no other medical condition. Trials carried out in Canada must be approved by the TPD. In Phase 2, the objectives of the trials are to continue to gather information on the safety of the drug and begin to determine its effectiveness.

- *Clinical Trials — Phase 3* – If the results from Phase 2 show promise, the manufacturer provides an updated clinical trial application to the TPD for Phase 3 trials. The objectives of Phase 3 include determining whether the drug can be shown to be effective, and have an acceptable side effect profile, in people who better represent the general population. Further information will also be obtained on how the drug should be used, the optimal dosage regimen and the possible side effects.

- *New Drug Submission* – If the results from Phase 3 continue to be favourable, the drug manufacturer can submit a new drug submission ("**NDS**") to the TPD. A drug manufacturer can submit an NDS regardless of whether the clinical trials were carried out in Canada. The TPD reviews all the information gathered during the development of the drug and assesses the risks and benefits of the drug. If it is judged that, for a specific patient population and specific conditions of use, the benefits of the drug outweigh the known risks, the HPFB will approve the drug by issuing a notice of compliance.

Pharmaceutical Development and Approval Requirements – United States

Before a prescription drug product candidate may be marketed in the United States, the process required generally involves:

- completion of extensive nonclinical laboratory tests, animal studies and formulation studies, all performed in accordance with the FDA's *Good Laboratory and Manufacturing Practice* regulations;

- submission to the FDA of an investigational new drug application, which must become effective before human clinical trials may begin;

- for some products, performance of adequate and well-controlled human clinical trials in accordance with the FDA's regulations, including good clinical practices, to establish the safety and efficacy of the product candidate for each proposed indication;

- submission to the FDA of a new drug application ("**NDA**"); and

- FDA review and approval of the NDA prior to any commercial marketing, sale or shipment of the drug.

The operations of the Company, as currently conducted, do not require and are not dependent on, any licenses to conduct such operations.

Compliance Program

The Company is legally authorized to operate in each jurisdiction in which it currently operates. The Company oversees and monitors compliance with applicable laws in each jurisdiction in which it operates to ensure strict compliance with such laws in each jurisdiction. The Company will continue to work closely with compliance experts to further develop, enhance and improve its compliance and risk management and mitigation processes and procedures in furtherance of continued compliance with the laws of the jurisdictions in which the Company operates. The Company has received legal opinions or advice in each jurisdiction where it currently operates or proposes to operate.

Risk Factors

An investment in the Company is speculative and involves a high degree of risk. Accordingly, prospective investors should carefully consider the specific risk factors set out below, in addition to the other information contained in this document, before making any decision to invest in the Company. The Board considers the following risks and other factors to be the most significant for potential investors in the Company, but the risks listed do not necessarily comprise all those associated with an investment in the Company and are not set out in any particular order of priority. Additional risks and uncertainties not currently known to the Board may also have an adverse effect on the Company's business.

If any of the following risks actually occur, the Company's business, financial condition, capital resources, results or future operations could be materially adversely affected. In such a case, the price of the Shares could decline and investors may lose all or part of their investment.

Forward-looking Statements May Prove to be Inaccurate

Investors should not place undue reliance on forward-looking statements. By their nature, forward-looking statements involve numerous assumptions, known and unknown risks and uncertainties, of both general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking statements or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate.

Substantial Number of Authorized but Unissued Shares

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

Dilution

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

Additional Requirements for Capital

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

Negative Cash Flow from Operations

The Company had negative cash flow for the year ended December 31, 2021. To the extent that the Company has negative operating cash flow in future periods, it will need to allocate a portion of its cash (including proceeds from the Offering) to fund such negative cash flow. If the Company experiences future negative cash flow, the Company may also be required to raise additional funds through the issuance of equity or debt securities. There can be no assurance that the Company will be able to generate a positive cash flow from its operations, that additional capital or other types of financing will be available when needed, or that these financings will be on terms favourable to the Company.

Limited Operating History

The Company has no products producing positive cash flow and its ultimate success will depend on its ability to generate cash flow from its products in the future. The Company has not earned profits to date and there is no assurance that it will do so in the future. Significant capital investment will be required to achieve profitable sales from the Company's existing and future

products. There is no assurance that the Company will be able to raise the required funds to continue these activities.

Management of Growth

The Company may be subject to growth-related risks including pressure on its internal systems and controls. The Company's ability to manage its growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its employee base. The inability of the Company to deal with this growth could have a material adverse impact on its business, operations and prospects. While management believes that it will have made the necessary investments in infrastructure to process anticipated volume increases in the short term, the Company may experience growth in the number of its employees and the scope of its operating and financial systems, resulting in increased responsibilities for the Company's personnel, the hiring of additional personnel and, in general, higher levels of operating expenses. In order to manage its current operations and any future growth effectively, the Company will also need to continue to implement and improve its operational, financial and management information systems and to hire, train, motivate, manage and retain its employees. There can be no assurance that the Company will be able to manage such growth effectively, that its management, personnel or systems will be adequate to support the Company's operations or that the Company will be able to achieve the increased levels of revenue commensurate with the increased levels of operating expenses associated with this growth.

Retention and Acquisition of Skilled Personnel

The Company will depend on certain key senior managers to oversee the core marketing, business development, operational and fund raising activities and who have developed key relationships in the industry. Their loss or departure in the short-term would have an adverse effect on the Company's future performance. The loss of any member of the Company's management team could have a material adverse effect on its business and results of operations. In addition, an inability to hire, or the increased costs of new personnel, including members of executive management, could have a material adverse effect on the Company's business and operating results. At present and for the near future, the Company will depend upon a relatively small number of employees to develop, market, sell and support its products. The expansion of marketing and sales of its products will require the Company to find, hire and retain additional capable employees who can understand, explain, market and sell its products. There is intense competition for capable personnel in all of these areas and the Company may not be successful in attracting, training, integrating, motivating, or retaining new personnel, vendors, or subcontractors for these required functions. New employees often require significant training and, in many cases, take significant time before they achieve full productivity. As a result, the Company may incur significant costs to attract and retain employees, including significant expenditures related to salaries and benefits and compensation expenses related to equity awards, and may lose new employees to its competitors or other companies before it realizes the benefit of its investment in recruiting and training them. In addition, if and when the Company moves into new jurisdictions, it will need to attract and recruit skilled employees in those areas.

Conflicts of Interest

A number of the Company's directors and officers act as directors and/or officers of other health and wellness companies. As such, certain of the Company's directors and officers may be faced with conflicts of interests when evaluating alternative health and wellness opportunities. In

addition, certain of the Company's directors and officers may prioritize the business affairs of another Company over the affairs of the Company.

Personnel

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

Public Health Crises, Including COVID-19

The Company's business, operations and financial condition could be materially and adversely affected by the outbreak of epidemics or pandemics or other health crises, including the recent outbreak of COVID-19. On January 30, 2020, the World Health Organization declared the outbreak a global health emergency, on March 11, 2020, the World Health Organization declared the outbreak a pandemic, and on March 13, 2020 the U.S. declared that the COVID-19 outbreak in the United States constitutes a national emergency. To date, there have been a large number of temporary business closures, quarantines and a general reduction in consumer activity in Canada, the United States, Europe and Asia. The outbreak has caused companies and various international jurisdictions to impose travel, gathering and other public health restrictions. While these effects are expected to be temporary, the duration of the various disruptions to businesses locally and internationally and the related financial impact cannot be reasonably estimated at this time. Similarly, the Company cannot estimate whether or to what extent this outbreak and the potential financial impact may extend to countries outside of those currently impacted. The Company is actively assessing and responding where possible to the potential impact of the COVID-19 pandemic.

Such public health crises can result in volatility and disruptions in the supply and demand for mushroom products, global supply chains and financial markets, as well as declining trade and market sentiment, and reduced mobility of people, all of which could affect commodity prices, interest rates, credit ratings, credit risk and inflation. The risks to the Company of such public health crises also include risks to employee health and safety, a slowdown or temporary suspension of operations impacted by an outbreak, increased labour and fuel costs, regulatory changes, political or economic instabilities or civil unrest. The extent to which COVID-19 will or may impact the Company is uncertain and these factors are beyond the Company's control; however, it is possible that COVID-19 may have a material adverse effect on the Company's business, results of operations and financial condition. The Company relies on third parties to conduct and monitor the Company's pre-clinical studies and clinical trials. However, to the knowledge of the Company's management, the ability of these third parties to conduct and monitor pre-clinical studies and clinical trials has not been and is not anticipated to be impacted by COVID-19. The Company is not currently aware of any changes in laws, regulations or guidelines, including tax and accounting requirements, arising from COVID-19 which would be reasonably anticipated to materially affect the Company's business.

Management of the Company will continue to monitor the situation regarding COVID-19 and may take actions that alter the Company's business operations as may be required by federal, provincial or local authorities, or that management determines are in the best interests of the Company's employees, shareholders and other stakeholders. Such alterations or modifications could cause substantial interruption to the Company's business, any of which could have a materially adverse effect on, among other things, the Company's operations or financial results. The extent to which COVID-19 and any other pandemic or public health crisis impacts the

Company's business, affairs, operations, financial condition (including the Company's ability to raise funds), liquidity, availability of credit and results of operations will depend on future developments that are highly uncertain and cannot be accurately predicted, including new information which may emerge concerning the severity of and the actions required to contain the COVID-19 pandemic or remedy its impact, among others.

Success of Products is Dependent on Public Taste

The Company's revenues are and/or will be substantially dependent on the success of its products, which depends upon, among other matters, pronounced and rapidly changing public tastes, factors which are difficult to predict and over which the Company has little, if any, control. A significant shift in consumer demand away from the Company's products or its failure to expand its current market position will harm its business. Consumer trends change based on several possible factors, including nutritional values, a change in consumer preferences or general economic conditions.

Raw Materials

A few of the Company's molecules are derived from raw biomass. Accordingly, the Company and/or its manufacturers must acquire enough raw materials so that the products can be produced to meet the demand of its customers. A biomass shortage could result in loss of sales and damage to the Company. If the Company and/or its manufacturers become unable to acquire commercial quality raw materials on a timely basis and at commercially reasonable prices, and are unable to find one or more replacement suppliers with the regulatory approvals to produce raw materials at a substantially equivalent cost, in substantially equivalent volumes and quality, and on a timely basis, the Company's research and development schedule could be delayed.

Select Number of Products

The Company intends to develop and commercialize medicines derived from biomass upon such products receiving regulatory approvals. Achieving this objective may be heavily reliant on the production and distribution of the formulated products. If such products are not approved by regulators or do not receive sufficient, future market acceptance, it will be difficult for the Company to achieve future profitability. The Company's expects that its formulations will account for a significant portion of its future revenue.

Even if products to be distributed by the Company conform to international safety and quality standards, sales could be adversely affected if the medical community in target markets lose confidence in the safety, efficacy, and quality of biomass. Adverse publicity about psychedelics the Company sells may discourage consumers from consulting with their physicians regarding psychedelic assisted therapy using products distributed by the Company.

Medical Community and Patient Perception of Psychedelics

The Company will be highly dependent upon the medical community's perception of psychedelics. Professional therapists, and their patients, may associate its medications with illegal or prohibited substances, regardless of whether such medications are approved by regulators for use in psychedelic assisted therapies. The Company's revenues may be negatively impacted due to the fact the market does not fully accept medications, or other psychedelics.

Therapies containing controlled substances may generate public controversy. Political and social pressures and adverse publicity could lead to delays in approval of and increased expenses for our drug candidates. Opponents of these therapies may seek restrictions on marketing and may lobby for withdrawal of any regulatory approvals. In addition, these opponents may seek to generate negative publicity in an effort to persuade the medical community to reject these therapies. For example, we may face media-communicated criticism directed at our clinical development program. Adverse publicity from psilocybin misuse may adversely affect the commercial success or market penetration achievable by our drug candidates. Anti-psychedelic protests have historically occurred and may occur in the future and generate media coverage. Political pressures and adverse publicity could lead to delays in, and increased expenses for, and limit or restrict the introduction and marketing of, our drug candidates. If any of our drug candidates are approved for commercial sale, their success will be highly dependent upon consumer perceptions of their safety and quality. They may face limited adoption if third-party therapy sites, therapists, and patients are unwilling to try such novel treatments. There has been a history of negative media coverage regarding psychedelic substances, including psilocybin, which may affect the public's perception of our drug candidates. In addition, psilocybin elicits intense psychological experiences, and this could deter patients from choosing this course of treatment. We could be adversely affected if we were subject to negative publicity or if any of our drug candidates or any similar drugs distributed by other companies prove to be, or are asserted to be, harmful to patients. Because of our dependence upon consumer perception, any adverse publicity associated with illness or other adverse effects resulting from patients' use or misuse of our drugs or any similar drugs distributed by other companies could have a material adverse impact on our business, prospects, financial condition and results of operations. Future adverse events in research into neuropsychiatric disorders, or the pharmaceutical industry more generally, could also result in greater governmental regulation, stricter labeling requirements and potential regulatory delays in the testing or approvals of our drug candidates. Any increased scrutiny could delay or increase the costs of obtaining regulatory approval for our drug candidates.

Brand Awareness

The Company's medications are intended for use in medical practice in the United States and other locations worldwide. Brand awareness has not been achieved inside or outside these regions, and it is to be determined whether such awareness among consumers is a critical success factor in a clinical setting. There is no assurance that the Company will be able to achieve brand awareness in any of these regions. In addition, the Company may have to develop successful marketing, promotional and sales programs in order to sell its products.

Development of New Medications

The Company's success will depend, in part, on its ability to develop, introduce and market new and innovative medications. If there is a shift in medical practitioner or patient demand, the Company must meet such demand through new and innovative medications or else its business may be negatively impacted. The Company's ability to develop, market and produce new medications is subject to it having substantial capital. There is no assurance that the Company will be able to develop new and innovative products or have the capital necessary to develop such medications.

Certain Arrangements with Research Partners Not Yet Formalized

There are no formal agreements in place that details the terms and governs the relationship between the Company and each of Leiden University, the University of Alberta and Royal Ottawa in regards to the applicable Phase 2a Clinical Trial, and, although the Company intends

to enter into such formal agreements, they may never be entered into. Currently, the terms of the arrangements are based on correspondence between the Company and each research partner. The absence of formal agreements could adversely affect the oversight and operations of these arrangements, and the lack of clarity and specifically defined roles could lead to a strain on, or breakdown of, the working relationship between the Company and these universities. Furthermore, in the event of a dispute, it will not be immediately clear what recourse each party has against the other, if any.

Legal Proceedings

From time to time, the Company may be a party to legal and regulatory proceedings, including matters involving governmental agencies, entities with whom it does business and other proceedings arising in the ordinary course of business. The Company will evaluate its exposure to these legal and regulatory proceedings and establish reserves for the estimated liabilities in accordance with generally accepted accounting principles. Assessing and predicting the outcome of these matters involves substantial uncertainties. Unexpected outcomes in these legal proceedings, or changes in management's evaluations or predictions and accompanying changes in established reserves, could have an adverse impact on the Company's financial results.

Failure to Achieve its Publicly Announced Milestones

From time to time, the Company may announce the timing of certain events it expects to occur, such as the anticipated timing of future clinics becoming operational, research and development updates and results. These statements are forward-looking and are based on the best estimates of management at the time relating to the occurrence of such events. However, the actual timing of such events may differ from what has been publicly disclosed. These variations in timing may occur as a result of different events, beyond the Company's control having the effect of delaying the publicly announced timeline. The Company undertakes no obligation to update or revise any forward-looking information or statements, whether as a result of new information, future events or otherwise, except as otherwise required by law. Any variation in the timing of previously announced milestones could have a material adverse effect on its business plan, financial condition or operating results and the trading price of the Common Shares.

Regulatory Compliance

Achievement of the Company's business objectives is subject to compliance with regulatory requirements enacted by governmental authorities. The Company may incur costs and obligations related to regulatory compliance. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. The 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. See "*Risk Factors –Regulatory Compliance".*

Regulatory Changes

In Canada, psilocybin is classified as a Schedule III drug under the CDSA. In the United States, psilocybin is classified as a Schedule I drug under the CSA. All activities involving such substance by or on behalf of the Company are conducted in accordance with applicable federal, provincial, state and local laws. While the Company is focused on programs using psilocybin, the Company does not have any direct or indirect involvement with the illegal selling, production

or distribution of any substances in the jurisdictions in which it operates and does not intend to have any such involvement. However, a violation of any applicable laws the jurisdictions in which the Company operates could result in significant fines, penalties, administrative sanctions, convictions or settlements arising from civil proceedings initiated by either government entities in the jurisdictions in which the Company operates, or private citizens or criminal charges.

Any changes in applicable laws and regulations could have an adverse effect on the Company's operations. The psychedelic drug industry is a fairly new industry and the Company cannot predict the impact of the ever-evolving compliance regime in respect of this industry. Similarly, the Company cannot predict the time required to secure all appropriate regulatory approvals for future products, or the extent of testing and documentation that may, from time to time, be required by governmental authorities. The impact of compliance regimes, any delays in obtaining, or failure to obtain regulatory approvals may significantly delay or impact the development of markets, its business and products, and sales initiatives and could have a material adverse effect on the business, financial condition and operating results of the Company.

The success of the Company's business is dependent on its activities being permissible under applicable laws and any reform of controlled substances laws or other laws may have a material impact on the Company's business and success. There is no assurance that activities of the Company will continue to be legally permissible.

Risks Related to Clinical Testing

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

The Company cannot predict whether any clinical trials, including the Phase 2a Clinical Trials, will begin as planned, will need to be restructured, or will be completed on schedule, or at all. The Company's product development costs will increase if it experiences delays in clinical testing. Significant clinical trial delays could shorten any periods during which the Company may have the exclusive right to commercialize its product candidates or allow its competitors to bring products to market before the Company, which would impair the Company's ability to successfully commercialize its product candidates and may harm its financial condition, results of operations and prospects. The Company's product development costs will increase if it experiences delays in testing or approval or if the Company needs to perform more or larger clinical trials than planned. Additionally, changes in regulatory requirements and policies may occur, and the Company may need to amend study protocols to reflect these changes.

Amendments may require the Company to resubmit its study protocols for re-examination, which may impact the cost, timing or successful completion of that trial. Delays or increased product development costs may have a material adverse effect on the Company's business, financial condition and prospects.

In addition, the human trial stage of the Company's clinical trials, including the Phase 2a Clinical Trials, cannot commence until the respective research partner provides its internal approvals of the trial, including ethics board approval, and all Health Canada approvals, licenses and exemptions are put in place in order to be permitted to carry out the clinical trials, including the related activities involving psilocybin.

The Company's prospects depend on the success of its product candidates which are at early stages of development, and it may not generate revenue for several years, if at all, from these products

Given the early stage of its product development, the Company can make no assurance that its research and development programs will result in regulatory approval or commercially viable products. To achieve profitable operations, the Company, alone or with others, must successfully develop, gain regulatory approval for, and market its future products. To obtain regulatory approvals for its product candidates being developed and to achieve commercial success, clinical trials must demonstrate that the product candidates are safe for human use and that they demonstrate efficacy.

Many product candidates never reach the stage of clinical testing and even those that do have only a small chance of successfully completing clinical development and gaining regulatory approval. Product candidates may fail for a number of reasons, including, 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 the Company or its 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 favourable outcomes in later-stage clinical trials, and the Company can make no assurance that any future studies, if undertaken, will yield favourable results.

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

The Company can make no assurance that any future studies, if undertaken, will yield favorable results. Many companies in the pharmaceutical and biotechnology industries have suffered significant setbacks in later-stage clinical trials after achieving positive results in early-stage development, and the Company cannot be certain that it will not face similar setbacks. These setbacks have been caused by, among other things, preclinical findings made while clinical trials were underway or safety or efficacy observations made in clinical trials, including

previously unreported adverse events. Moreover, preclinical and clinical data are often susceptible to varying interpretations and analyses, and many companies that believed their product candidates performed satisfactorily in preclinical studies and clinical trials nonetheless failed to obtain regulatory approval. If the Company fails to produce positive results in its clinical trials, the development timeline and regulatory approval and commercialization prospects for the Company's leading product candidates, and, correspondingly, its business and financial prospects, would be materially adversely affected.

Patients for Clinical Trials

If any of the Company's products advance from pre-clinical testing to clinical testing, and then through progressively larger and more complex clinical trials, the Company will need to enroll an increasing number of patients that meet its eligibility criteria. There is significant competition for recruiting patients in clinical trials, and the Company may be unable to enroll the patients it needs to complete clinical trials on a timely basis or at all.

Future Health Canada Approval

If the Company decides to directly conduct any future research in Canada into products that involve ingredients that are controlled under the CDSA (including certain psychedelics such as psilocybin) it will require a research license or Section 56 Exemption from Health Canada with similar controlled substance authorizations required from a federal competent authority in other jurisdictions. There is no assurance that such exemption would be granted, and if it were not to be granted, it might prevent the Company from handling and researching such products in Canada without collaborating with a licensed partner.

Product Liability

As a distributor of products designed to be ingested or inhaled by humans, the Company faces an inherent risk of exposure to product liability claims, regulatory action and litigation if its products are alleged to have caused damages, loss or injury. In addition, the sale of the Company's products involves the risk of injury to consumers due to tampering by unauthorized third parties or product contamination. A product liability claim or regulatory action against the Company could result in increased costs, could adversely affect the Company's reputation with its clients and consumers generally, and could have a material adverse effect on the results of operations and financial condition of the Company.

Even though the Company is not aware of any product liability claims at this time, its business exposes itself to potential product liability, recalls and other liability risks that are inherent in the sale of medication and other products. The Company can provide no assurance that such potential claims will not be asserted against it. A successful liability claim or series of claims brought against the Company could have a material adverse effect on its business, financial condition and results of operations.

Although the Company has obtained what it believes to be adequate product liability insurance, it cannot provide any assurances that it will be able to maintain adequate product liability insurance on acceptable terms, if at all, or that such insurance will provide adequate coverage against potential liabilities. Claims or losses in excess of any product liability coverage that may be obtained by the Company could have a material adverse effect on its business, financial conditional and results of operations.

Product Liability Claims

The Company may be required to pay for losses or injuries purportedly or actually caused by its products. Historically, there have been no product liability claims; however, there is no assurance that this trend will continue in the future. In the event that the Company's products are found to cause any injury or damage, the Company may be subject to substantial liability. This liability may exceed the funds available by the Company and result in the failure of its business.

Distribution/Supply Chain Interruption

The Company is susceptible to risks relating to distributor and supply chain interruptions. Distribution in Canada is largely accomplished through independent contractors, therefore, an interruption (e.g., a labour strike) for any length of time affecting such independent contractors may have a significant impact on the Company's ability to sell its products. Supply chain interruptions, including a production or inventory disruption, could impact product quality and availability. Inherent to producing products is a potential for shortages or surpluses in future years if demand and supply are materially different from long-term forecasts. The Company monitors category trends and regularly reviews maturing inventory levels.

Reliance on Third Party Manufacturers

The Company relies on outside sources to manufacture its products. The failure of such third party packagers to deliver either components or finished goods on a timely basis could have a material adverse effect on the business. The Company does not intend to develop its own packaging capacity in the short term. As these are third parties over which the Company will have little or no control, the failure of such third parties to provide components or finished goods on a timely basis could have a material adverse effect on the business, financial condition and operating results.

Product Recalls

Manufacturers, producers and distributors of products are sometimes subject to the recall or return of their products for a variety of reasons, including product defects, such as contamination, unintended harmful side effects or interactions with other substances, packaging safety and inadequate or inaccurate labelling disclosure. If any of the Company's products are recalled due to an alleged product defect or for any other reason, the Company could be required to incur the unexpected expense of the recall and any legal proceedings that might arise in connection with the recall. The Company may lose a significant amount of sales and may not be able to replace those sales at an acceptable margin or at all. In addition, a product recall may require significant management attention.

Although the Company's suppliers have detailed procedures in place for testing its products, there can be no assurance that any quality, potency or contamination problems will be detected in time to avoid unforeseen product recalls, regulatory action or lawsuits. Additionally, if the Company is subject to recall, the image of the Company could be harmed. A recall for any of the foregoing reasons could lead to decreased demand for the Company's products and could have a material adverse effect on the results of operations and financial condition of the Company. Additionally, product recalls may lead to increased scrutiny of the Company's operations by regulatory agencies, requiring further management attention, potential loss of applicable licenses and potential legal fees and other expenses.

Trademark Protection

The Company currently has no obtained any trademarks. Failure to register trademarks for the Company or its products could require the Company to rebrand its products resulting in a material adverse impact on its business.

Emerging Market Risks

The Company has operations in Jamaica, an emerging market country, and may have operations in additional emerging markets in the future. Such operations expose the Company to the socio-economic conditions as well as the laws governing the activities of the Company in Jamaica and any other jurisdiction where the Company may have operations in the future. Inherent risks with conducting foreign operations include, but are not limited to: high rates of inflation; extreme fluctuations in currency exchange rates, military repression; war or civil war; social and labour unrest; organized crime; hostage taking; terrorism; violent crime; expropriation and nationalization; renegotiation or nullification of existing licenses, approvals, permits and contracts; changes in taxation policies; restrictions on foreign exchange and repatriation; and changing political norms, banking and currency controls and governmental regulations that favour or require the Company to award contracts in, employ citizens of, or purchase supplies from, the jurisdiction.

The Jamaican government, or other governments in emerging markets where the Company may have operations in the future, may intervene in its economies, sometimes frequently, and occasionally make significant changes in policies and regulations. Changes, if any, in the research, cultivation and development of psilocybin mushroom and other botanicals policies or shifts in political attitude in Jamaica or other countries where the Company may have operations in the future may adversely affect its operations or profitability. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, currency remittance, importation of product and supplies, income and other taxes, royalties, the repatriation of profits, expropriation of property, foreign investment, maintenance of licenses, approvals and permits, environmental matters,

land use, land claims of local people, water use and workplace safety. Failure to comply strictly with applicable laws, regulations and local practices could materially impact the Company's operations in Jamaica or other countries where the Company may have operations in the future. The Company continues to monitor developments and policies in Jamaica to assess the impact thereof to its operations or future operations; however, such developments cannot be predicted and could have an adverse effect on the Company's operations in Jamaica.

Jamaica has a history of economic instability (such as inflation or recession). In 2013, Jamaica launched an ambitious reform program to stabilize the economy, reduce debt, and fuel growth, gaining national and international support. While there is no current political instability, and historically there has been no change in laws and regulations, this is subject to change in the future and could adversely affect the Company's business, financial condition and results of operations. Jamaica is vulnerable to natural disasters such as hurricanes and flooding and the effects of climate change. It is an upper middle-income economy that is nevertheless struggling due to low growth, high public debt, and exposure to external shocks.

Global economic crises could negatively affect investor confidence in emerging markets or the economies of emerging markets, including Jamaica. Such events could materially and adversely affect the Company's business, financial condition and results of operations.

Financial and securities markets in Jamaica are influenced by the economic and market conditions in other countries, including other emerging market countries and other global markets. Although economic conditions in these countries may differ significantly from economic conditions in Jamaica, investors' reactions to developments in these other countries, such as the recent developments in the global financial markets, may substantially affect the capital flows into Jamaica and the market value of the securities of the Company.

The legal and regulatory requirements and local business culture and practices in Jamaica and the foreign countries in which the Company may expand are different from those in which it currently operates. The officers and directors of the Company will rely, to a great extent, on the Company's local legal counsel and local consultants and advisors in respect of legal, banking, labour, financing and tax matters in order to ensure compliance with material legal, regulatory and governmental developments as they pertain to and affect the Company's operations, particularly with respect to psilocybin or related operations. Increased compliance costs may be incurred by the Company. Further, there can be no assurance that the Company will develop a marketable product or service in Jamaica or any other foreign country. These factors may have a material adverse effect on the Company's research and development business and the results of its research and development operations.

In the event of a dispute arising in connection with the Company's operations in Jamaica or another a foreign jurisdiction where the Company may conduct business, the Company may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdictions of the courts of Canada or enforcing Canadian judgments in such other jurisdictions. The Company may also be hindered or prevented from enforcing its rights with respect to a governmental instrumentality because of the doctrine of sovereign immunity. Accordingly, the Company's activities in foreign jurisdictions could be substantially affected by factors beyond the Company's control.

Other risks include the potential for fraud and corruption by suppliers or personnel or government officials which may implicate the Company, compliance with applicable anti-corruption laws, including the Corruption of Foreign Public Officials Act (Canada) by virtue of the Company's operating in jurisdictions that may be vulnerable to the possibility of bribery, collusion, kickbacks, theft, improper commissions, facilitation payments, conflicts of interest and

related party transactions and the Company's possible failure to identify, manage and mitigate instances of fraud, corruption, or violations applicable regulatory requirements.

To mitigate risk when operating in Jamaica, the Company may, in part, engage local counsel and/or consultants to advise on applicable regulatory and/or operational matters, as applicable, and it is anticipated that the Company's personnel will visit local operations as required to maintain regular involvement in such operations. No material language barriers exist.

Enforcement of legal rights in foreign jurisdictions

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

Employees May Engage in Misconduct or other Improper Activities

The Company's employees may engage in misconduct or other improper activities, including noncompliance with regulatory standards and requirements, which could have a material adverse effect on its business. The Company is exposed to the risk of employee fraud or other misconduct. Misconduct by employees could include failures to comply with applicable regulations, provide accurate information to the governmental authorities, comply with protocol and standards the Company has established, comply with federal, provincial, state and local laws, healthcare, fraud and abuse laws and regulations, report financial information or data accurately or disclose unauthorized activities to the Company. In particular, sales, marketing and business arrangements in the healthcare industry are subject to extensive laws and regulations intended to prevent fraud, kickbacks, self-dealing, and other abusive practices. These laws and regulations may restrict or prohibit a wide range of pricing, discounting, marketing and promotion, sales commission, customer incentive programs and other business arrangements. Employee misconduct could also involve the improper use of information obtained in the course of clinical trials, which could result in regulatory sanctions and serious harm to the Company's reputation. If any such actions are instituted against the Company, and the Company is not successful in defending itself or asserting its rights, those actions could have a substantial impact on the Company's business and results of operations, including the imposition of substantial fines or other sanctions.

Acquisition of Businesses

The Company may expand its business through the acquisition of companies or businesses or by entering into collaborations, each of which could disrupt the Company's business and harm its financial condition

The Company has in the past and may in the future seek to expand its pipeline and capabilities by acquiring one or more companies or businesses or entering into collaborations. Acquisitions and collaborations involve numerous risks, including, but not limited to: substantial cash expenditures; technology development risks; potentially dilutive issuances of equity securities; incurrence of debt and contingent liabilities, some of which may be difficult or impossible to identify at the time of acquisition; difficulties in assimilating the operations of the acquired

companies; potential disputes regarding contingent consideration; diverting the Company's management's attention away from other business concerns; entering markets in which the Company has limited or no direct experience; and potential loss of the Company's key employees or key employees of the acquired companies or businesses.

The Company's management has experience in making acquisitions and entering collaborations; however, the Company cannot provide assurance that any acquisition or collaboration will result in short-term or long-term benefits to it. The Company may incorrectly judge the value or worth of an acquired company or business. In addition, the Company's future success would depend in part on its ability to manage the rapid growth associated with some of these acquisitions and collaborations. The Company cannot provide assurance that it would be able to successfully combine its business with that of acquired businesses or manage a collaboration. Furthermore, the development or expansion of the Company's business may require a substantial capital investment by the Company.

Competition

The Company faces competition in the markets in which it operates. Some of the Company's competitors may also be better positioned to develop superior product features and technological innovations and able to better adapt to market trends than the Company. The Company's ability to compete depends on, among other things, high product quality, short lead-time, timely delivery, competitive pricing, range of product offerings and superior customer service and support. Increased competition may require the Company to reduce prices or increase costs and may have a material adverse effect on its financial condition and results of operations.

Any decrease in the quality of the Company's products or level of service to customers or any occurrence of a price war among the Company's competitors and the Company may adversely affect the business and results of operations.

Smaller Companies

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

The Company May Not Pay Dividends

The Company intends to retain earnings, if any, to finance the growth and development of the Company's business and does not intend to pay cash dividends on the Shares in the foreseeable future. The payment of future cash dividends, if any, will be reviewed periodically by the Board and will depend upon, among other things, conditions then existing including earnings, financial condition and capital requirements, restrictions in financing agreements, business opportunities and conditions and other factors.

Current Market Volatility

The securities market in Canada has recently experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance,

underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any market for the Shares will be subject to market trends generally, notwithstanding any potential success of the Company. The value of the Shares distributed hereunder will be affected by such volatility.

The volatility of the Shares may affect the ability of holders to sell the Shares at an advantageous price or at all. Market price fluctuations in the Shares may be adversely affected by a variety of factors relating to the Company's business, including fluctuations in the Company's operating and financial results, such results failing to meet the expectations of securities analysts or investors and downward revisions in securities analysis' estimates in connection therewith, sales of additional Shares, governmental regulatory action, adverse change in general market conditions or economic trends, acquisitions, dispositions or other material public announcements by the Company or its competitors, along with a variety of additional factors, including, without limitation, those set forth under the heading "Cautionary Note Regarding Forward-Looking Information". In addition, the market price for securities on stock markets, including the NEO is subject to significant price and trading fluctuations. These fluctuations have resulted in volatility in the market prices of securities that often has been unrelated or disproportionate to changes in operating performance. These broad market fluctuations may materially adversely affect the market price of the Company.

Additionally, the value of the Shares is subject to market value fluctuations based upon factors that influence the Company's operations, such as legislative or regulatory developments, competition, technological change and changes in interest rates or foreign exchange rates. There can be no assurance that the market price of the Shares will not experience significant fluctuations in the future, including fluctuations that are unrelated to the Company's performance.

Tax Issues

Income tax consequences in relation to the securities offered will vary according to the circumstances of each purchaser. Prospective purchasers should seek independent advice

General

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

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

DIVIDENDS AND DISTRIBUTIONS

Although the Board is permitted to declare dividends on the Shares from time to time out of available funds, it is the current policy of the Board to reinvest any profits in the development and advancement of the Company's business. No dividends have been declared on the Shares in the three most recently completed financial years.

DESCRIPTION OF CAPITAL STRUCTURE

General Description of Capital Structure

The authorized capital of the Company consists of an unlimited number of Shares. As of the date of this AIF, there are 264,988,617 Shares issued and outstanding. In addition, as of the date of this AIF, there were 13,193,157 Shares issuable on the exercise of Options and 66,187,081 Shares issuable on the exercise of Warrants.

Holders of Shares are entitled to receive notice of any meetings of Shareholders of Mydecine and to attend and cast one vote per Share at all such meetings. Holders of Shares do not have cumulative voting rights with respect to the election of directors and, accordingly, holders of a majority of the Shares entitled to vote in any election of directors may elect all directors standing for election. Holders of Shares are entitled to receive on a pro-rata basis such dividends, if any, as and when declared by the Company's Board at its discretion from funds legally available therefor and upon the liquidation, dissolution or winding up of Mydecine are entitled to receive on a pro-rata basis the net assets of Mydecine after payment of debts and other liabilities, in each case subject to the rights, privileges, restrictions and conditions attaching to any other series or class of Shares ranking senior in priority to or on a pro-rata basis with the holders of Shares with respect to dividends or liquidation.

No pre-emptive, redemption, sinking fund or conversion rights are attached to the Shares, and the Shares, when fully paid, will not be liable to further call or assessment. No other class of Shares may be created without the approval of the holders of the Shares.

Constraints

The Company does not have any constraints imposed on the ownership of its securities to ensure that the Company has a required level of Canadian ownership.

Ratings

The Company does not have any ratings for its securities from a rating organization.

MARKET FOR SECURITIES

Trading Price and Volume

During 2020 and up to March 22, 2021, the Company's Shares traded on the CSE. On March 23, 2021, the Company's Shares migrated from the CSE and were listed on the NEO under the trading symbol "MYCO". The Shares also trade on the OTC Pink Sheets under the symbol "MYCOF" and the Frankfurt Stock Exchange under the symbol "0NFA". The following chart sets out the high and low trading prices, and volume of Shares traded on the CSE and the NEO, as applicable, on a monthly basis, for the most recently completed financial year:

Month / Year	High ($)	Low ($)	Volume
January 2021	0.57	0.385	32,154,757
February 2021	0.58	0.445	58,080,744
March 2021	0.475	0.38	33,421,196

April 2021	0.435	0.325	19,216,987
May 2021	0.390	0.320	12,364,818
June 2021	0.415	0.265	22,004,611
July 2021	0.590	0.370	24,105,513
August 2021	0.520	0.455	12,350,102
September 2021	0.465	0.320	12,784,745
October 2021	0.395	0.295	8,113,630
November 2021	0.310	0.175	24,899,559
December 2021	0.195	0.130	14,203,203

Prior Sales

For the twelve (12) month period before the most recently completed financial year, the Company issued the following securities that are not listed or quoted on a marketplace:

Date Issued	Number of Securities	Type of Security	Issue/ Exercise Price per Security
February 8, 2021	862,500	Units[(1)]	$0.50
February 8, 2021	862,500	Warrants[(1)]	$0.70
February 8, 2021	2,415,000	Unit Warrants[(2)]	$0.70
February 8, 2021	2,415,000	Warrants[(2)]	$0.70
December 9, 2021	32,352,941	Warrants[(3)]	$0.17

Notes:

(1) Each Unit is comprised of one common share in the capital of the Company (a “Common Share”) and one Common Share purchase warrant (a “Finance Warrant”). Each Finance Warrant is exercisable to acquire one additional Common Share at any time until February 12, 2024, at an exercise price of $0.70 per warrant.

(2) Each Unit Warrant is exercisable into units of one common share and one warrant (a “Broker Warrant”). Each Broker Warrant is exercisable to acquire one additional common share (a “Warrant Share”) for a period of 36 months following the Closing Date at an exercise price of $0.70 per Warrant Share.

(3) Each Warrant entitles the holder to purchase one common share (a "Warrant Share") of the Company at a price of $0.17 per Warrant Share for a period of thirty-six (36) months from the issuance date.

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

As at the date of this AIF, the Company's has nil issued and outstanding Shares in escrow or subject to a contractual restriction on transfer subject to various transfer restrictions.

DIRECTORS AND OFFICERS

Name, Occupation and Security Holding

The following table sets forth for each of the directors and officers of the Company, their name, province/state and country of residence; their principal occupations or employment; a brief biographical description; the date on which they became directors of the Company; their independence; their memberships with the applicable committees of the Company as of the date of this AIF. The directors are elected until the next annual shareholders' meeting or, in the case of a vacancy or resignation, until the election or nomination of a successor.

Name of Director / Officer	Shares Beneficially Owned, Directly or Indirectly, or Controlled or Directed[(1)]	Number of Options Held[(1)]
David Joshua Bartch		
Colorado, USA Director since June 22, 2018 President, CEO, Interim CFO since July 30, 2018	35,828,896	3,100,000
	President of Evolutionary Ventures LLC; Director of Revolutionary Software LLC; President of Trellis Holdings RE; President of Doctors Orders Group; President of Doctors Orders Maryland LLC; and President of Doctors Orders Mass LLC.	
Damon Michaels		
St John, Virgin Island Director since August 28, 2020 and COO since May 11, 2020	7,044,125	3,000,000
	Founder of Emerald Baron Consulting; VP Sales & Marketing of HB Farms; and General Manager of Ebbu LLC.	
Gordon Neal[(2)]		
Vancouver, BC Director since January 11, 2021	Nil	Nil
	President of New Pacific Metals; VP Corporate Development of Silvercorp Metals Corp.; and VP Corporate Development of MAG Silver Corp.	
Josephine Wu[(2)]		
Hong Kong Director since January 14, 2021	Nil	Nil
	Founder and CIO of Aionious Management Limited; Managing Director of UBP Asset Management Asia Ltd; and Managing Partner of Light & Salt Capital Management Limited.	
Robert Roscow		
Colorado, USA Director since December 9, 2020 and Chief Scientific Officer since May 8, 2020	6,366,585	1,500,000
	Director of Genetics Research of Victory Hemp Foods; Director of Genetics Research of Canopy Growth Corporation; and Director of Genetics Research of Ebbu LLC.	
Dr. Saeid Babaei[(2)]		
Toronto, Ontario Director since September 20, 2021	Nil	Nil
	Chairman and CEO of Virotek BioSciences Inc.	
Dr. Victoria Hale		
California, USA Director since February 3, 2022	Nil	Nil
	Chairman of Multidisciplinary Association for Psychedelic Studies	
Dean Ditto		
Colorado, USA CFO since December 31, 2020	779,259	Nil
	CFO of Sigue Corporation; VP and Corporate Controller of OSI Systems Inc.; and CFO of DLH Davinci LLC.	

Name of Director / Officer	Shares Beneficially Owned, Directly or Indirectly, or Controlled or Directed[(1)]	Number of Options Held[(1)]
Dr. Rakesh Jetly		
Ottawa, Canada Chief Medical Officer since August 31, 2020	338,853	Nil
	Colonel and Chief of Psychiatry, Canadian Armed Forces.	
Sanford Stein		
Highland Park, USA Chief Compliance Officer since October 1, 2020	318,354	Nil
	Private practice attorney and business advisor.	

Notes:

(1) The number of Shares beneficially owned, controlled or directed, directly or indirectly, by the above directors and officers is based on information furnished by the directors and officers themselves and from the insider reports available at www.sedi.ca.

(2) Member of the Audit Committee.

As of the date hereof, the directors and senior officers of Mydecine as a group beneficially own, directly or indirectly, or over which control or direction is exercised, 50,676,072 of the issued and outstanding Shares, representing approximately 18.87% of the total votes attaching to all of the outstanding voting securities of Mydecine on a non-diluted basis.

Board Committees

The Board has Audit Committee, Compensation Committee and Nominating and Corporate Governance.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To the knowledge of the Company, no director or executive officer of the Company is, as at the date of this AIF, or was within 10 years before the date of this AIF, a director, chief executive officer or chief financial officer of any company (including the Company), that:

(a) was subject to an order 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) was subject to an order 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.

For the purposes of subsection (a), “order” means: (i) a cease trade order, (ii) an order similar to a cease trade order; or (iii) an order that denied the relevant company access to any exemption under securities legislation, which was in effect for more than 30 consecutive days.

To the knowledge of the Company, 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 the Company

(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 the 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; 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;

(b) has 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

(c) has 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 in making an investment decision.

Conflicts of Interest

The directors are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interests that they may have in any project or opportunity of the Company. If a conflict of interest arises at a meeting of the Board, any director in a conflict will disclose his interest and abstain from voting on such matter.

To the best of the Company's knowledge, there are no known existing or potential conflicts of interest among the Company, its promoters, directors and officers or other members of management of the Company or of any proposed promoter, director, officer or other member of management as a result of their outside business interests, except that certain of the 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 the Company and their duties as a director or officer of such other companies. All related party transactions during each reporting period are detailed in the Company's Management Discussion & Analysis for the fiscal year ended December 31, 2020.

PROMOTERS

The Company does not currently have any promoters, nor has it had any promoters during the past two most recently completed financial years.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

The Company may become party to litigation or other adversary proceedings, with or without merit, in a number of jurisdictions. The cost of defending such claims may take away from management time and effort and if determined adversely to Mydecine, may have a material and adverse effect on its cash flows, results of operation and financial condition. As of the date of this AIF the Company is not party to any litigation or other adversary proceedings.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as described below, in the three most recently completed financial years or the current financial year, no director, or executive officer of the Company, or any shareholders who beneficially own, control or direct, directly or indirectly, more than 10% of the Company's outstanding Shares, or any known associate or affiliate of such persons, had or is expected to

have any material interest, direct or indirect in any transactions with the Company that materially affected or would materially affect the Company. All related party transactions are detailed in the Company's financial statements for the fiscal year ended December 31, 2021.

- David Joshua Bartch, CEO and a director of the Company declared his interest and abstained from voting in respect of the Trellis Acquisition. Pursuant to the Trellis Acquisition, Mr. Bartch received 25,000,000 Shares, representing approximately 29.6% of the Company's issued and outstanding Shares following such issuance;

- 3063625 Nova Scotia Ltd. received 11,500,000 Shares in respect of the Mydecine Acquisition, representing approximately 20.4% of the Company's issued and outstanding Shares following such issuance; and

- Pursuant to the Neuropharm acquisition, Rakesh Jetly received 1,003,156 Shares, representing approximately 0.65% of the Company's issued and outstanding Shares following such issuance.

TRANSFER AGENT AND REGISTRAR

The Company's transfer agent and registrar is National Securities Administrators Ltd. located at 777 Hornby Street, Suite 702, Vancouver, British Columbia V6Z 1S2.

MATERIAL CONTRACTS

The Company is not a party to any material contracts entered into within the most recently completed financial year, or before the most recently completed financial year, but that are still in effect, other than those contracts entered into in the ordinary course of business or disclosed under the General Development of the Business.

INTERESTS OF EXPERTS

MNP LLP, of Suite 300, 111 Richmond St W, Toronto, ON M5H 2G4 has performed the audit in respect of the annual financial statements of the Company for the financial year ended December 31, 2021. MNP LLP, is independent of the Company in accordance with the rules of professional conduct of the Chartered Professional Accountants of Ontario.

AUDIT COMMITTEE DISCLOSURE

The Company is required to have an audit committee comprised of not less than three directors, a majority of whom are not officers, control persons or employees of the Company or an affiliate of the Company.

Audit Committee Charter

The text of the Audit Committee's charter is attached as Schedule "A" to this AIF.

Composition of Audit Committee and Independence

The Company's current Audit Committee consists of Gordon Neal, Josephine Wu and Dr. Saeid Babaei.

NI 52-110 provides that a member of an audit committee is "independent" if the member has no direct or indirect material relationship with the Company, which could, in the view of the Company's Board, reasonably interfere with the exercise of the member's independent

judgment. The Company's current Audit Committee consists of Gordon Neal, Josephine Wu and Dr. Saeid Babaei. Gordon Neal and Josephine Wu are independent members of the Audit Committee.

NI 52-110 provides that 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. All of the members of the Audit Committee are "financially literate" as that term is defined. The following sets out the Audit Committee members' education and experience that is relevant to the performance of his responsibilities as an audit committee member.

Relevant Education and Experience

Gordon Neal

Gordon Neal has more than 35 years' experience in governance, corporate finance and investor relations. He founded Neal McInerney Investor Relations in 1991. Through marketing more than $4 billion in debt and equity financings, his company grew to be the second largest full-service Investor Relations firm in Canada with offices in Vancouver, Toronto and Los Angeles. His clients included; BCE, Nortel, Bell Canada International, Bell Mobility, Clearnet, Intrawest, Canaccord Capital, BMO Nesbitt Burns, and Blackberry (RIM). Prior to that, Mr. Neal was VP Corporate Development at MAG Silver Corp. where he provided capital market strategies and solutions to the board. He is currently the President of New Pacific Metals Corp. Mr. Neal has served on the boards of Falco Resources, Balmoral Resources, Americas Petrogas, Rockgate Capital, and Xiana Mining. Mr. Neal has raised more than $500 million for resources companies since 2004. Mr. Neal graduated from Dalhousie University with a B.Sc. in Biochemistry. He has also served as a member of the Dalhousie University Senate and Board of Governors.

Josephine Wu

Josephine Wu has over 18 years of hedge fund, family office and global asset management experiences including 10 years of listed, pre-IPO and early-stage Pan-Asia healthcare investment experience. She has been CIO and portfolio manager with combined assets under management over US$5 billion. She is the founder and CIO of Aionious Management Limited, a dedicated healthcare investment company which invests and provides business development and commercialization strategies in pan Asia region, specifically in China. Ms. Wu brings in an extensive network of experts in operation, clinical, market positioning and regulatory knowledge in the Pan Asia healthcare landscape. Her investments in different stages healthcare companies have led to a few successful commercialization launches of pharmaceutical products, regulatory approvals for decontamination solutions for hospitals and research centers and signing of strategic partnerships in commercialization transactions and IPOs.

Saeid Babaei

Dr. Babaei's track record includes more than 20 years of academic and corporate experience, during which he has led a number of novel and first-in-class product opportunities either to commercialization or to late-stage development. He brings a tremendous business foresight, having closed over 25 licensing and strategic alliance transactions, as well as raising more than $50 million in equity and debt financing. Dr. Babaei is currently the Chairman and CEO of Virotek Biosciences, a Canadian biopharmaceutical engaged in R&D and commercialization of therapeutic and diagnostic solutions for infectious diseases and cancer. ViroNetix as a wholly owned subsidiary of Virotek is utilizing is mobilization platform for population screening and

clinical diagnostics for COVID-19, using governmental-approved PCR testing cost effectively and at large scale.

Audit Committee Oversight

Since the commencement of the Company's most recently completed financial year, the Audit Committee of the Company has not made any recommendations to nominate or compensate an external auditor which were not adopted by the Board.

Reliance on Certain Exemptions

Since the commencement of the Company's most recently completed financial year, the Company has not relied on:

a) the exemption in section 2.4 (De Minimis Non-audit Services) of NI 52-110;

b) the exemption in section 3.2 (Initial Public Offerings) of NI 52-110;

c) the exemption in section 3.4 (Events Outside Control of Member) of NI 52-110; or

d) an exemption from NI 52-110, in whole or in part, granted under Part 8 (Exemptions).

Pre-Approval Policies and Procedures

The Audit Committee has not adopted any specific policies and procedures for the engagement of non-audit services.

Audit Fees

The following table sets forth the fees paid by the Company and its subsidiaries to MNP LLP, SHIM & Associates LLP and Adam Sung Kim Ltd., Chartered Professional Accountant, former auditor of the Company, for services rendered in the last two fiscal years:

Nature of Services	Fees paid to Auditor in YE December 31, 2021	Fees paid to Auditor in YE December 31, 2020
Audit Fees	$300,000	$300,000
Audit-Related Fees	Nil	Nil
Tax Fees	$87,000	$44,000
All other Fees	$210,000	Nil
TOTAL	**$597,000**	**$344,000**

Notes:

(1) "Audit Fees" include fees necessary to perform the annual audit and quarterly reviews of the Company's consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.

(2) "Audit-Related Fees" include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.

(3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.

(4) “All Other Fees” include all other non-audit services.

ADDITIONAL INFORMATION

Financial information about the Company is contained in its comparative financial statements and management’s discussion & analysis for the fiscal years ended December 31, 2021 and 2020, and additional information relating to the Company is available on SEDAR, under the Company’s profile, at www.sedar.com.

Additional information, including particulars of directors’ and officers’ remuneration and indebtedness, principal holders of the Company’s securities and securities authorized for issuance under equity compensation plans, where applicable, is contained in the information circular prepared in respect of the Company’s annual general meeting to be held on or about September 20, 2022.

SCHEDULE "A"

CHARTER OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS OF MYDECINE INNOVATIONS GROUP INC. (the "Company")

1. Purpose

1.1 The Audit Committee is ultimately responsible for the policies and practices relating to integrity of financial and regulatory reporting, as well as internal controls to achieve the objectives of safeguarding of corporate assets; reliability of information; and compliance with policies and laws. Within this mandate, the Audit Committee's role is to:

(a) support the Board of Directors in meeting its responsibilities to shareholders;

(b) enhance the independence of the external auditor;

(c) facilitate effective communications between management and the external auditor and provide a link between the external auditor and the Board of Directors;

(d) increase the credibility and objectivity of the Company's financial reports and public disclosure.

1.2 The Audit Committee will make recommendations to the Board of Directors regarding items relating to financial and regulatory reporting and the system of internal controls following the execution of the Committee's responsibilities as described herein.

1.3 The Audit Committee will undertake those specific duties and responsibilities listed below and such other duties as the Board of Directors from time to time prescribe.

2. Membership

2.1 Each member of the Audit Committee must be a director of the Company.

2.2 The Audit Committee will consist of at least three members, the majority of whom are neither officers nor employees of the Company or any of its affiliates.

2.3 The members of the Audit Committee will be appointed annually by and will serve at the discretion of the Board of Directors.

3. Authority

3.1 In addition to all authority required to carry out the duties and responsibilities included in this charter, the Audit Committee has specific authority to:

(a) engage, and set and pay the compensation for, independent counsel and other advisors as it determines necessary to carry out its duties and responsibilities; and

(b) communicate directly with management and any internal auditor, and with the external auditor without management involvement.

(c) Approve interim financial statements and interim MD&A on behalf of the Board of Directors.

4. Duties and Responsibilities

4.1 The duties and responsibilities of the Audit Committee include:

(a) recommending to the Board of Directors the external auditor to be nominated by the Board of Directors;

(b) recommending to the Board of Directors the compensation of the external auditor;

(c) reviewing the external auditor's audit plan, fee schedule and any related services proposals;

(d) overseeing the work of the external auditor;

(e) ensuring that the external auditor is in good standing with the Canadian Public Accountability Board and will enquire if there are any sanctions imposed by the CPAB on the external auditor;

(f) ensuring that the external auditor meets the rotation requirements for partners and staff on the Company's audits;

(g) reviewing and discussing with management and the external auditor the annual audited financial statements, including discussion of material transactions with related parties, accounting policies, as well as the external auditor's written communications to the Committee and to management;

(h) reviewing the external auditor's report, audit results and financial statements prior to approval by the Board of Directors;

(i) reporting on and recommending to the Board of Directors the annual financial statements and the external auditor's report on those financial statements, prior to Board approval and dissemination of financial statements to shareholders and the public;

(j) reviewing financial statements, MD&A and annual and interim earnings press releases prior to public disclosure of this information;

(k) ensuring adequate procedures are in place for review of all public disclosure of financial information by the Company, prior to is dissemination to the public;

(l) overseeing the adequacy of the Company's system of internal accounting controls and internal audit process obtaining from the external auditor summaries and recommendations for improvement of such internal accounting controls;

(m) ensuring the integrity of disclosure controls and internal controls over financial reporting;

(n) resolving disputes between management and the external auditor regarding financial reporting;

(o) establishing procedures for:

(i) the receipt, retention and treatment of complaints received by the Company from employees and others regarding accounting, internal accounting controls or auditing matters and questionable practices relating thereto; and

(ii) the confidential, anonymous submission by employees of the Company or concerns regarding questionable accounting or auditing matters.

(p) reviewing and approving the Company's hiring policies with respect to partners or employees (or former partners or employees) of either a former or the present external auditor;

(q) pre-approving all non-audit services to be provided to the Company or any subsidiaries by the Company's external auditor;

(r) overseeing compliance with regulatory authority requirements for disclosure of external auditor services and Audit Committee activities.

4.2 The Audit Committee will report, at least annually, to the Board regarding the Committee's examinations and recommendations.

5. Meetings

5.1 The quorum for a meeting of the Audit Committee is a majority of the members of the Committee who are not officers or employees of the Company or of an affiliate of the Company.

5.2 The members of the Audit Committee must elect a chair from among their number and may determine their own procedures.

5.3 The Audit Committee may establish its own schedule that it will provide to the Board of Directors in advance.

5.4 The external auditor is entitled to receive reasonable notice of every meeting of the Audit Committee and to attend and be heard thereat.

5.5 A member of the Audit Committee or the external auditor may call a meeting of the Audit Committee.

5.6 The Audit Committee will meet separately with the President and separately with the Chief Financial Officer of the Company at least annually to review the financial affairs of the Company.

5.7 The Audit Committee will meet with the external auditor of the Company at least once each year, at such time(s) as it deems appropriate, to review the external auditor's examination and report.

5.8 The chair of the Audit Committee must convene a meeting of the Audit Committee at the request of the external auditor, to consider any matter that the auditor believes should be brought to the attention of the Board of Directors or the shareholders.

6. Reports

6.1 The Audit Committee will record its recommendations to the Board in written form which will be incorporated as a part of the minutes of the Board of Directors' meeting at which those recommendations are presented.

7. Minutes

7.1 The Audit Committee will maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board of Directors.