ENTHEON BIOMEDICAL CORP.

(formerly MPV Explorations Inc.)

MANAGEMENT DISCUSSION AND ANALYSIS

For the three months ended February 28, 2021 and February 29, 2020

(First quarter)

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OVERVIEW

The following management discussion and analysis ("**MD&A**") of the financial position of Entheon Biomedical Corp. ("**Entheon**" or "**the Company**") (formerly MPV Explorations Inc. ("**MPV**")), and results of operations prepared on April 26, 2021, should be read in conjunction with the unaudited consolidated condensed interim financial statements for the three-month period ended February 28, 2021. All amounts are stated in Canadian dollars unless otherwise indicated. These consolidated condensed interim financial statements together with this MD&A are intended to provide investors with a reasonable basis for assessing the financial performance of the Company. Additional information relating to Entheon is available on SEDAR at www.SEDAR.com.

Entheon maintains its head office at Suite 211, 3030 Lincoln Avenue, Coquitlam, British Columbia, Canada V3B 6B4 and registered office at 10th Floor, 595 Howe Street, Vancouver, British Columbia, Canada, V6C 2T5. Entheon is a biotechnology research and development company incorporated under the Canadian Business Corporations Act. Entheon is the result of a three-cornered amalgamation, completed on November 5, 2020. Following this amalgamation, Entheon changed its name from MPV Exploration Inc. to Entheon Biomedical Corp. Entheon also proceeded with the consolidation of its common shares ("**Common Shares**") on the basis of one post-consolidation Common Share for three pre-consolidation Common Shares (the "**Consolidation**"). Entheon's Common Shares are listed for trading on the Canadian Securities Exchange ("**CSE**") under the symbol "ENBI".

All capitalized terms not defined herein have the meanings assigned to them in the filing statement of the Company dated November 12, 2020, available under the Company's profile on SEDAR at www.sedar.com.

FORWARD LOOKING STATEMENTS

The information provided in this report may contain forward-looking statement within the meaning of applicable Canadian securities legislation. Statements in this report that are not historical facts are forward-looking statements involving known and unknown risks and uncertainties, which could cause actual results to vary considerably from these statements. Readers are cautioned not to put undue reliance on forward-looking statements. In some cases, forward-looking statements are preceded by, followed by or include words such as "may", "will", "would", "could", "should", "believes", "estimates", "projects", "potential", "expects", "plans", "intends", "anticipates", "targeted", "continues", "forecasts", "designed", "goal", or the negative of those words or other similar or comparable words.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Entheon to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Although management of Entheon believes that the assumptions made and the expectations represented by such statements are reasonable, there can be no assurance that a forward-looking statement herein will prove to be accurate.

ACQUISITION OF HALUGEN LIFE SCIENCES INC.

On January 14, 2021, the Company, HaluGen Life Science Inc. ("**HaluGen**") and the holders of shares issued by HaluGen ("**HaluGen Shareholders**") entered into a share exchange agreement pursuant to which the Company agreed to purchase all of the issued and outstanding shares of HaluGen from the HaluGen Shareholders in exchange for an aggregate of 5,100,000 Common Shares (the "**HaluGen Transaction**"). The HaluGen Transaction closed on the same day and the stock price on that day was $0.88. The fair value of the Common Shares was determined to be $4,488,000. HaluGen is a biotech company in the business of developing and commercializing a pre-screening test to identify genetic markers predictive of an individual's reaction to hallucinogenic drugs.

For accounting purpose, the acquisition is considered to be outside the scope of IFRS 3 *Business Combinations* ("**IFRS 3**") as the Company did not constitute a business prior to the HaluGen Transaction. As a result, the acquisition is accounted for in accordance with IFRS 2 *Share-based Payment* whereby the Company deemed to have issued shares in exchange for the net assets of HaluGen at the fair value of the consideration deemed received by the Company.

The allocation of the consideration is as follows:

Net assets acquired:	$
Current assets	417,861
Current liabilities assumed	(37,002)
Intangible asset – research and development in process	4,138,939
Net assets acquired	4,519,738
Consideration given:	
Value of Common Shares deemed to be issued by the Company (5,100,000 shares @ $0.88 per share)	4,488,000
Legal and other transaction costs	31,798
	4,519,798

In connection with the HaluGen Transaction, the Company entered into an amended Product Development Agreement with Lobo Genetics Inc. ("**Lobo**"). On February 24, 2021, the Company issued 900,000 Common Shares to Lobo for fulfillment of the performance milestones in accordance with the Product Development Agreement. The fair value of the Common Shares was determined to be $738,000 based on a closing price of $0.82, which was included as an addition to intangible asset of the research and development in process on the condensed consolidated interim financial statements.

DESCRIPTION OF BUSINESS

Entheon is a biotechnology research and development company committed to developing and commercializing its DMT Products and DMT Delivery System (each defined below) for the purposes of treating addiction and substance use disorders. DMT (Dimethyltryptamine) is a chemical substance that naturally occurs in many plants and animals and which is a structural analog of serotonin; it is among the most potent of the classic psychedelic drugs, and is unique in that its effects last only

minutes instead of hours. Given the emerging recognition of the therapeutic potential of classic psychedelics for treating mental health disorders, the short acting and powerful nature of DMT make it the ideal molecular candidate for medical use. Notwithstanding the foregoing, DMT is currently a Schedule III drug under The Controlled Drugs and Substances Act (Canada) and a Schedule I drug under The Controlled Substances Act (United States) and the UN Convention 1971 (European Union) and is illegal, under each such legislation, to possess without a prescription or an exemption. As of the date hereof, neither Health Canada, the United States Food and Drug Agency ("**FDA**") nor the European Medicines Agency (the "**EMA**") have approved DMT as a drug for any indication.

DMT Products

Entheon seeks to develop and commercialize a portfolio of safe and effective DMT based psychedelic therapeutic products that consist of proprietary DMT drug formulations packaged in single-use containers targeted to treat a number of different addiction and substance use disorders (the "**DMT Products**"). The containers may alternatively take the form of intravenous bags, ampules, or cartridges but in any case will be designed to work within the DMT Delivery System (see below). Each unit of the DMT based drug solution will be offered in tamper-proof packaging and sealed in a way that only allows it to be used for one treatment session. The contents will be a proprietary mixture and will include the exact amount of DMT for the treatment in question, along with other non-medicinal ingredients such as stabilizing agents and saline solution. The specific dose of DMT for each type of treatment will be determined from the results of Entheon's clinical trials. It is Entheon's intention that the DMT Products will be used in medical clinics, treatment centres and hospitals to treat patients with addiction and substance use disorders. Essential to the ability of each DMT Product to effectively treat the particular addiction or disorder it is intended to treat is both: (i) the amount of DMT contained in each product; and (ii) the particular dosage instructions provided therewith (collectively referred to as the "**Dosing Strategies**"). To that end, in connection with the DMT Products, Entheon is currently developing a number of different proprietary Dosage Strategies to treat different addictions and disorders, each of which will be incorporated into the different DMT Products developed. In the simplest terms, Entheon plans to develop and sell containers of DMT-based medicine containing predetermined amounts of DMT with the corresponding instructions to treat a patient for his/her specific addiction.

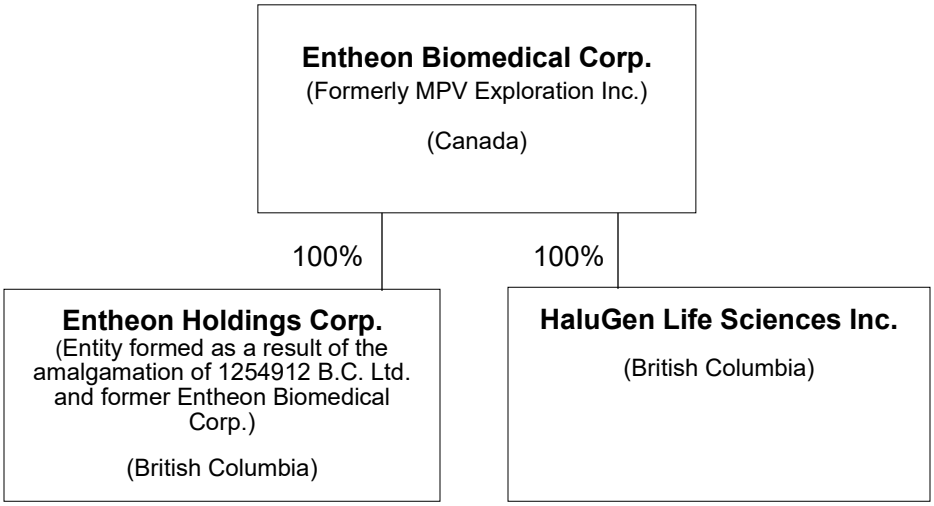
DMT Delivery System

Furthermore, Entheon eventually seeks to develop and commercialize a set of delivery equipment that can effectively pump its DMT Products into patients and thereafter measure their vital signs to ensure the particular DMT Product is working correctly (the "**DMT Delivery System**"). The DMT Delivery System will be administered within a proprietary therapeutic protocol, which is intended to integrate intravenous infusion technology with real-time monitoring devices, including electroencephalography. The DMT Delivery System will employ existing target-controlled intravenous pump technology, typically used in analgesia and pain management, to administer Entheon's DMT Products according to the Dosing Strategies developed by Entheon. Operating within a calibrated dose range specific to treating addiction, the variable flow rate will gradually bring the patient to a therapeutic level of immersion and maintain a constant subjective experience by integrating real-time neurological signals and other biometric data into the pump flow rate parameters. Unlike other psychedelic experiences, if the patient has an adverse reaction, the DMT Delivery System will allow the experience to be stopped safely and quickly without the need for sedatives or other drug interventions. This DMT Delivery System will also allow for inputs and adjustments by the attending physician, and will include a patient-

controlled device to pause or abort the treatment in the rare event of a challenging subjective experience. The DMT Delivery System will include sensors to monitor the patients' brain activity, along with heart rate, body temperature and other vital signs, to ensure that they are responding as expected to the treatment.

Entheon does not currently generate revenue. Subject to obtaining all requisite regulatory approvals and permits, Entheon intends to generate revenue through the sale of its DMT Products, and eventually the license of its DMT Delivery System to physicians, clinics and licensed psychiatrists in the United States, certain countries in the European Union and throughout Canada.

As of the date hereof, Entheon has two wholly-owned subsidiaries, which are reflected in the organization chart below:



OTHER BUSINESS ACTIVITIES

EEG Project Expansion

Entheon is actively developing electroencephalograph ("**EEG**") monitoring as a tool for real-time assessment of brain activity, to be integrated into the DMT Protocol and other treatment programs. Initially, EEG monitoring will help onsite clinicians assess a patient's subjective experience, by transmitting sensitive measurements of neuronal signal strength and complexity that have been established as correlates of psychedelic immersion. From this research and data gathering initiative the objective will be to increase Entheon's ability to develop therapies that are specific and responsive to an individual patient's needs. Pilot studies are being planned for collecting baseline EEG data in existing ketamine clinics, as described below. In partnership with Divergence Neuro, Entheon will also apply machine learning algorithms to its growing body of EEG datasets to reveal underlying neuronal phenotypes of both the "psychedelic brain" and the "addicted brain", thus providing powerful insights into patient variability and individual sensitivity to treatment. By integrating subjective EEG data and other biomarkers with its drug delivery system in real time, Entheon's approach will yield a personalized patient experience with unprecedented safety.

Digital Experience Development

Entheon is developing Virtual Reality ("**VR**") and Augmented Reality ("**AR**") based digital products to aid in the psychedelic-assisted psychotherapy preparation, treatment, and integration process. Entheon will research the extent to which VR programs, when paired with specified audio production and neuro-technology, can affect and expand a patient's experience to prepare for and benefit from therapeutic interventions**.** Entheon has hired Jonna Birgans, an experienced media producer, as VP of Digital Experiences to manage and lead the development of this project. Entheon is working with Dash Radio in the creation of VR "multiverses" and a catalogue of experiences to aid and assist the preparatory phase of treatment as well as the post-therapy phase of treatment. VR is intended to acclimate people to the psychedelic experience and presents a platform for the integration of specifically engineered audio and visual productions in to a psychotherapeutic program. The Fully Integrated Digital Experience is intended for eventual use in Entheon's DMT-based protocols, and is intended for near-term expansion across other molecules and treatment modalities.

EEG & Ketamine R&D – Further investment into Heading Health

Having already participated in a Series A Preferred Stock Financing, investing $200,000 USD for a 5% stake in Heading Health, LLC ("**Heading Health**") Entheon intends to increasing its stake in Heading Health to 10% ownership, providing R&D implications to Entheon, including increased exposure to the ketamine-assisted therapy space and the gathering of raw patient data in order to inform our in-development EEG and patient-monitoring platform.

Founded in Austin, Texas, Heading Health provides a full-suite of therapies and diagnostic tools, including Spravato® (esketamine) nasal spray and Intramuscular (IM) ketamine designed to target depression, anxiety, PTSD and OCD indications.

The Heading Health management team is experienced in operating and scaling psychiatric clinics across multiple states, securing insurance coverage and pioneering the most efficient and effective breakthroughs in clinical research and technologies.

This business arrangement enables Entheon to access data pertaining to ketamine therapy and the patient experience. This data will be used for research purposes to better inform the development of Entheon's own psychedelic therapy patient experience.

Entheon will implement EEG technology within Heading Health clinics to measure brain activity before, during and after treatments. This data will be leveraged to aid in the development of Entheon's EEG platform, with a particular focus on gaining insights into specific patient phenotypes leading to valuable insights about the patient experience and how to best tailor and conduct therapy moving in to the future.

Heading Health will provide guidance regarding clinical practice and the use of biomarker capture devices both in general psychiatric practice and Ketamine treatments.

Entheon is pursuing a research agreement with Heading Health with the objective of evaluating the effects of ketamine in order to better characterize this compound in the context of therapeutic application. Entheon will sponsor the studies, which will initially be an observational, open label-controlled study and will include 45 participants.

Commercial Expansion of Halugen

On January 14th, 2021, Entheon acquired HaluGen, a biotech company in the business of developing and commercializing a pre-screening test to identify genetic markers predictive of an individual's reaction to hallucinogenic drugs (the "**Psychedelics Genetic Test**"). In tandem with Entheon management, HaluGen has since completed all research, development, and commercialization objectives and has launched the Psychedelics Genetic Test to the general public in Canada for purchase through their online platform.

HaluGen's genetic test will improve the tools available to screen patients for underlying psychiatric disorders prior to undertaking psychedelic assisted therapy. Having completed the creation of the Genetic Test and the Technology Platform, HaluGen completed the steps needed to commercialize the Psychedelics Genetic Test for steady state operations.

Entheon seeks to expand HaluGen's commercial reach via expansion of its sales and marketing efforts digitally and business to business.

Entheon seeks to further develop its genetics capacities and intends to expand HaluGen's genetic biomarkers to be more broadly focussed on mental health to investigate what comprised certain mental health diagnoses for possible development into new genetics products as well to feed Entheon's larger data gathering endeavours.

EVENTS AND TRANSACTIONS

For the three-month period ended February 28, 2021 Entheon has expended $2,883,637 on development of its business. As at February 28, 2021, Entheon had a working capital of $6,266,714. During this time Entheon's activities have focused on:

- negotiating and executing strategic investments;
- conducting private placement financings;
- engaging partners to assist with the design and development of Entheon's *EEG Project Expansion*;
- engaging consultants to assist with the design and development of Entheon's *Digital Experience Development*;
- entering into a business arrangement with Heading Health to further the development of Entheon's *EEG & Ketamine R&D*;
- negotiating and executing the acquisition of HaluGen to commercialize a pre-screening test to identify genetic markers predictive of an individual's reaction to hallucinogenic drugs; and
- recruiting experienced leaders and advisors with big pharma experience.

On December 4, 2020 the Company executed an investor relations consulting agreement with Joseph Cullen, pursuant to which the Company has agreed to pay Mr. Cullen a sum of $5,000 per month for a one-year term. In addition, pursuant to its stock option plan, Entheon granted options to purchase up to 3,175,000 Common Shares (the "**Options**") to certain officers, directors and consultants of the Company. The Options are exercisable at $0.71 per share for a period of five years from the date of grant. Of the Options, 2,725,000 are subject to graded vesting over a 2-year term, with 25% vesting every 6 months and the remaining vesting immediately. The Options have been granted under and are governed by the terms of Entheon's incentive stock option plan.

On December 9, 2020, the Company elected to exercise its option to purchase up to 9.9% of the common shares of 2756407 Ontario Inc. dba Wonder Scientific ("**Wonder Scientific**"). The Company paid an aggregate purchase price of $150,000 to acquire 937,500 shares of Wonder Scientific at an option exercise price of $0.16 per common share.

On December 10, 2020, the Company signed a share purchase agreement with Wonder Scientific, the securityholders of Wonder Scientific ("**Vendors**"), and Global Health Clinics Ltd. ("**Global Health**") whereby the Vendors shall sell, assign, and transfer to Global Health, and the Global Health shall purchase from the Vendors, all of the right, title, and interest in 100% of the issued and outstanding common shares of Wonder Scientific ("**Purchased Shares**"), free and clear of all adverse interests. Immediately prior to the acquisition closing, the Debentures will be converted to common shares and as such, the holders of the Debentures will be treated as holders of Purchased Shares for purposes of the acquisition closing. Upon closing the Company received 2,260,870 common shares of Global Health. Global Health operates a two-part system of customer lead generation and conversion, through its network of pavilions and the ownership and operation of five medical clinics that aim to connect Canadians with ACMPR license producers by advancing the understanding of medical cannabis and its applications, and the provision of related services and products for patients suffering from illness from which they may find relief with medical cannabis, including facilitating access to qualified health care practitioners, independent medical cannabis evaluations and related advice. Global Health is traded on the CSE under the trading symbol "MJRX".

On December 24, 2020, the Company completed the first tranche of a non-brokered private placement financing for total gross proceeds of $3,174,374 (the "**December 2020 Placement**"). The majority of the December 2020 Placement was subscribed for by strategic investors. The Company has allotted and issued 4,232,499 units (the "**December Units**") at a price of Cdn$0.75 per December Unit. Each December Unit is comprised of one Common Share and one-half of one non-transferable common share purchase warrant ("**Entheon Warrant**"). Each Entheon Warrant entitles the holder to purchase one additional Entheon Share for a period of two (2) years at a price of $1.00 per Common Share, subject to accelerated expiry. In the event that, after four months and one day from issuance, the Common Shares trade at a closing price at or greater than $1.50 per Common Share for a period of 10 consecutive trading days, the Company may accelerate the expiry date of the Entheon Warrants by giving notice to the holders thereof, and in such case, the Entheon Warrants will expire on the 30th day after the date on which such notice is given by the Company (the "**Acceleration Right**"). Additionally, in connection with the December 2020 Placement, the Company paid finder's fees totaling $126,367 and issued an aggregate 168,490 finder's warrants to an arm's-length parties. Each finder's warrant is exercisable into one December Unit for a period of up to two years at a price of $0.75. The Company also paid other share issuance costs of $4,778 in cash.

On January 4, 2021 Entheon entered into a business arrangement with, and made a strategic investment in, Heading Health, a psychiatric clinic platform focused on the administration of psychedelic-assisted therapy to treat mental health disorders. In connection therewith, the Company and Heading Health executed a letter of intent. Entheon participated in a Series A Preferred stock financing, investing USD $200,000 (CDN $255,760) for a 5% stake in Heading Health. Under the terms of the investment, Entheon has the option to increase its overall holdings to up to 10% of Heading Health in the subsequent round of financing. This investment into Heading Health provides Entheon with exposure to the ketamine-assisted therapy space, including Spravato, an FDA approved Ketamine product that is eligible for insurance reimbursement. This business arrangement allows access to data pertaining to ketamine therapy and the patient experience. This data will be used for

research purposes to better inform the development of Entheon's own psychedelic therapy experience. Heading Health will provide guidance regarding clinical practice and the use of biomarker capture devices both in general psychiatric practice and Ketamine treatments. The arrangement is subject to the execution of a definitive agreement by both parties. See above under the heading "*Other Business Activities – EEG & Ketamine R&D – Further Investment into Heading Health*."

On January 11, 2021, the Company engaged Scott Keeney (known as DJ Skee, an American artist, television host, radio personality, philanthropist and entrepreneur) to serve as a media advisor. In his role, Mr. Keeney will work directly with the CEO of the Company, Timothy Ko, to develop multimedia campaigns and experiences specifically designed to define Entheon's role in the emerging psychedelic drug industry. Furthermore, Entheon seeks to utilize Mr. Keeney's experience in technology and platform building to explore the creation of media experiences for the purposes of enhancing and supporting psychedelic-assisted therapy patients. See above under the heading "*Other Business Activities – Digital Experience Development*".

On January 11, 2021, the Company closed a second tranche of the December 2020 Placement for additional proceeds of $40,141. Pursuant to this second tranche, the Company allotted and issued 53,521 December Units, all of which are also subject to the Acceleration Right.

On January 14, 2021, the Company completed its acquisition of HaluGen. See above under the heading "*Acquisition of HaluGen Life Sciences Inc*.".

On January 19, 2021, the Company announced a partnership with Divergence Neuro Technologies Inc. ("**Divergence**"), a company focused on the focused on the research and development of a data-driven, cloud-based neuro platform based on electroencephalogram ("**EEG**") analysis and machine learning, to research and develop DMT biomarkers and a predictive model of biomarker responses to drug dosage and delivery of DMT-based psychedelic therapeutic products targeted to treat a number of different addiction and substance use disorders (the "**DMT Biomarker Model**"). Divergence will also develop a software platform that supports the tracking of EEG data during pre, intra, and post dosing using, among other prediction models, the DMT Biomarker Model. See above under the heading "*Other Business Activities – EEG Project Expansion*".

On February 4, 2021, Entheon announced that it had appointed Joanna Birgans as Vice President of Digital Experience. Ms. Birgans will oversee and coordinate the creation of audio-visual and virtual reality-based experiences designed to enhance and modify the psychedelic therapy experience, while also leading the production of original company media content. See above under the heading "*Other Business Activities – Digital Experience Development*".

On February 16, 2021, Entheon announced that it had appointed Dr. Brian Jahns to the role of Chief Business Officer. Dr. Jahns brings more than 20 years of business leadership and biopharmaceutical expertise to his role in overseeing the overall business development of Entheon, including the development and maintenance of strategic relationships with third parties, including regulatory authorities. Importantly, Dr. Jahns will also work to develop a commercialization and post-market strategy for Entheon's therapeutic protocols, while developing and advancing other related products, services, and initiatives of the company. Dr. Jahns has held senior leadership roles in the biopharmaceutical industry, including ZYUS, Trillium Therapeutics and Roche Canada, and has been deeply involved in the successful launch and growth of several successful compounds including antiviral agents, transplant drugs and anticancer biologics and developing targeted therapies for

previously untreated diseases. Dr. Jahns has led preparations for commercialization, led efforts to procure commercial scale manufacturing, and led business partnering activities for several compounds.

On February 22, 2021, Entheon engaged Nancy Maher as Special Advisor of Data Science and Regulatory Affairs, providing expertise on the development of Entheon's data strategy design, study design and advise on regulatory relationships and data strategy. Ms. Maher has served as an executive and consultant for major pharmaceutical and information technology companies, including IBM, Gilead, Schering-Plough, Merck, Allergan, and Teva Pharmaceuticals and is currently SVP, Chief Information Officer, North America of Kyowa Kirin International plc. Ms. Maher will be consulting on the development and implementation of Entheon's data management systems for the collection, organization and analysis of data from upcoming pre-clinical and clinical trials, partnership initiatives, private clinic partnerships, and various technological initiatives. In addition, Ms. Maher will inform Entheon of best practices for the design and implementation of security measures as they relate to Entheon's data program, while also informing regulatory strategy and relationship as it relates to advancing conversations and applications with Health Canada, the FDA and EMA regulatory authorities.

On February 24, 2021, Entheon announced that HaluGen's proprietary psychadelic's genetic test kit and technology platform had completed research and development and is nearing commercial production. See above under the heading "*Other Business Activities – Commercial Expansion of HaluGen*".

On February 25, 2021, Entheon allotted and issued 900,000 common shares to Lobo for fulfilling its performance milestone in accordance with a Product Development Agreement among Entheon, HaluGen and Lobo. The shares are subject to a hold period of four months and one day.

RESULTS OF OPERATIONS

Research and development expenses consist of the following:

	For the three months ended February 28, 2021	For the three months ended February 29, 2020
Clinical research and regulatory	$ 221,638	$ -
Digital experience development	20,706	-
EEG project expansion	290,000	-
Management and consulting fees	42,877	110,583
Payroll expense	25,390	-
Professional fees	1,134	381
Total	**$ 601,745**	**$ 110,964**

The Company recorded research and development expenses for the three months ended February 28, 2021 of $601,745 compared to research and development expenses for the three months February 29, 2020 of $110,964, an increase of $490,781, primarily due to advancing the development of the DMT Products and DMT Delivery System as well as commencing the development of the Digital Experience and EEG project expansion.

General and administrative expenses consist of the following:

	For the three months ended February 28, 2021	For the three months ended February 29, 2020
Management and consulting fees	$ 296,665	$ 115,471
Marketing and travel	1,023,217	63,208
Payroll expense	73,380	-
Professional fees	57,083	21,533
Office and miscellaneous	177,727	34,293
Transfer agent and filing fees	23,733	-
Total	**$ 1,651,805**	**$ 234,505**

The Company recorded general and administrative expenses for the three months ended February 28, 2021 of $1,651,805 compared to general and administrative expenses for the three months February 29, 2020 of $234,505, an increase of $1,417,300, primarily due the addition of management and consultants to support the growth of the business and marketing campaigns necessary to help raise funding for the Company as well as build the awareness and corporate branding of the Company as it enters the psychedelic marketplace.

The following table provides select quarterly information:

	For the three months ended February 28, 2021	For the three months ended February 29, 2020
Net loss and comprehensive loss	$2,883,637	$368,847
Basic and diluted loss per share	$0.06	$0.02
Weighted average number of common shares outstanding	48,231,873	22,903,112

During the three months ended February 28, 2021, Entheon reported a net loss of $2,883,637 compared to a net loss of $368,847 for the three months ended February 29, 2020. The increase in the loss was a result primarily due to research and development expense of $601,745, general and administrative expense of $1,651,805, and share-based compensation expense of $823,976 attributable to ramping up with the activities discussed under "*Events and Transactions*" above.

Entheon has obtained its capital funding through debt and equity financings.

<u>During the three months ended February 28, 2021:</u>

a) On December 23, 2020, the Company completed the first tranche of the December 2020 Placement for total gross proceeds of $3,174,374. The Company allotted and issued 4,232,499 December Units at a price of $0.75 per December Unit. Each December Unit is comprised of one Common Share and one-half of one Entheon Warrant. Each Entheon Warrant entitles the holder to purchase one additional Common Share for a period of two (2) years at a price of $1.00 per share, subject to the Acceleration Right which provides that in the event that, after four months and one day from issuance, the Common Shares trade at a closing price at or greater than $1.50 per share for a period of 10 consecutive trading days, the Company may accelerate the expiry date of the Entheon Warrants by giving notice to the holders thereof, and in such case, the Entheon Warrants will expire on the 30th day after the date on which such notice is given by the Company. There was no value allocated to the Entheon Warrants based on the residual method. Additionally, in connection with the December 2020 Placement, the Company paid finder's fees totaling $126,367 and issued an aggregate 168,490 finder's warrants with a total fair value of $162,169 using the Black Scholes Option Pricing Model to arm's-length parties. Each finder's warrant is exercisable into one December Unit for a period of up to two years at a price of $0.75. The Company also paid other share issuance costs of $4,778 in cash.

b) On January 11, 2021, the Company closed the second tranche of the December 2020 Placement for additional proceeds of $40,141. Pursuant to this second tranche, the Company issued 53,521 December Units, all of which are also subject to the Acceleration Right noted above. There was no value allocated to the warrants based on the residual method.

c) On January 14, 2021, the Company completed its acquisition of HaluGen. Pursuant to the share exchange agreement among the Company, HaluGen and the shareholders of HaluGen, the Company acquired all of the issued and outstanding shares in the capital of HaluGen in exchange for 5,100,000 Common Shares which were issued to the shareholders of HaluGen

at a fair value of $0.88 per share. The issued Common Shares of the Company are subject to contractual restrictions on transfer, with 25% released at closing of the acquisition, and 25% to be released on the dates that are 4, 8, and 12 months following the closing date of the acquisition, respectively.

d) On February 25, 2021, the Company allotted and issued 900,000 Common Shares to Lobo for fulfilling its performance milestone in accordance with a product development agreement among the Company, HaluGen and Lobo. The common shares are subject to a hold period of four months and one day.

During the three months ended February 29, 2020:

a) On December 18, 2019, December 23, 2019 and January 30, 2020, the Company closed a private placement in 3 tranches and issued 3,485,000 units of the Company at a price of $0.25 per unit for gross proceeds of $871,250 and share issuance costs of $25,618. Each unit consists of one Class A voting common share in the capital of the Company and one-half of one Class A voting common share purchase warrant of the Company. Each warrant has an exercise price of $0.50 per warrant share for a period of 24 months from the closing of the offering; provided that the expiry of the warrants can be accelerated if the closing price of the Class A voting common shares on a stock exchange in Canada or the United States is at least $0.75 for a minimum of 21 consecutive trading days, then the warrants will expire on the 30th day after the date on which the Company provides notice of such accelerated expiry to the holders of the Warrants. There was no value allocated to the warrants based on the residual method.

b) On February 5, 2020, the Company issued a total of 100,000 Common Shares with a fair value of $25,000 to settle $2,000 in accounts payable for past services rendered by an officer of the Company. A loss on debt settlement of $23,000 was recognized in the condensed consolidated interim statement of comprehensive loss for the period ended February 29, 2020.

SUMMARY OF QUARTERLY RESULTS

	Feb 28, 2021	Nov 30, 2020	Aug 31, 2020	May 31, 2020	Feb 29, 2020	Nov 30, 2019	Jun 17, 2019 to Aug 31, 2019
Total revenue	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net loss	$2,883,637	$3,290,429	$350,663	$371,552	$368,847	$205,172	$72,856
Loss per share	$0.06	$0.10	$0.01	$0.02	$0.02	$0.03	$0.06
Loss per share (fully-diluted)	$0.06	$0.10	$0.01	$0.02	$0.02	$0.03	$0.06
Cash	$5,022,241	$2,787,006	$1,840,612	$946,897	$427,085	$112,655	$16,687
Working capital	$6,266,714	$3,676,241	$1,880,765	$938,853	$538,846	$42,174	($49,356)
Total assets	$12,033,985	$4,473,072	$2,036,394	$1,123,460	$678,491	$136,866	$32,717
Total non-current financial liabilities	Nil	Nil	Nil	Nil	Nil	Nil	Nil

The variability of net loss during the quarterly results is mainly due to the expense described above in the results of operations section.

LIQUIDITY AND CAPITAL RESOURCE

Entheon had cash at February 28, 2021, in the amount of $5,022,241 and working capital of $6,266,714 in order to meet short-term business requirements.

During the three months ended February 28, 2021 Entheon had the following changes in cash flow:

Cash used in Operating Activities

Entheon's cash used in operating activities for the three months ended February 28, 2021 was $2,715,057 compared to Entheon's cash flows used in operating activities for the three months ended February 29, 2020 of $324,681, an increase of $2,390,376, primarily due to result of an increase in operations that Entheon incurred.

Cash used in Investing Activities

Entheon's cash used in investing activities for the three months ended February 28, 2021 was $917 compared to Entheon's cash used in investing activities for the three months ended February 29, 2020 of $203,492, a decrease of $202,575, primarily due to the cash acquired on acquisition of subsidiary Halugen and the purchase of equity investments.

Cash provided by Financing Activities

Entheon's cash provided by financing activities for the three months ended February 28, 2021 was $4,951,209 compared to Entheon's cash provided by financing activities for the three months ended February 29, 2020 of $842,603, an increase of $4,108,606, primarily due to the exercise of warrants and increase in non-brokered private placement financing.

In order to continue as a going concern and meet its corporate objectives, Entheon will require additional financing through debt or equity issuances or other available means. Although Entheon has been successful in the past in obtaining financing, there is no assurance that Entheon will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to Entheon. Should Entheon identify a suitable asset or business acquisition, it would be required to raise additional capital to finance the transaction.

Entheon requires positive working capital to be able to continue its operations and have sufficient funds to satisfy maturing short-term obligations. Upcoming operational expenses include management and consulting fees, marketing expenses, office expenses, rent, and professional fees. Entheon also requires working capital to fund research and development. Upcoming capital expenditures include expenses related to literature review, preparation of regulatory documents and expert engagement, GLP/GMP drug manufacturing for nonclinical and clinical trials, preclinical in vivo studies and proof of concept studies.

The extent of Entheon's liquidity is dependent upon, among other things, its ability to: (a) complete subsequent debt or equity financings or obtain other sources of funding; (b) adequately manage its cash on hand; and (c) reduce costs and expenses. The aforementioned factors indicate the existence of material uncertainties which may cast significant doubt on Entheon's ability to continue as a going concern. Additionally economic downturns, uncertainties related to the COVID-19 pandemic, changes

in legislation or policies that affect Entheon and changes in the industry in which Entheon operates, in each case as discussed in more detail under the heading "*Additional Risk Factors*", are, among others, circumstances that may effect Entheon's liquidity.

This MD&A does not discuss adjustments or accompanying information that would be required if the going concern assumption is not an appropriate basis for preparation of the financial statements related to this MD&A. These adjustments could be material.

Set forth below are Entheon's commitments for capital expenditure over the next twelve months.

Commitment	Estimated Cost
Obtaining the Drug Products from Psygen for nonclinical and clinical trials	USD$40,000 (approximately CDN$50,288) [(1)]
Conducting the Preclinical Studies	USD$66,500 (approximately CDN$83,604) [(1)]
DMT formulation development	$70,000
Stability testing of drug substance and drug product	$20,000
DMT Assay Development	$100,000
Clinical Trial Insurance	$50,000
Developing the DMT Protocol and Conducting the Phase I Study	€793,592(approximately CDN$1,200,943) [(2)]
Total	**$1,574,835**

[(1)] Based on the Bank of Canada exchange rate on April 20, 2021 of 1.2572.
[(2)] Based on the Bank of Canada exchange rate on April 20, 2021 of 1.5133. In accordance with the CHDR Clinical Study Agreement 21% of this figure has been reserved for potential COVID-related costs.

Entheon expects to obtain the necessary funds to complete the above commitments through the use of current cash reserves, completing additional debt or equity financings or exploring other available means.

RELATED PARTY TRANSACTIONS

Key management personnel comprise the Company's Board of Directors and executive officers. Key management personnel compensation is comprised of the following:

Management fees	For the three months ended February 28, 2021	For the three months ended February 29, 2020
Chief Executive Officer	$ 35,000	$ 14,500
Chief Financial Officer	27,077	9,000
Chief Science Officer and Director Operations	29,538	9,355
Corporate Secretary	8,500	3,750
Directors	7,000	3,000
Total	**$ 107,115**	**$ 39,605**

On February 5, 2020, the Company issued a total of 100,000 Common Shares with a fair value of $25,000 to settle $2,000 in management fees payable to the Director of Operations. A loss on debt

settlement of $23,000 was recognized in the condensed consolidated interim statement of comprehensive loss for the three months ended February 29, 2020.

As at February 28, 2021, $16,923 (February 29, 2020 - $7,265) was due to directors and officers and companies controlled by directors and officers. The amounts are unsecured, non-interest bearing, due on demand and included in accounts payable and accrued liabilities.

During the three months ended February 28, 2021, the Company granted 1,925,000 Options to officers and directors, either immediate vesting or graded vesting with 25% every 6 months. The share-based compensation for these related parties totaled $596,849 for the three months ended February 28, 2021.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these condensed consolidated interim financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the condensed consolidated interim financial statements and reported amounts of expenses during the period. Actual results could differ from these estimates. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised. Significant areas requiring the use of management estimates include:

i) The determination of discount rate and effective interest rates on liability and equity components of the convertible notes. Changes in these assumptions could materially affect the recorded amounts.

ii) The determination of fair value of investments in convertible notes and equity securities requires valuation techniques. In applying the valuation techniques management makes maximum use of market inputs wherever possible, and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, company-specific information is considered when determining whether the fair value of an investment in convertible notes or equity securities should be adjusted upward or downward at the end of each reporting period. In addition to company-specific information, the Company will take into account trends in general market conditions and the share performance of comparable publicly-traded companies when valuing investments in convertible notes and equity securities.

iii) The determination of deferred income tax assets or liabilities requires subjective assumptions regarding future income tax rates and the likelihood of utilizing tax carry-forwards. Changes in these assumptions could materially affect the recorded amounts.

iv) The valuation of options and warrants requires estimation and assumptions for valuation techniques. Changes in such assumptions and estimates could materially impact the recorded amounts.

v) Amortization of intangible assets are dependent upon estimates of useful lives, which are

determined through the exercise of estimates. The assessment of any impairment of these assets is dependent upon estimates of recoverable amounts that take into account factors such as economic and market conditions and the useful lives of assets.

The preparation of these condensed consolidated interim financial statements requires management to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments in applying the Company's condensed consolidated interim financial statements include:

i) The assessment of the Company's ability to continue as a going concern involves judgment regarding future funding available for its projects and working capital requirements and whether there are events or conditions that may give rise to significant uncertainty.

ii) The determination of whether a business combination or an asset acquisition involves judgment regarding whether the acquiree meets the definition of business under IFRS 3.

FINANCIAL RISK MANAGEMENT

The Company's financial instruments are exposed to certain financial risks, including credit risk, liquidity risk, and market risk.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company has exposure to credit risk through its cash and cash equivalents. The Company manages credit risk, in respect of cash, by maintaining the majority of cash at highly rated financial institutions.

The Company's maximum exposure to credit risk at the end of any period is equal to the carrying amount of these financial assets as recorded in the statement of financial position. At February 28, 2021 and November 30, 2020, no amounts were held as collateral.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows required by its operating, investing and financing activities. The Company had cash at February 28, 2021, in the amount of $5,022,241 and working capital of $6,266,714 in order to meet short-term business requirements. Accounts payable have contractual maturities of approximately 30 to 90 days or are due on demand and are subject to normal trade terms.

Market risk

Market risk consists of interest rate risk, foreign currency risk and price risk. These are discussed further below.

Interest rate risk

Interest rate risk consists of two components:

i) To the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, the Company is exposed to interest rate cash flow risk.

ii) To the extent that changes in prevailing market rates differ from the interest rates on the Company's monetary assets and liabilities, the Company is exposed to interest rate price risk.

In management's opinion, the Company is not exposed to significant interest rate risk as the risk is primarily on cash and cash equivalents.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is not subject to significant foreign exchange risk.

Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk or foreign currency risk.

The Company is not exposed to any significant price risk.

Capital Management

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to pursue the research and development of psychedelic compounds.

The Company sets the amount of capital in proportion to risk. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares, sell assets, reduce debt or increase its debt. The capital of the Company comprises the shareholders' equity. The Company is not subject to any externally imposed capital requirements.

Classification of financial instruments

Fair Values and Classification

The Company's financial instruments consist of cash and cash equivalents, investment in convertible notes, investments in equity securities, accounts payable and convertible notes. Financial instruments are classified into one of the following categories: FVTPL, FVTOCI, or amortized cost. The carrying values of the Company's financial instruments are classified into the following categories:

Financial Instrument	Category
Cash	FVTPL
Investment in convertible notes	FVTPL
Investment in equity investments	FVTPL
Accounts payable	Amortized cost

ADDITIONAL INFORMATION

Off-Balance Sheet Arrangements

As at February 28, 2021 and up to the current date, Entheon had no off balance sheet arrangements.

Legal Proceedings

As at the date hereof, management was not aware of any legal proceedings involving Entheon.

Outstanding Share Data

As at February 28, 2021, Entheon has the following outstanding securities:
(i) Common Shares: 54,039,266
(ii) Warrants: 10,165,445
(iii) Stock options: 3,175,000

As at the date hereof, Entheon has the following outstanding securities:
(i) Common Shares: 54,039,266
(ii) Warrants: 8,335,940
(iii) Stock options: 3,225,000

Contingent Liabilities

As at February 28, 2021 and up to the current date management was not aware of any outstanding contingent liabilities relating to Entheon's activities.

SUBSEQUENT EVENTS

On March 19, 2021, pursuant to its stock option plan, the Company granted options to purchase up to 50,000 Common Shares to a certain consultant of the Company. The options are exercisable at $0.71 per share for a period of five years from the date of grant and are subject to graded vesting with 12,500 vesting every 3 months starting from August 1, 2021 until May 1, 2022. The options have been granted under and are governed by the terms of the Company's incentive stock option plan.

On April 6, 2021, the Company announced the launch of the industry's first Psychedelics Genetic Test Kit, developed by wholly-owned subsidiary, HaluGen, and that it is now available for sale within Canada. HaluGen's psychedelic pre-screening platform and DNA testing provides genetic, personal and familial insights to better inform one's psychedelic assisted therapy experience. By obtaining DNA test results, individuals and healthcare professionals are equipped with data to improve psychedelic assisted therapy patient care and reduce side effects and risk. The first of its kind, the proprietary test kit and platform are also expected to be available for purchase in US market within the coming months.

RISK FACTORS

In addition to the risks described herein, reference is made to the section entitled "Risk Factors" in the listing statement of Entheon dated November 12, 2020, which is incorporated herein by reference. The risks described herein are not the only risks faced by Entheon and security holders of Entheon. Additional risks and uncertainties not currently known to Entheon, or that Entheon currently deems immaterial, may also materially and adversely affect its business. The business, financial condition, revenues or profitability of Entheon could be materially adversely affected by any of the risks set forth in this MD&A, in the documents incorporated by reference or such other risks. The trading price of the Common Shares could decline due to any of these risks and investors could lose all or part of their investment. This MD&A contains forward-looking statements that involve risks and uncertainties. Entheon's actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the risks faced by Entheon described below and elsewhere in this MD&A. No inference should be drawn, nor should an investor place undue importance on, the risk factors that are included in this MD&A as compared to those included in the documents incorporated by reference herein, as all risk factors are important and should be carefully considered by a potential investor.

Limited operating history

The business of Entheon began in June 2019 and has yet to generate any revenue. Entheon is therefore subject to many of the risks common to early-stage enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial, and other resources and lack of revenues. There is no assurance that Entheon will ever be able to generate revenue or will be successful in achieving a return on shareholders' investment. Entheon's ultimate success will depend on its operating ability and ability to generate cash flow from sales of its DMT Products and DMT Solutions to be developed and sold in the future. Investors should consider Entheon's likelihood of success in light of the early stage of operations.

Risks related to adverse and uncontrollable clinical results

Entheon is developing the DMT Products to treat patients who have substance use disorders and any unfavourable or adverse effects that occur in its clinical trials could negatively impact the business of Entheon even if such adverse effects are not shown to be related to Entheon's DMT Products. It is Entheon's intention to continue to develop the DMT Products focused on substance use disorders and addiction. Patients suffering from these disorders may be extremely sick and may have a high likelihood of experiencing adverse outcomes, including death, as a result of their disorder or due to other significant risks including relapse of their underlying addictions.

As a result, it is possible that Entheon will observe severe adverse outcomes during its clinical trials, including patient death, unrelated to Entheon's DMT Products and DMT Protocol. If a significant number of study subject deaths were to occur, regardless of whether such deaths are attributable to one of Entheon's DMT Products, its ability to obtain regulatory approval and/or achieve commercial acceptance for the related drug may be adversely impacted and its business could be materially harmed. In addition, other setbacks may occur which would require Entheon to conduct additional preclinical studies both invitro and invivo and/or additional clinical trials.

Entheon will require substantial additional funding, which may not be available to it on acceptable terms, or at all, and, if not so available, may require Entheon to delay, limit, reduce or cease its operations

Entheon has used the proceeds from its previous equity offerings, and Entheon intends to use the proceeds from any possible future offerings, to, among other uses, advance its psychedelic therapeutic solution portfolio through clinical development, advancing the remainder of the existing portfolio through preclinical studies and into an Investigational New Drug Application ("IND") or their equivalent, and sponsoring research with its development partners. Developing pharmaceutical solutions, including conducting preclinical studies both invitro and invivo and clinical trials, is expensive. Entheon will require substantial additional future capital in order to complete clinical development and commercialize its DMT Solutions.

Entheon will continue to require substantial additional capital to continue its clinical development and commercialization activities. Because successful development of its DMT Solutions is uncertain, Entheon is unable to estimate the actual amount of funding it will require to complete research and development and commercialize its products under development.

The amount and timing of Entheon's future funding requirements will depend on many factors, including but not limited to:

- whether its plan for clinical trials will be completed on a timely basis and, if completed, whether Entheon will be able to publicly announce results from its clinical trials in accordance with its announced milestones;
- whether Entheon is successful in obtaining the benefits of Health Canada's, EMA's and FDA's expedited development and review programs related to its DMT Solutions;
- whether Entheon is successful in obtaining interest for possible co-development and licensing out partners;
- the progress, costs, results of and timing of its clinical trials and also of its preclinical studies;
- the outcome, costs and timing of seeking and obtaining Health Canada, EMA, FDA and any other regulatory approvals;
- the costs associated with securing and establishing commercialization and manufacturing capabilities;
- market acceptance of its DMT Solutions;
- the costs of acquiring, licensing or investing in businesses, products, psychedelic therapeutic solutions and technologies;
- its ability to maintain, expand and enforce the scope of its intellectual property portfolio, including the amount and timing of any payments Entheon may be required to make, or that it may receive, in connection with the licensing, filing, prosecution, defense and enforcement of any patents or other intellectual property rights;
- its need and ability to hire additional management and scientific and medical personnel;
- the effect of competing psychedelic therapeutic solutions;
- its need to implement additional internal systems and infrastructure, including financial and reporting systems;
- research grant terms that change over time or such terms Entheon may be unable to meet;
- grants that Entheon relied upon are not funded for any reason;
- its ability to attract and retain competent staff;
- changes in the political and economic environment in the jurisdictions in which Entheon operates, including adverse economic circumstances beyond COVID-19;

- the duration and effects of COVID-19 on Entheon's personnel, business, operations and financial condition;
- the duration and effects of COVID-19 on the personnel, business, operations and financial condition of Entheon's research partners and suppliers;
- unforeseen safety hazards associated with the DMT Solutions Entheon develops; and
- the economic and other terms, timing of and success of any collaboration, licensing or other transactions into which Entheon may enter in the future.

Some of these factors are outside of Entheon's control. Entheon does not believe that its existing capital resources are sufficient to enable Entheon to complete the development and commercialization of its DMT Solutions. Accordingly, Entheon expects that it will need to raise additional funds in the future.

Entheon may seek additional funding through a combination of equity offerings, debt financings, government or other third-party funding, commercialization, marketing and distribution transactions and other collaborations, strategic alliances and licensing transactions. Additional funding may not be available to Entheon on acceptable terms or at all. In addition, the terms of any financing may adversely affect the holdings or the rights of Entheon securityholders. In addition, the issuance of additional Common Shares, or the possibility of such issuance, may cause the market price of the Common Shares to decline. Any additional equity financing may be dilutive to investors and debt financing, if available, may involve restrictions on financing and operating activities.

If Entheon is unable to obtain funding on a timely basis, it may be required to significantly curtail one or more of its research or development programs and/or incur financial penalties. Entheon also could be required to seek funds through transactions with collaborative partners or otherwise that may require Entheon to relinquish rights to some of its technologies or psychedelic therapeutic solutions or otherwise agree to terms unfavourable to Entheon.

Possible increase in costs beyond what is currently expected as a result of regulatory review

If Health Canada, the FDA, or the EMA requires that Entheon perform additional nonclinical studies or clinical trials, or if Entheon determines that additional clinical trials are required for its DMT Products, its expenses would further increase beyond what is currently expected and the anticipated timing of any potential approval of its DMT Products or licensing out agreement would likely be delayed. Further, there can be no assurance that the costs Entheon will need to incur to obtain regulatory approval of its DMT Products will not increase.

Entheon has a limited operating history and expects a number of factors to cause its operating results to fluctuate on an annual basis, which may make it difficult to predict the future performance of Entheon

Entheon is a research and development biomedical company with a limited operating history. Entheon's operations to date have been focused on developing its Dosing Strategies, conducting in-house research, preparing proprietary dose forms of psychedelic molecules into an FDA, EMA and Health Canada approval model for eventual development of authorized Dosing Strategies for future use in clinical trials, developing clinical trials protocols, and establishing key relationships. Entheon has yet to commence clinical trials for the psychedelic therapeutic solutions in its pipeline and has yet to receive approvals from regulatory agencies.

Consequently, any predictions made about Entheon's future success or viability may not be as accurate as they could be if Entheon had a longer operating history or approved products on the market. Entheon's operating results are expected to significantly fluctuate from quarter-to-quarter or year-to-year due to a variety of factors, many of which are beyond its control. Factors relating to Entheon's business that may contribute to these fluctuations include:

- any delays in regulatory review and approval of its DMT Products in clinical development, including its ability to receive approval from Health Canada, the FDA or the EMA for its Dosing Strategies in clinical trials;
- delays in the commencement, enrolment and timing of preclinical and clinical trials;
- difficulties in identifying patients suffering from its target indications;
- the success of its clinical trials through all phases of clinical development;
- potential side effects of its DMT Products that could delay or prevent approval or license-out agreements or cause an approved solutions to be taken off the market;
- its ability to obtain additional funding to develop its DMT Solutions;
- its ability to attract and retain talented and experienced people;
- competition from existing products or new products that continue to emerge;
- the ability of patients or healthcare providers to obtain coverage or sufficient reimbursement for its products;
- its ability to adhere to clinical trial requirements directly or with third parties such as CROs;
- its dependency on third-party manufacturers to manufacture products and key ingredients;
- its ability to establish or maintain collaborations, licensing or other transactions;
- its ability to defend against any challenges to its intellectual property including, claims of patent infringement;
- its ability to enforce its intellectual property rights against potential competitors;
- its ability to secure additional intellectual property protection for its developing DMT Solutions and associated technologies;
- its ability to attract and retain key personnel to manage its business effectively;
- a biological or chemical effect that Entheon does not predict;
- adverse economic circumstances;
- potential liability claims; and
- the duration and effects of COVID-19 on Entheon's personnel, business, operations and financial condition.

Accordingly, the results of any historical quarterly or annual periods should not be relied upon as indications of future operating performance.

Entheon is preparing to conduct important preclinical and clinical trials in Europe. The risks associated with conducting research and clinical trials abroad could materially adversely affect Entheon's business. Currently, clinical trials are planned at the Centre for Human Drug Research in Leiden, the Netherlands. Additional sites in Europe and elsewhere are currently being evaluated for preclinical trials and subsequent studies.

Risks of operating in European countries

Entheon is subject to additional risks related to operating in countries in Europe including:

- differing regulatory requirements in Europe;
- unexpected changes in price and exchange controls and other regulatory requirements;

- increased difficulties in managing the logistics and transportation of collecting and shipping patient material;
- import and export requirements and restrictions;
- compliance with tax, employment, immigration and labour laws for employees living or traveling abroad;
- foreign taxes, including withholding of payroll taxes;
- foreign currency fluctuations, which could result in increased operating expenses, and other obligations incident to doing business in another country;
- difficulties staffing and managing foreign operations;
- potential liability under the *Corruption of Foreign Public Officials Act* or comparable foreign regulations;
- challenges enforcing its contractual and intellectual property rights, especially in those European countries that do not respect and protect intellectual property rights to the same extent as Canada or the United States;
- production shortages resulting from any events affecting raw material supply or manufacturing capabilities abroad; and
- business interruptions resulting from geo-political actions, including war and terrorism.

These and other risks associated with Entheon's international operations may materially adversely affect its ability to attain or maintain profitable operations.

Entheon has never been profitable, it has no products approved for commercial sale, and to date it has not generated any revenue. As a result, Entheon's ability to reduce its losses and reach profitability is unproven, and thus, Entheon may never achieve or sustain profitability.

Entheon has never been profitable and does not expect to be profitable in the foreseeable future. Entheon has not yet submitted any psychedelic therapeutic solutions for approval by regulatory authorities in Canada, the European Union, the United States or elsewhere.

To date, Entheon has devoted most of its financial resources to research and development, including drug discovery research, preclinical development activities and clinical trial preparation, as well as corporate overhead. Entheon has not generated any revenues from product sales. Entheon expects to continue to incur losses for the foreseeable future, and expects these losses to increase as Entheon continues its development of, and seek regulatory approvals for its DMT Solutions, prepare for and begin the commercialization of any approved solutions and add infrastructure and personnel to support its continuing product development efforts. Entheon anticipates that any such losses could be significant for the next several years. If its DMT Products fail in clinical trials or do not gain regulatory approval, or if its DMT Solutions do not achieve market acceptance, Entheon may never become profitable. As a result of the foregoing, Entheon expects to continue to experience net losses and negative cash flows for the foreseeable future. These net losses and negative cash flows have had, and will continue to have, an adverse effect on Entheon's stockholders' equity and working capital.

Because of the numerous risks and uncertainties associated with pharmaceutical solution development, Entheon is unable to accurately predict the timing or amount of increased expenses or when, or if, Entheon will be able to achieve profitability. In addition, Entheon's expenses could increase if it is required by Health Canada, the FDA or the EMA to perform studies or trials in addition to those currently expected, or if there are any delays in completing its clinical trials or the development of any

of its DMT Solutions. The amount of future net losses will depend, in part, on the rate of future growth of its expenses and its ability to generate revenues.

There are limited suppliers for API used in Entheon's DMT Products. Problems with the third parties that manufacture the API used in its DMT Products may delay its clinical trials or subject Entheon to liability

Entheon does not currently own or operate manufacturing facilities for clinical or commercial production of the active pharmaceutical ingredient ("API") used in any of Entheon's DMT Products. Entheon has no experience in API manufacturing, and it lacks the resources and the capability to manufacture any of the APIs used in its DMT Products, on either a clinical or commercial scale. As a result, Entheon relies on third parties to supply the API used in each of its DMT Products. Entheon expects to continue to depend on third parties to supply the API for its current and future solution candidates and to supply the API in commercial quantities, in the foreseeable future. Entheon is ultimately responsible for confirming that the APIs used in its Products are manufactured in accordance with applicable regulations.

Entheon's third-party suppliers may not carry out their contractual obligations or meet its deadlines. In addition, the API they supply to Entheon may not meet its specifications and quality policies and procedures or they may not be able to supply the API in commercial quantities. If Entheon needs to find alternative suppliers of the API used in any of its DMT Products, it may not be able to contract for such supplies on acceptable terms, if at all. Any such failure to supply or delay caused by such contract manufacturers would have an adverse effect on Entheon's ability to continue clinical development of its DMT Products or commercialization of its DMT Solutions.

If its third-party drug suppliers fail to achieve and maintain high manufacturing standards in compliance with current good manufacturing practices regulations, Entheon could be subject to certain product liability claims in the event such failure to comply resulted in defective products that caused injury or harm.

Entheon cannot be certain that any of its DMT Solutions will receive regulatory approval, and without regulatory approval Entheon will not be able to market such solutions

Entheon's business currently depends on the successful development and commercialization of its DMT Solutions. Entheon anticipates that DMT will be subject to extensive and rigorous regulation by Health Canada, the FDA and the EMA. Health Canada, the FDA and the EMA regulate the development, testing, manufacturing, labeling, storage, recordkeeping, promotion, marketing, distribution, and service of medical products in Canada, the United States and the European Union respectively, to ensure that such medical products distributed are safe and effective for their intended use. Entheon's ability to generate revenue related to solution sales, if ever, will depend on the successful development and regulatory approval of its DMT Solutions. The process of getting regulatory approval is both time consuming and costly and Entheon's ability to satisfactorily navigate this process will have a material impact on its business and prospects. Additionally, the receipt of regulatory approval may be impacted by the delays, risks, and related costs implications and there is no certainty that Entheon will ever receive regulatory approval. If Entheon does obtain such approvals, Entheon will continue to be subject to ongoing compliance and reporting requirements. Failure to comply with the requirements would have a material adverse impact on the business, financial condition and operating results of Entheon. Entheon cannot predict the time required to secure all

appropriate regulatory approvals for its protocols, or the extent of testing and documentation that may be required by Governmental Authorities. Any delays in obtaining, or failure to obtain the necessary regulatory approvals will significantly delay the development of Entheon's protocols and could have a material adverse effect on the business, results of operations and financial condition of Entheon. Additionally, to the extent any further approvals, permits or licenses are required and not obtained, Entheon may be prevented from operating and/or expanding its business, which could have a material adverse effect on Entheon's business, financial condition and results of operations. If Entheon is unable to obtain approval from Health Canada, the FDA, the EMA, or other regulatory agencies, for any of its DMT Solutions, or if, subsequent to approval, Entheon is unable to successfully commercialize its DMT Solutions, it will not be able to generate sufficient revenue to become profitable or to continue its operations.

Delays in the commencement, enrolment and completion of clinical trials could result in increased costs to Entheon and delay or limit Entheon's ability to obtain regulatory approval for any of its DMT Solutions

Delays in the commencement, enrolment and completion of preclinical and clinical trials could increase Entheon's solution development costs or limit the regulatory approval of its DMT Solutions. Entheon does not know whether any future trials or studies of its other psychedelic therapeutic solutions will begin on time or will be completed on schedule, if at all. The start or end of a clinical study is often delayed or halted due to changing regulatory requirements, manufacturing challenges, including delays or shortages in available product, required clinical trial administrative actions, slower than anticipated patient enrolment, changing standards of care, availability or prevalence of use of a comparative product or required prior therapy, clinical outcomes or financial constraints. For instance, delays or difficulties in patient enrolment or difficulties in retaining trial participants can result in increased costs, longer development times or termination of a clinical trial. Clinical trials of a new solution can require the enrolment of a sufficient number of patients, including patients who are suffering from the disorder the solution is intended to treat and who meet other eligibility criteria. Rates of patient enrolment are affected by many factors, including the size of the patient population, the eligibility criteria for the clinical trial, that include the age and condition of the patients and the stage and severity of disorder, the nature of the protocol, the proximity of patients to clinical sites and the availability of effective treatments and/or availability of investigational treatment options for the relevant disorder. Additionally, delays in the commencement, enrolment and completion of preclinical and clinical trials could result from the duration and impact of COVID-19.

A psychedelic therapeutic solution can unexpectedly fail at any stage of preclinical and clinical development. The historical failure rate for psychedelic therapeutic solutions is high due to scientific feasibility, safety, efficacy, changing standards of medical care and other variables. The results from preclinical testing or early clinical trials of a psychedelic therapeutic solution may not predict the results that will be obtained in later phase clinical trials of the psychedelic therapeutic solution. Health Canada, the EMA, the FDA or other applicable regulatory authorities may suspend clinical trials of a psychedelic therapeutic solution at any time for various reasons, including, but not limited to, a belief that subjects participating in such trials are being exposed to unacceptable health risks or adverse side effects, or other adverse initial experiences or findings. Entheon may not have the financial resources to continue development of, or to enter into collaborations for, a psychedelic therapeutic solution if Entheon experiences any problems or other unforeseen events that delay or prevent regulatory approval of, or its ability to commercialize, psychedelic therapeutic solutions, including:

- inability to obtain sufficient funds required for a clinical trial;
- inability to recruit and retain qualified personnel;
- inability to reach agreements on acceptable terms with prospective CROs and trial sites, the terms of which can be subject to extensive negotiation and may vary significantly among different CROs and trial sites;
- negative or inconclusive results from its clinical trials or the clinical trials of others for psychedelic therapeutic solutions similar to its, leading to a decision or requirement to conduct additional preclinical testing or clinical trials or abandon a program;
- serious and unexpected drug-related side effects experienced by subjects in its clinical trials or by individuals using drugs similar to its DMT Products;
- conditions imposed by the EMA, Health Canada, the FDA or comparable foreign authorities regarding the scope or design of its clinical trials;
- delays in enrolling research subjects in clinical trials;
- high drop-out rates and high fail rates of research subjects;
- inadequate supply or quality of psychedelic therapeutic solution components or materials or other supplies necessary for the conduct of its clinical trials;
- greater than anticipated clinical trial costs;
- poor effectiveness of its DMT Products during clinical trials; or
- unfavourable FDA or other regulatory agency inspection and review of a clinical trial site or vendor.

Entheon has no sales, marketing or distribution experience and it will have to invest significant resources to develop those capabilities or enter into acceptable third-party sales and marketing transactions

Entheon has no sales, marketing or distribution experience. To develop sales, distribution and marketing capabilities, Entheon will have to invest significant amounts of financial and management resources, some of which will need to be committed prior to any confirmation that its DMT Solutions will be approved by Health Canada, the FDA or the EMA. For psychedelic therapeutic solutions where Entheon decides to perform sales, marketing and distribution functions itself or through third parties, it could face a number of additional risks, including that Entheon or its third-party sales collaborators may not be able to build and maintain an effective marketing or sales force. If Entheon uses third parties to market and sell its solutions, it may have limited or no control over their sales, marketing and distribution activities on which its future revenues may depend.

Entheon may not be successful in establishing and maintaining development and commercialization collaborations, which could adversely affect its ability to develop its DMT Solutions and its financial condition and operating results

Because developing psychedelic therapeutic solutions, conducting clinical trials, obtaining regulatory approval, establishing manufacturing capabilities and marketing approved solutions are expensive, Entheon may seek to enter into collaborations with companies that have more experience. Additionally, if any of its DMT Solutions receives marketing approval, Entheon may enter into licensing out agreements or sales and marketing transactions with third parties with respect to its unlicensed territories. If Entheon is unable to enter into transactions on acceptable terms, if at all, it may be unable to effectively market and sell its solutions in its target markets. Entheon expects to face competition in seeking appropriate collaborators. Moreover, collaboration transactions are complex and time consuming to negotiate, document and implement and they may require substantial resources to

maintain. Entheon may not be successful in its efforts to establish and implement collaborations or other alternative transactions for the development of its DMT Solutions.

When Entheon collaborates with a third party for development and commercialization of a psychedelic therapeutic solution or collaboration in making grant applications, it can expect to relinquish some or all of the control over the future success of that psychedelic therapeutic solution to the third party. One or more of its collaboration partners may not devote sufficient resources to the commercialization of its DMT Solutions or may otherwise fail in their commercialization. The terms of any collaboration or other transaction that Entheon establishes may contain provisions that are not favourable to Entheon. In addition, any collaboration that Entheon enters into may be unsuccessful in the development and commercialization of its DMT Solutions. In some cases, Entheon may be responsible for continuing preclinical and initial clinical development of a psychedelic therapeutic solution or research program under a collaboration transaction, and the payment Entheon receives from its collaboration partner may be insufficient to cover the cost of this development. If Entheon is unable to reach agreements with suitable collaborators for its DMT Solutions, it would face increased costs, it may be forced to limit the number of its DMT Solutions it can commercially develop or the territories in which it can market them. As a result, Entheon might fail to commercialize solutions for which a suitable collaborator cannot be found. If Entheon fail to achieve successful collaborations, its operating results and financial condition could be materially and adversely affected.

Entheon may incur substantial costs as a result of litigation or other proceedings relating to patent and other intellectual property rights

Entheon may from time to time seek to enforce its intellectual property rights against infringers when it determines that a successful outcome is probable and may lead to an increase in the value of the intellectual property. If Entheon chooses to enforce its patent rights against a party, then that individual or company has the right to ask the court to rule that such patents are invalid or should not be enforced. Additionally, the validity of its patents and the patents it has licensed may be challenged if a petition for post grant proceedings such as inter-partes review and post grant review is filed within the statutorily applicable time with the Canadian Intellectual Property Office, the United States Patent and Trademark Office or the European Patent Office. These lawsuits and proceedings are expensive and would consume time and resources and divert the attention of managerial and scientific personnel even if Entheon were successful in stopping the infringement of such patents. In addition, there is a risk that the court will decide that such patents are not valid and that Entheon does not have the right to stop the other party from using the inventions. There is also the risk that, even if the validity of such patents is upheld, the court will refuse to stop the other party on the ground that such other party's activities do not infringe its intellectual property rights.

If Entheon is not able to adequately prevent disclosure of trade secrets and other proprietary information, the value of its psychedelic therapeutic solutions could be significantly diminished

Entheon relies on trade secrets to protect its proprietary information, especially where it does not believe patent protection is appropriate or obtainable. However, trade secrets are difficult to protect. Entheon relies in part on confidentiality agreements with its employees, consultants, outside scientific collaborators, sponsored researchers and other advisors to protect its trade secrets and other proprietary information. These agreements may not effectively prevent disclosure of confidential information and may not provide an adequate remedy in the event of unauthorized disclosure of

confidential information. In addition, others may independently discover its trade secrets and proprietary information. Costly and time-consuming litigation could be necessary to enforce and determine the scope of its proprietary rights, and failure to obtain or maintain trade secret protection could adversely affect its competitive business position.

Entheon will need to expand its operations and increase the size of its company, and it may experience difficulties in managing growth

As of the date hereof, Entheon has 3 full-time employees and 16 consultants and part-time contractors. As Entheon advances its DMT Products through preclinical studies and clinical trials, Entheon will need to increase its product development, scientific and administrative headcount to manage these programs. In addition, to meet its obligations as a public company, Entheon may need to increase its general and administrative capabilities. Entheon's management, personnel and systems currently in place may not be adequate to support this future growth. If Entheon is unable to successfully manage this growth and increased complexity of operations, our business may be adversely affected.

Entheon may not be able to manage its business effectively if it is unable to attract and retain key personnel and consultants

Entheon may not be able to attract or retain qualified management, finance, scientific and clinical personnel and consultants due to the intense competition for qualified personnel and consultants among biotechnology, pharmaceutical and other businesses. If Entheon is not able to attract and retain necessary personnel and consultants to accomplish its business objectives, it may experience constraints that will significantly impede the achievement of its development objectives, its ability to raise additional capital and its ability to implement its business strategy.

Entheon is highly dependent on the development, regulatory, commercialization and business development expertise of its management team, key advisors and consultants. If Entheon loses one or more of its executive officers or key advisors or consultants, its ability to implement its business strategy successfully could be seriously harmed. Any of its executive officers or key advisors or consultants may terminate their engagement at any time. Replacing executive officers, key advisors and consultants may be difficult and may take an extended period of time because of the limited number of individuals in Entheon's industry. Competition to hire and retain employees and consultants from this limited pool is intense, and Entheon may be unable to hire, train, retain or motivate these additional key personnel and consultants. Entheon's failure to retain key personnel or consultants could materially harm its business.

In addition, Entheon has scientific and clinical advisors and consultants who assist Entheon in formulating its research, development and clinical strategies. These advisors are not its employees and may have commitments to, or consulting or advisory contracts with, other entities that may limit their availability to Entheon. Although Entheon's current scientific and clinical advisors have entered into non-compete agreements which apply during the course of engagement and within the 12 months following the termination of the engagement, future advisors may not. If a conflict of interest arises between their work for Entheon and their work for another entity, Entheon may lose their services. In addition, future advisors may have transactions with other companies to assist those companies in developing products or technologies that may compete with those of Entheon.

Insurance and uninsured risks

Entheon's business is subject to a number of risks and hazards generally, including adverse clinical trial results, accidents, labour disputes and changes in the regulatory environment. Such occurrences could result in damage to assets, personal injury or death, environmental damage, delays in operations, monetary losses and possible legal liability.

Entheon's insurance will not cover all the potential risks associated with its operations. Entheon may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards encountered in the operations of Entheon is not generally available on acceptable terms. Entheon might also become subject to liability for pollution or other hazards which may not be insured against or which Entheon may elect not to insure against because of premium costs or other reasons. Losses from these events or any significant uninsured liability may require Entheon to pay substantial amounts, which would adversely affect its financial position and results of operations.

Entheon may be materially adversely affected in the event of cyber-based attacks, network security breaches, service interruptions, or data corruption

Entheon relies on information technology to process and transmit sensitive electronic information and to manage or support a variety of business processes and activities. Entheon uses technology systems to record, process, and summarize financial information and results of operations for internal reporting purposes and to comply with regulatory financial reporting, legal, and tax requirements. Entheon's information technology systems, some of which are managed by third-parties, may be susceptible to damage, disruptions or shutdowns due to computer viruses, attacks by computer hackers, failures during the process of upgrading or replacing software, databases or components thereof, power outages, hardware failures, telecommunication failures, user errors or catastrophic events. Although Entheon has developed systems and processes that are designed to protect proprietary or confidential information and prevent data loss and other security breaches, such measures cannot provide absolute security. If its systems are breached or suffer severe damage, disruption or shutdown and Entheon is unable to effectively resolve the issues in a timely manner, its business and operating results may significantly suffer and it may be subject to litigation, government enforcement actions or potential liability. Security breaches could also cause Entheon to incur significant remediation costs, result in product development delays, disrupt key business operations, including development of its DMT Solutions, and divert attention of management and key information technology resources.

Internal controls

Effective internal controls are necessary for Entheon to provide reliable financial reports and to help prevent fraud. Although Entheon will undertake a number of procedures and will implement a number of safeguards, in each case, in order to help ensure the reliability of its financial reports, including those imposed on Entheon under Canadian securities law, Entheon cannot be certain that such measures will ensure that Entheon will maintain adequate control over financial processes and reporting. Failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm Entheon's results of operations or cause it to fail to meet its reporting obligations. If Entheon or its auditors discover a material weakness, the disclosure of that fact, even if

quickly remedied, could reduce the market's confidence in Entheon's consolidated financial statements and materially adversely affect the trading price of the Common Shares.

Management of Entheon will ensure the accounting cycle, payroll administration, operational activities, and financial reporting controls to assess internal control risks and to ensure proper internal control is in place. One of the deficiencies in internal control is the lack of segregation of accounting duties due to the limited size of Entheon. However, the threat of this deficiency is considered immaterial as management has taken effective measures to mitigate this weakness.

The potential risk that flows from the identified deficiencies and weaknesses is the risk of potential fraud. However, the risk of fraud is considered low as management anticipates taking a number of measures as stated above to mitigate the potential risk of fraud, including without limitation: (i) all purchase and payment, including payroll, must be authorized by management; (ii) all capital expenditures must be preapproved by the Entheon Board; (iii) all source documents in any other language other than English must be translated and scanned for accounting entries and recordkeeping purposes; (iv) and almost all of Entheon's cash will be deposited with a Canadian bank in Vancouver, Canada. Bank statements of Entheon will continue to be reviewed by the CFO of Entheon regularly.

The Entheon Board will continue to monitor the operations of Entheon, evaluate the internal controls, and develop measures in the future to mitigate any potential risks and weaknesses.

Litigation

Entheon may become party to litigation from time to time in the ordinary course of business which could adversely affect its business. Should any litigation in which Entheon becomes involved be determined against Entheon such a decision could adversely affect Entheon's ability to continue operating and the market price for the Common Shares and could use significant resources. Even if Entheon is involved in litigation and wins, litigation can redirect significant company resources.

Conflicts of interest

Certain of the directors and officers of Entheon are engaged in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies and, as a result of these and other activities, such directors and officers of Entheon may become subject to conflicts of interest. The CBCA provides that in the event that a director or senior officer has a material interest in a transaction or agreement or proposed transaction or agreement that is material to an issuer, the director or senior officer must disclose his interest in such contract or agreement and a director must refrain from voting on any matter in respect of such contract or agreement, subject to and in accordance with the CBCA. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the CBCA. To the management of Entheon's knowledge, as at the date hereof there are no existing conflicts of interest between Entheon and a director or officer of Entheon except as otherwise disclosed in this Listing Statement.

Impact of COVID-19

Entheon'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 of a global

health emergency 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 China. 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, Entheon cannot estimate whether or to what extent this outbreak and the potential financial impact may extend to countries outside of those currently impacted. Entheon is actively assessing and responding where possible to the potential impact of the COVID-19 pandemic. Entheon may face disruption to restrictions on operations, delays and uncertainties to planned clinical trials, travel restrictions, impact on personnel and the impact on the economic activity in affected countries or regions can be expected and can be difficult to quantify. Such pandemics or diseases represent a serious threat to maintaining a skilled workforce industry and could be a major health care challenge for Entheon. There can be no assurance that Entheon's personnel will not be impacted by this pandemic and ultimately that Entheon would see its workforce productivity reduced or incur increased medical costs/insurance premiums as a result of these health risks. In addition, the COVID-19 pandemic has created a dramatic slowdown in the global economy. Depending on the length and severity of the pandemic, COVID-19 could impact Entheon's operations, could cause delays relating to pre-clinical and clinical trials and receipt of approval from Health Canada, the FDA and/or the EMA, could postpone research activities, and could impair Entheon's ability to raise funds depending on COVID-19's effect on capital markets. The duration of the COVID-19 pandemic outbreak and the resultant travel restrictions, social distancing, government response actions, business closures and business disruptions, can all have an impact on Entheon's operations and access to capital. There can be no assurance that Entheon will not be impacted by adverse consequences that may be brought about by the COVID-19 pandemic on global financial markets, share prices and financial liquidity and thereby that may severely limit the financing capital available. Finally, the duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of Entheon in future periods.