

**JOINT INFORMATION CIRCULAR OF
1169082 B.C. LTD. AND
AWAKN LIFE SCIENCES INC.**

**FOR MEETINGS OF SHAREHOLDERS TO BE HELD
on June 11, 2021**

With respect to a Proposed Reverse Take-Over

May 14, 2021

Neither the NEO Exchange nor any securities regulatory authority has in any way passed upon the merits of the Transaction described in this joint information circular.

1169082 B.C. LTD.

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the annual general and special meeting (the "**the 116 BC Meeting**") of shareholders of 1169082 B.C. LTD. (the "**116 BC**") will be held on the 11th day of June, 2021, at the hour of 10:00 a.m. (Vancouver time), at 600-890 West Pender Street, Vancouver, B.C., V6C 1J9 for the following purposes:

1. to receive and consider the audited consolidated financial statements of 116 BC for the year ended May 31, 2020 and the period from June 21, 2018 (incorporation) to May 31, 2019, and the respective report of the auditors thereon;
2. to pass, with or without variation, an ordinary resolution fixing the number of directors of 116 BC at three;
3. to elect the directors of 116 BC;
4. to confirm the appointment by the board of directors of, and to appoint, Adam Sung Kim Ltd., Chartered Professional Accountant, as the auditor of 116 BC, and to authorize the directors to fix their remuneration;
5. to consider and, if deemed appropriate, to pass, with or without variation, a resolution of the shareholders approving and adopting the stock option plan of 116 BC, as more specifically set out in the accompanying joint management information circular dated May 14, 2021 (the "**Circular**");
6. to pass, with or without variation, an ordinary resolution, conditional on and effective following the completion of the proposed amalgamation under section 174 of the *Business Corporations Act* (Ontario) involving 116 BC, 2835517 Ontario Ltd., a wholly owned subsidiary of 116 BC, and Awakn Life Sciences Inc. ("**Awakn**"), pursuant to the terms and conditions contained in the amalgamation agreement dated May 13, 2021 (as the same may be or has been modified or amended) (the "**Transaction**"), all as more particularly described in the Circular fixing the number of directors of 116 BC at five;
7. to elect the directors of 116 BC, conditional on and effective following the completion of the Transaction;
8. to appoint MNP LLP as the auditor of 116 BC to hold office conditional on and effective following the completion of the Transaction and to authorize the directors of 116 BC to fix the remuneration of the auditor so appointed; and
9. to transact such other business as may properly come before the 116 BC Meeting or any adjournments or postponements thereof.

Details of the Transaction and its effects, as well as information concerning Awakn and the proposed resulting issuer following the completion of the Transaction are contained in the Circular, and reference should be made to that document for complete information.

A shareholder wishing to be represented by proxy at the 116 BC Meeting or any adjournment thereof must deposit his, her or its duly executed form of proxy with 116 BC's transfer agent and registrar, National Securities Administrators Ltd., at Suite 702, 777 Hornby St., Vancouver, British Columbia V6Z 1S4 not later than 10:00 a.m. (Vancouver time) on Wednesday, June 9, 2021 or, if the Meeting is adjourned, not later than 48 hours, excluding Saturdays, Sundays and holidays, preceding the time of such adjourned meeting.

Shareholders who are unable to, or otherwise chose not to, attend the 116 BC Meeting in person, are requested to date, complete, sign and return the enclosed form of proxy so that as large a representation as possible may be had at the 116 BC Meeting.

COVID-19 GUIDANCE

In the context of the effort to mitigate potential risk to the health and safety associated with COVID-19 and in compliance with the orders and directives of the Government of Canada, the Province of British Columbia and the City of Vancouver, the shareholders are being discouraged from attending the 116 BC Meeting in person. All shareholders are encouraged to vote on the matters before the 116 BC Meeting by proxy in the manner set out herein and in the Circular.

The board of directors of 116 BC has by resolution fixed the close of business on Tuesday, April 27, 2021 as the record date, being the date for the determination of the registered holders of common shares of 116 BC entitled to receive notice of, and to vote at, the 116 BC Meeting and any adjournment thereof.

The accompanying Circular provides additional detailed information relating to the matters to be dealt with at the 116 BC Meeting and is supplemental to, and expressly made a part of, this notice of annual general and special meeting. Additional information about 116 BC and its financial statements are also available on 116 BC's profile at www.sedar.com.

DATED at Vancouver, British Columbia, this 14th day of May, 2021.

1169082 B.C. LTD.

By Order of the Board

"Scott Munro"

Scott Munro
Chief Executive Officer, Chief Financial Officer
and Director

AWAKN LIFE SCIENCES INC.

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the special meeting (the "**Awakn Meeting**") of shareholders of AWAKN LIFE SCIENCES INC. (the "**Awakn**") will be held on Friday, June 11, 2021, at the hour of 10:00 a.m. (Toronto time), at Irwin Lowy LLP at Suite 401, 217 Queen Street West, Toronto, Ontario M5V 0R2 for the following purposes:

1. to consider, and, if deemed advisable, to pass, with or without variation, a special resolution (the "**Awakn Resolution**") to be approved by at least two-thirds of the votes cast by the shareholders of Awakn, present in person or by proxy, at the Awakn Meeting, the full text of which is set out in the joint information circular dated May 14, 2021 accompanying this notice of meeting (the "**Circular**"), to approve the amalgamation under section 174 of the *Business Corporations Act* (Ontario) involving 1169082 B.C. Ltd. ("**116 BC**"), 2835517 Ontario Ltd., a wholly-owned subsidiary of 116 BC, and Awakn, pursuant to the terms and conditions contained in the amalgamation agreement dated May 13, 2021 (as the same may be or has been modified or amended) (the "**Amalgamation Agreement**"), all as more particularly described in the Circular (the "**Transaction**"); and
2. to transact such other business as may properly come before the Awakn Meeting or any adjournments or postponements thereof.

The text of the Awakn Resolution is set forth in schedule A attached to the Circular. In order to become effective, the Awakn Resolution must receive the approval of at least two-thirds of the Awakn Shareholders who vote in person or by proxy. The Transaction will be completed pursuant to the Amalgamation Agreement, a copy of which is available under 116 BC's profile on SEDAR at www.sedar.com.

Details of the Transaction and its effects, as well as information concerning 116 BC and the resulting issuer following the Transaction, are contained in the Circular, and reference should be made to that document for complete information.

Your vote is important regardless of the number of common shares of Awakn you own. A shareholder wishing to be represented by proxy at the Awakn Meeting or any adjournment thereof are encouraged to sign, date and return the enclosed form of proxy relating to the common shares of Awakn held by them to Awakn Life Sciences Inc. c/o Irwin Lowy LLP at Suite 401, 217 Queen Street West, Toronto, Ontario M5V 0R2, Attention: Carly Burk, email: CBurk@irwinlowy.com, not less than 48 hours (excluding Saturdays, Sundays and statutory holidays) before the time of the Awakn Meeting, or any adjournment thereof.

Shareholders who are unable to, or otherwise chose not to, attend the Awakn Meeting in person, are requested to date, complete, sign and return the enclosed form of proxy so that as large a representation as possible may be had at the Awakn Meeting.

COVID-19 GUIDANCE

In the context of the effort to mitigate potential risk to the health and safety associated with COVID-19 and in compliance with the orders and directives of the Government of Canada, the Province of Ontario and the City of Toronto, the shareholders are being discouraged from attending the Awakn Meeting in person. All shareholders are encouraged to vote on the matters before the Awakn Meeting by proxy in the manner set out herein and in the Circular.

The accompanying Circular provides additional detailed information relating to the matters to be dealt with at the Awakn Meeting and is supplemental to, and expressly made a part of, this notice of special meeting.

DATED at Toronto, Ontario, this 14th day of May, 2021.

AWAKN LIFE SCIENCES INC.

By Order of the Board

"Anthony Tennyson"

Anthony Tennyson, President, CEO and Director

JOINT INFORMATION CIRCULAR

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- Schedule F - MD&A of Awakn for the period from April 27, 2020 (incorporation) to January 31, 2021
- Schedule G - Audited Financial Statements of 116 BC for the financial year ended May 31, 2020 and the period from June 21, 2018 (incorporation) to May 31, 2019
- Schedule H - MD&A of 116 BC for the financial year ended May 31, 2020
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INTRODUCTION

All capitalized terms used in this Circular but not otherwise defined herein have the meaning ascribed thereto herein under "*Glossary of Terms*".

This Circular is furnished in connection with the solicitation of proxies by the management of 116 BC and the management of Awakn for use at the 116 BC Meeting and the Awakn Meeting, respectively, to be held on June 11, 2021 and June 11, 2021, respectively, and any adjournment or postponement thereof. No person has been authorized to give any information or make any representations in connection with the Transaction or other matters to be considered at the Meetings, other than those contained in this Circular and if given or made, any such information or representation must not be relied upon as having been authorized.

This Circular does not constitute an offer to sell, or a solicitation of an offer to acquire, any securities, or the solicitation of a proxy, by any person in any jurisdiction in which such an offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such an offer of proxy solicitation. Neither the delivery of this Circular nor any distribution of securities referred to herein shall, under any circumstances, create any implication that there has been no change in the information set forth herein since the date of this Circular.

The Transaction has not been approved or disapproved by any securities regulatory authority, nor has any securities regulatory authority passed upon the fairness or merits of the Transaction or upon the accuracy or adequacy of the information contained in this Circular and any representation to the contrary is unlawful.

No broker, dealer, salesperson or other person has been authorized to give any information or make any representation other than those contained in this Circular and, if given or made, such information or representation must not be relied upon as having been authorized by 116 BC, Awakn or the Resulting Issuer

The information concerning Awakn contained in this Circular has been provided by Awakn for inclusion in this Circular. Although 116 BC has no knowledge that would indicate that any of such information is untrue or incomplete, neither 116 BC nor its officers or directors assume any responsibility for the accuracy or completeness of such information or the failure by Awakn to disclose events which may have occurred or may affect the completeness or accuracy of such information but which are unknown to 116 BC. Conversely, the information concerning 116 BC contained in this Circular has been provided by 116 BC for inclusion in this Circular. Although Awakn has no knowledge that would indicate that any of such information is untrue or incomplete, neither Awakn nor its officers or directors assume any responsibility for the accuracy or completeness of such information or the failure by 116 BC to disclose events which may have occurred or may affect the completeness or accuracy of such information but which are unknown to Awakn.

NOTICE TO U.S. SHAREHOLDERS

THE SECURITIES ISSUABLE IN CONNECTION WITH THE TRANSACTION HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR SECURITIES REGULATORY AUTHORITIES IN ANY STATE, NOR HAS THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES REGULATORY AUTHORITIES OF ANY STATE PASSED ON THE ADEQUACY OR ACCURACY OF THIS CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The Resulting Issuer Shares to be issued pursuant to the Transaction have not been registered under the 1933 Act and will be issued in reliance on an exemption from the registration requirements thereunder and exemptions from applicable securities laws.

The solicitation of proxies by 116 BC and Awakn is not subject to the requirements of the 1934 Act by virtue of an exemption applicable to proxy solicitations by foreign private issuers (as defined in a rule under the 1934 Act).

Accordingly, this Circular has been prepared in accordance with the applicable disclosure requirements in Canada, which are different from the requirements applicable to proxy solicitations under the 1934 Act.

The financial statements and other financial information included or incorporated by reference in this Circular have been prepared in accordance with IFRS and are subject to Canadian auditing and auditor independence standards and thus may not be comparable to financial statements prepared in accordance with United States generally accepted accounting principles and United States auditing and auditor independence standards.

Shareholders should be aware that the acquisition by Awakn Shareholders of Resulting Issuer Shares, pursuant to the Transaction described herein may have tax consequences in both the United States and Canada. United States Awakn Shareholders and other non-resident Awakn Shareholders are advised to consult their tax advisors to determine the particular tax consequences to them of the Transaction.

The enforcements by investors of civil liabilities under the United States securities laws may be affected adversely by the fact that 116 BC and Awakn are organized under the laws of a jurisdiction outside the United States, that most, if not all, of their officers and directors are residents of countries other than the United States, that the experts named in this Circular are residents of countries other than the United States, and that all or a substantial portion of the assets of the Resulting Issuer may be located outside the United States. As a result, it may be difficult or impossible for U.S. Shareholders to effect service of process within the United States upon 116 BC, Awakn or their respective officers or directors or the experts named herein, or to realize against them upon judgments of courts of the United States predicated upon civil liabilities under the federal securities laws of the United States or "blue sky" laws of any state within the United States. In addition, U.S. Awakn Shareholders should not assume that the courts of Canada: (a) would enforce judgments of United States courts obtained in actions against such persons predicated upon civil liabilities under the federal securities laws of the United States or "blue sky" laws of any state within the United States; or (b) would enforce, in original actions, liabilities against such persons predicated upon civil liabilities under the federal securities laws of the United States or "blue sky" laws of any state within the United States.

FORWARD LOOKING STATEMENTS

The information provided in this Circular, including information incorporated by reference, may contain "forward-looking statements" and "forward-looking information" (collectively referred to hereafter as "**forward-looking statements**") about 116 BC, Awakn or the Resulting Issuer. In addition, 116 BC and Awakn may make or approve certain statements in future filings with Canadian securities regulatory authorities, in press releases, or in oral or written presentations by representatives of the Resulting Issuer in connection with the Transaction that are not statements of historical fact and may also constitute forward-looking statements.

All statements, other than statements of historical fact, made by 116 BC or Awakn that address activities, events or developments that 116 BC or Awakn expect or anticipate will or may occur in the future are forward-looking statements, including, but not limited to, statements preceded by, followed by or that include words such as "may", "will", "would", "could", "should", "believes", "estimates", "projects", "potential", "expects", "plans", "intends", "anticipates", "targeted", "continues", "forecasts", "designed", "goal", or the negative of those words or other similar or comparable words. Forward-looking statements may relate to future financial conditions, results of operations, plans, objectives, performance or business developments.

These statements speak only as of the date they are made and are based on information currently available and on the then current expectations of 116 BC and Awakn and assumptions concerning future events. Forward-looking statements are subject to a number of known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from that which was expressed or implied by such forward-looking statements. Some of the important risks and uncertainties that could affect forward-looking statements are described further under the headings "*Risk Factors*" and in other documents incorporated by reference in this Circular.

In particular, this Circular contains forward-looking statements pertaining to the following:

- the impact of the COVID-19 pandemic;

- the terms, conditions and completion of the Transaction and the Financing;
- the Closing Date;
- use of proceeds from the Financing;
- the obtaining of all required regulatory approvals in connection with the Transaction and the Financing;
- the potential benefits of the Transaction;
- expectations regarding the Resulting Issuer's ability to raise capital;
- the likelihood of the Transaction being completed;
- statements relating to the business and future activities of, and developments related, to the Resulting Issuer after the date of this Circular and thereafter;
- the business objectives of the Resulting Issuer and its research and development activities;
- the acceptance in the medical community of ketamine and other psychedelic substances as effective treatment for AUD and other mental health conditions;
- the healthcare industry in the United Kingdom and the European Union;
- patient acceptance and referrals to the Resulting Issuer's clinics;
- the approval of regulatory bodies of psychedelic substances other than ketamine, including MDMA and psilocybin, for the treatment of various health conditions;
- the ability of the Resulting Issuer to complete and operate its clinics;
- the ability of new clinics to offer technology-enabled, ketamine-enhanced psychotherapy, psychedelic-enhanced psychotherapy and psychedelic-integration psychotherapy services;
- the ability of the Resulting Issuer to complete and operate its clinical expansion plan;
- the ability of the Resulting Issuer to develop proper protocols to incorporate the use of additional psychedelic medicines as they are legalized and approved for use;
- the ability of the Resulting Issuer to obtain regulatory approvals prior to each clinical trial;
- the ability of the Resulting Issuer to provide effective management services to physicians owning physician-owned clinics;
- the ability of the Resulting Issuer to generate patient member growth;
- controlled substances laws;
- reliance on third parties;
- liquidity of the Resulting Issuer Shares after the Closing Date;
- anticipated developments in operations of the Resulting Issuer;
- currency fluctuations; and
- estimated budgets of the Resulting Issuer.

Forward-looking statements are based on certain assumptions and analyses made by 116 BC and Awakn in light of the experience and perception of historical trends, current conditions and expected future developments and other factors it believes are appropriate and are subject to risks and uncertainties. In making the forward-looking statements included in this Circular, 116 BC and Awakn have made various material assumptions, including but not limited to (i) obtaining necessary shareholder and regulatory approvals; (ii) that regulatory requirements will be maintained; (iii) general business and economic conditions including that financial markets will not in the long term be adversely impacted by the COVID-19 pandemic; (iv) the Resulting Issuer's ability to successfully execute its plans and

intentions; (v) the availability of financing on reasonable terms; (vi) the Resulting Issuer's ability to attract and retain skilled staff; (vii) receipt and/or maintenance of required licenses and third party consents in a timely manner or at all; and (iii) the success of the operations of the Resulting Issuer.

The actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below and elsewhere in this Circular:

- the transaction contemplated by the Amalgamation Agreement is subject to a number of conditions and there is no assurance the Transaction will be completed on the terms contemplated in the Amalgamation Agreement;
- limited operating history and negative operating cash flow;
- the Resulting Issuer will have limited resources with which to achieve its goals and business plan;
- there may be a need for additional financing in the near future;
- dependence on management and conflicts of interest;
- fluctuations in currency and interest rates;
- competition in the biotechnology and clinic industries;
- risks relating to global financial and economic conditions;
- risks relating to operations in the United Kingdom;
- early stage of NCE prospects development may not succeed;
- reliance on third parties to plan, conduct and monitor preclinical studies and clinical trials;
- failure to demonstrate safety and efficacy;
- risks related to delays in clinical testing;
- negative results from clinical trials;
- risk related to the COVID-19 pandemic;
- risks relating to non-compliance with laws;
- risks relating to prescribing medication;
- risks inherent in the nature of the health clinic industry;
- risks relating to unfavourable publicity or consumer perception;
- risks relating to patient acquisition;
- the Resulting Issuer may not achieve its milestones according to schedule;
- substantial risk of regulatory or political change;
- risks relating to government regulations, permits and licences;
- risks relating to forecasting difficulty;
- competitive risks;
- risks relating to intellectual property;
- alteration of tax regimes and treatments;
- failure to realize the benefits of the Transaction and any future acquisitions;
- incorrect assessments of the value of acquisitions;

- publicly traded securities can have significant price volatility;
- the Resulting issuer will depend on key employees for achieving its goals and will depend on attracting and retaining qualified personnel;
- other factors discussed under "*Risk Factors*" below.

Consequently, all forward-looking statements made in this Circular and other documents of 116 BC and Awakn are qualified by such cautionary statements and there can be no assurance that the anticipated results or developments will actually be realized or, even if realized, that they will have the expected consequences to or effects on 116 BC and Awakn. The cautionary statements contained or referred to in this section should be considered in connection with any subsequent written or oral forward-looking statements that 116 BC and Awakn and/or persons acting on their behalf may issue. 116 BC and Awakn undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise except as required by applicable securities laws. For all these reasons, shareholders should not place undue reliance on forward-looking statements.

CURRENCY AND ACCOUNTING PRINCIPLES

Unless otherwise indicated herein, references to "\$", "CDN\$" or "Canadian dollars" are to Canadian dollars.

Terms and abbreviations used in the financial statements of 116 BC and Awakn and in the schedules attached to this Circular are defined separately and the terms and abbreviations defined below are not used therein, except where otherwise indicated.

The historical financial statements of 116 BC and Awakn included in or incorporated by reference into this Circular are reported in Canadian dollars and have been prepared in accordance with IFRS.

INDUSTRY DATA

The industry data contained in this Circular is based upon information from independent industry and other publications and the 116 BC's and Awakn's management's knowledge of, and experience in, the industry in which the Resulting Issuer will operate. None of the sources of industry data have provided any form of consultation, advice or counsel regarding any aspect of, or is in any way whatsoever associated with, the Transaction. Industry data is subject to variations and cannot be verified with complete certainty due to limits on the availability and reliability of raw data at any particular point in time, the voluntary nature of the data gathering process or other limitations and uncertainties inherent in any statistical survey. Accordingly, the accuracy and completeness of this data are not guaranteed. 116 BC and Awakn have not independently verified any of the data from third party sources referred to in this Circular or ascertained the underlying assumptions relied upon by such sources.

NOTE REGARDING *PRO FORMA* SHARE CAPITALIZATION AND FINANCIAL DISCLOSURE

Unless otherwise indicated, all disclosure herein with respect to the *pro forma* share capitalization and financial disclosure of the Resulting Issuer following the completion of the Transaction and the Financing, assuming completion of the Financing in full, other than the exercise of the Financing Agents Option.

DATE OF INFORMATION

Except as otherwise indicated in this Circular, all information disclosed in this Circular is as of May 14, 2021 and the phrase "as of the date hereof" and equivalent phrases refer to May 14, 2021.

GLOSSARY OF TERMS

For the assistance of Shareholders, the following is a glossary of terms used frequently throughout this Circular and the summary hereof. Words importing the singular, where the context requires, include the plural and vice versa.

116 BC	1169082 BC Ltd., a corporation incorporated under the CBCA.
116 BC Board	The board of directors of 116 BC.
116 BC Meeting	The annual general and special meeting of 116 BC Shareholders to be held on June 11, 2021.
116 BC Record Date	April 27, 2021.
116 BC Shares	Common shares of 116 BC.
116 BC Shareholders	Holders of 116 BC Shares.
1933 Act	The United States Securities Act of 1933, as amended.
1934 Act	The United States Securities Exchange Act of 1934, as amended.
Affiliate	<p>A Person is an "Affiliate" of another Person if:</p> <ul style="list-style-type: none"> (a) one of them is the subsidiary of the other, (b) both are subsidiaries of the same Person, or (b) each of them is controlled by the same Person. <p>A Person is a subsidiary of another Person if the Person is controlled by that other Person.</p> <p>A Person is "controlled" by another Person if:</p> <ul style="list-style-type: none"> (a) voting securities of the Person carrying more than 50 per cent of the votes for the election of directors are held, other than by way of security only, by or for the benefit of that Person, and (b) the voting securities, if voted, entitle the Person to elect a majority of the directors of the Person. <p>A Person beneficially owns securities that are beneficially owned by:</p> <ul style="list-style-type: none"> (a) Person controlled by that first Person, or (b) an Affiliate of that Person or an Affiliate of any Person controlled by that Person.
Agency Agreement	The agency agreement to be entered into between the Agents and Awakn in respect of the Financing as contemplated by the Engagement Letter.
Agents	The Lead Agents and any other agents which may be part of the syndicate for the Financing collectively.
Alternative Proposal	Any inquiry or the making of any proposal from any Person or group of Persons "acting jointly or in concert" (within the meaning of National Instrument 62-104 – <i>Take Over Bids and Issuer Bids</i>) which constitutes, or may reasonably be expected to lead to (in either case whether in one transaction or a series of transactions): (a) an acquisition or purchase of 20% or more of the voting securities of 116 BC or Awakn, as applicable; (b) any acquisition of a substantial amount of assets of 116 BC or Awakn, as applicable, taken as a whole; (c) an amalgamation, arrangement, merger, business combination, or consolidation involving 116 BC or Awakn, as applicable; (d) any take-over bid, issuer bid, exchange offer, recapitalization, liquidation, dissolution, reorganization or similar transaction involving 116 BC or Awakn, as applicable; or (e) any other transaction, the consummation of which would reasonably be expected to impede, interfere with, prevent or delay the transactions contemplated by the Amalgamation Agreement or the Transaction.
Amalco	The corporation to be formed pursuant to the Amalgamation, a corporation which will exist under the OBCA and will be a wholly owned subsidiary of the Resulting Issuer upon completion of the Transaction.

Amalgamation	The amalgamation of Awakn and Subco pursuant to the OBCA and the Amalgamation Agreement.
Amalgamation Agreement	The amalgamation agreement dated May 13, 2021 between Subco and Awakn, a copy of which is available on 116 BC's profile on SEDAR at www.sedar.com .
Arm's Length Transaction	A transaction which is not a Related Party Transaction.
Articles of Amalgamation	The articles of amalgamation to be prepared and filed in accordance with section 178 of the OBCA to effect the Amalgamation.
Associate	where used to indicate a relationship with any Person, means, <ul style="list-style-type: none"> (a) any company of which such Person beneficially owns, directly or indirectly, voting securities carrying more than 10 per cent of the voting rights attached to all voting securities of the company for the time being outstanding, (b) any partner of that Person, (c) any trust or estate in which such Person has a substantial beneficial interest or as to which such Person serves as trustee or in a similar capacity, (d) any relative of that Person who resides in the same home as that Person, (e) any person who resides in the same home as that person and to whom that person is married or with whom that person is living in a conjugal relationship outside marriage, or (f) any relative of a person mentioned in clause (e) who has the same home as that person.
AUD	Alcohol use Disorder.
Awakn	Awakn Life Sciences Inc, a corporation incorporated pursuant to the OBCA.
Awakn Board	The board of directors of Awakn.
Awakn Bristol	Awakn Bristol Limited (formerly Mandala Therapy Limited), a company incorporated and registered in England and Wales.
Awakn Debenture	The \$1,000 principal amount unsecured convertible debenture of Awakn comprising each Awakn Debenture Unit, as further described in the section entitled " <i>Description of Securities – Awakn Debentures</i> " in schedule C entitled <i>Information Concerning Awakn</i> attached to this Circular.
Awakn Debenture Units	The 4,000 convertible debenture units of Awakn comprised of one Awakn Debenture and one half of one Awakn Debenture Warrant.
Awakn Debenture Warrant	The warrants of Awakn comprising the Awakn Debenture Units, as further described in the section entitled " <i>Description of Securities – Awakn Warrants</i> " in schedule C entitled <i>Information Concerning Awakn</i> attached to this Circular.
Awakn Debenture Financing	The sale of \$4,000,000 in Awakn Debenture Units completed on March 19, 2021 on a non-brokered basis.
Awakn Life Sciences UK	Awakn Life Sciences UK Ltd, a company incorporated and registered in England and Wales.
Awakn London	Awakn London Limited, a company incorporated and registered in England and Wales.
Awakn Ketamine-Assisted Psychotherapy	Has the meaning ascribed thereto in the section entitled " <i>General Development of the Business – History</i> " in schedule C entitled " <i>Information Concerning Awakn</i> " attached to this Circular.

Awakn Meeting	The special meeting of Awakn Shareholders to be held on June 11, 2021 to consider the Transaction.
Awakn Options	The 1,585,000 outstanding stock options of Awakn.
Awakn Resolution	The special resolution approving the Amalgamation Agreement and the Amalgamation, the full text of which is set forth in schedule A attached to this Circular, to be considered, and if deemed advisable, passed, with or without variation, by the Awakn Shareholders at the Awakn Meeting.
Awakn Shares	Common shares of Awakn.
Awakn Shareholders	Holders of Awakn Shares.
BCBCA	The <i>Business Corporations Act</i> (British Columbia), as amended from time to time, including the regulations promulgated thereunder.
Beneficial Shareholder	A 116 BC Shareholder or an Awakn Shareholder holding its 116 BC Shares or Awakn Shares, as applicable, through an Intermediary, or otherwise not in the shareholder's own name.
BIMA	Bristol Imperial MDMA in Alcoholism.
Bristol Clinic	Awakn Bristol's clinic located at 1 Regent Street, Bristol BS8 4HW, United Kingdom.
Broker Warrants	Warrants to acquire Resulting Issuer Shares issuable to the Agents pursuant to the Financing at a price of \$2.50 per Resulting Issuer Share for a period of 24 months following the date on which the Escrow Release Conditions are satisfied.
Business Day	A day, other than a Saturday or Sunday, on which the principal commercial banks located in the City of Toronto, Ontario are open for business.
CEO	Each individual who served as Chief Executive Officer of a company or acted in a similar capacity during the most recently completed financial year.
CFO	Each individual who served as Chief Financial Officer of a company or acted in a similar capacity during the most recently completed financial year.
Change of Control	Includes situations where after giving effect to a contemplated transaction and as a result of such transaction: <ul style="list-style-type: none"> (a) any one Person holds a sufficient number of the Voting Shares of the Issuer or Resulting Issuer to affect materially the control of the Issuer or Resulting Issuer, or (b) any combination of Persons, acting in concert by virtue of an agreement, arrangement, commitment or understanding hold in total a sufficient number of the Voting Shares of the Issuer or Resulting Issuer to affect materially the control of the Issuer or Resulting Issuer; where such Person or combination of Persons did not previously hold a sufficient number of Voting Shares to affect materially the control of the Issuer or Resulting Issuer. In the absence of evidence to the contrary, any Person or combination of Persons acting in concert by virtue of an agreement, arrangement, commitment or understanding, hold more than 20% of the Voting Shares of the Issuer or Resulting Issuer is deemed to materially affect the control of the Issuer or Resulting Issuer.
Circular	This joint management information circular of 116 BC and Awakn dated May 14, 2021 furnished in connection with the solicitation of proxies for use at the Meetings.
Closing	The closing of the Transaction.
Closing Date	The date on which the Closing occurs.

Company	Unless specifically indicated otherwise, means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual.
Completion Date	The date of the Final Exchange Bulletin.
Completion Deadline	The latest date by which the Transaction is required to be completed, which date is July 31, 2021, or such later date as the Parties mutually agree.
Consolidation	The proposed consolidation of the 116 BC Shares on the basis of 42.5105 old 116 BC Shares for one new 116 BC Share to be completed immediately prior to the closing of the Transaction.
Control Person	Any person or company that holds or is one of a combination of persons or companies that holds a sufficient number of any of the securities of an issuer so as to affect materially the control of that issuer, or that holds more than 20% of the outstanding voting securities of an issuer except where there is evidence showing that the holder of those securities does not materially affect the control of the issuer.
COVID-19	Coronavirus disease 2019, an infectious disease caused by severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2).
CQC	Care Quality Commission in the UK.
CRA	Canada Revenue Agency.
Dissent Notice	A written objection to the Awakn Resolution made by a registered Awakn Shareholder in accordance with the Dissent Rights.
Dissent Rights	The right of a registered Awakn Shareholder to dissent in respect of the Awakn Resolution in strict compliance with the provisions of section 185 of the OBCA.
Dissenting Shareholders	Awakn Shareholders who duly and validly exercise their Dissent Rights and thereby become entitled to receive the fair value of their Awakn Shares.
Dissenting Shares	Awakn Shares in respect of which a Dissenting Shareholder has validly exercised a Dissent Right.
Engagement Letter	The engagement letter dated April 20, 2021 between Awakn and the Agents in respect of the Financing.
Escrow Agreement	The escrow agreement pursuant to which certain securities will be subject to escrow pursuant to the Regulatory Escrow Requirement, to be entered into at Closing, among the Resulting Issuer, the Transfer Agent and certain Principals of the Resulting Issuer holding in the aggregate 5,556,501 Resulting Issuer Shares as further described in the section entitled " <i>Escrowed Securities</i> " in schedule C entitled " <i>Information Concerning Awakn</i> " attached to this Circular.

Escrow Release Conditions

The conditions contemplated in the Engagement Letter to be satisfied on or before the Escrow Release Deadline for the purposes of converting the Subscription Receipts into Resulting Issuer Shares and release of the Escrowed Funds by the Subscription Receipt Agent to the Resulting Issuer, being:

- (a) written confirmation from each of Awakn and 116 that all conditions to the completion of the Transaction have been satisfied or waived, other than the release of the Escrowed Funds, each of which shall be conditional for the release of the Escrowed Funds;
- (b) the Resulting Issuer Shares being conditionally approved for listing on the Exchange, and the completion, satisfaction or waiver of all conditions precedent to such listing, other than the release of the Escrowed Funds,
- (c) the receipt of all regulatory, shareholder and third-party approvals, if any, required in connection with the Transaction;
- (d) Awakn, 116 and the Resulting Issuer shall not be in breach or default of any of its covenants or obligations under the Subscription Receipts Agreement or the Agency Agreement, except (in the case of the Agency Agreement only) for those breaches or defaults that have been waived by the Agents and all conditions set out in the Agency Agreement shall have been fulfilled, which shall all be confirmed to be true in a certificate of a senior officer of the Resulting Issuer;
- (e) the distribution of: (I) the Awakn Shares underlying the Subscription Receipts, and; (II) the Resulting Issuer Shares to be issued in exchange for the Awakn Shares pursuant to the Transaction being exempt from applicable prospectus and registration requirements of applicable securities laws;
- (f) such other customary Escrow Release Conditions requested by the Co-Lead Agents, acting reasonably; and
- (g) Awakn and the Co-Lead Agents (on their own behalf and on behalf of the other Agents) shall have delivered a release notice to the Subscription Receipt Agent confirming that items (a) through (f), inclusive, have been satisfied (the "**Release Notice**").

Escrow Release Deadline

The date that is 120 days following the closing date of the Financing.

Escrowed Proceeds

The gross proceeds of the Financing, less (i) 50% of the cash commission payable to the Agents under the Agency Agreement, and (ii) 100% of the estimated expenses of the Agents payable by Awakn pursuant to the terms of the Agency Agreement.

Escrowed Funds

The Escrowed Proceeds together with any interest and other income earned thereon as set out in the Subscription Receipts Agreement.

Exeter Licence

Has the meaning ascribed thereto in schedule C entitled "*Information Concerning Awakn*" attached to this Circular.

Exchange Listing Manual

The Listing manual of the NEO Exchange as amended from time to time.

Exchange Ratio

One Resulting Issuer Shares for each Awakn Share to be issued in connection with the Transaction.

executive officer

(i) the chair, (ii) the vice-chair, (iii) a vice-president in charge of a principal business unit, division or function, including sales, finance or production; (iv) an officer, including of a subsidiary, who performs a policy making functions; (v) or any other individual

	performing policy making functions of a company, including 116 BC, Awakn or the Resulting Issuer, as the case may be.
Final Exchange Bulletin	The bulletin issued by the NEO Exchange following closing of the Transaction and submission of all post-approval documents which evidences the final NEO Exchange acceptance of the Transaction and the Financing.
Financing	The brokered financing to be completed by Awakn pursuant to the terms of an Agency Agreement as contemplated by the Engagement Letter with the assistance of the Agents in connection with the Transaction to raise up to \$8,000,000 through the sale of up to 3,200,000 Subscription Receipts at a price of \$2.50 per Subscription Receipt, or, to raise up to \$9,200,000 if the Financing Agents Option is exercised in full.
Financing Agents Option	The option of the Agents for the Financing, which option is exercisable at any time prior to the Financing Closing Date, to increase the size of the Financing by up to an additional 480,000 Subscription Receipts at a price of \$2.50 per Subscription Receipt for additional gross proceeds of up to \$1,200,000.
Financing Closing Date	The date on which the Financing is completed.
IFRS	International Financial Reporting Standards.
Insider	If used in relation to a company, means: <ul style="list-style-type: none"> (a) a director or senior officer of a company; (b) a director or senior officer of a company that is itself an Insider or subsidiary of a company; (c) a Person that beneficially owns or controls, directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of a company; or (d) a company itself if it holds any of its own securities.
Intermediary	A broker, intermediary, trustee or other person holding 116 BC Shares or Awakn Shares, as the case may be, on behalf of a Beneficial Shareholder.
Issuer	A Person that has outstanding, issues or proposes to issue, a security.
ITA	The <i>Income Tax Act</i> (Canada), as amended, and the regulations thereunder.
KARE	Ketamine for Reduction of Alcoholic Relapse.
Lead Agents	Canaccord Genuity Corp. and Eight Capital collectively.
Letter Agreement	The letter agreement dated March 3, 2021 between Awakn and 116 BC regarding the Transaction which was superseded by the Amalgamation Agreement.
MAPS	Multidisciplinary Association of Psychedelic Studies.
Material Adverse Change	Has the meaning ascribed thereto in the Amalgamation Agreement.
Material Adverse Effect	Has the meaning ascribed thereto in the Amalgamation Agreement.
MD&A	Management's discussion and analysis, as such term is defined in National Instrument 51-102 – <i>Continuous Disclosure Obligations</i> of the Canadian Securities Administrators.
MDMA	3,4-Methylenedioxymethamphetamine.

Member	A Person that has executed a member agreement and been approved by the NEO Exchange to access the NEO Exchange systems, provided such access has not been terminated.
Meetings	Collectively, the 116 BC Meeting and the Awakn Meeting.
MHRA	Medicines and Healthcare products Regulatory Agency of the United Kingdom.
MI 61-101	Multilateral Instrument 61-101 – <i>Protection of Minority Security Holders in Special Transactions</i> and the companion policies and forms thereto, as amended from time to time.
Name Change	The change of 116 BC's name from "1169082 BC Ltd." to "Awakn Life Sciences Corp." or such other name as the Resulting Issuer Board may determine.
Named Executive Officer or NEO	One of the (i) the CEO, (ii) the CFO, (iii) each of an Issuer's three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, or (iv) any additional individuals for whom disclosure would have been provided under paragraph (i) above except that the individual was not serving as an executive officer of the Issuer, nor in a similar capacity, as at the end of the most recently completed financial year end.
NCE	New Chemical Entity.
NEO Exchange	NEO Exchange Inc.
Non-Arm's Length Party	In relation to a company, a promoter, officer, director, other Insider or Control Person of that company (including an issuer) and any Associates or Affiliates of any of such Persons. In relation to an individual, means any Associate of the individual or any company of which the individual is a promoter, officer, director, Insider or Control Person.
Notices of Meetings	The notices to the 116 BC Shareholders and the Awakn Shareholders of the Meetings which accompany this Circular.
NP 46-201	National Policy 46-201 – <i>Escrow for Initial Public Offerings</i> and the companion policies and forms thereto, as amended from time to time.
Nutt Research	Has the meaning ascribed thereto in schedule C entitled " <i>Information Concerning Awakn</i> " attached to this Circular.
OBCA	The <i>Business Corporations Act</i> (Ontario), as amended from time to time, including the regulations promulgated thereunder.
Parties	Any of 116 BC, Awakn or Subco, as the context requires, and "Party" refers to any of them, in relation to the Amalgamation Agreement.
Person	Broadly interpreted and includes any natural person, partnership, limited partnership, joint venture, syndicate, sole proprietorship, body corporate with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative.
PRAH	PRA Health Sciences, a clinical research organization.
Principals	means, with respect to the Resulting Issuer: <ul style="list-style-type: none"> (a) a person or company who acted as a promoter of the Resulting Issuer within two years of the Final Exchange Bulletin; (b) the directors and senior officers of the Resulting Issuer or any of its material operating subsidiaries at the time of the Final Exchange Bulletin;

- (c) a Person that holds securities carrying more than 20% of the voting rights attached to the Resulting Issuer's outstanding securities immediately before and immediately after the Final Exchange Bulletin;
- (d) A Person that holds securities carrying more than 10% of the voting rights attached to the Resulting Issuer's outstanding securities immediately before and immediately after the Final Exchange Bulletin if they also have elected or appointed or have the right to elect or appoint a director or senior officer of the Resulting Issuer or any of its material subsidiaries; and
- (d) Associates and Affiliates of any of the above.

Being in this case, each of Anthony Tennyson, President and CEO and Director, Jonathan Held, CFO, Dr. Benjamin Sessa, Chief Medical Officer and Director, George Scorsis, Chairman of the Resulting Issuer Board, Stephen Page, Director, John Papastergiou, Director, James Collins, Chief Operating Officer, Shaun McNulty, Chief Science Officer and their respective spouses and other immediate family living at the same address.

PTSD	Posttraumatic Stress Disorder.
R&D	Research and Development.
Registered Shareholder	A registered holder of 116 BC Shares or Awakn Shares, as the case may be, and does not include Beneficial Shareholders.
Regulation S	Regulation S adopted by the SEC under the 1933 Act.
Regulatory Escrow Requirement	The escrow requirement set out in section 2.12 of the Exchange Listing Manual.
Registrar	The Registrar of Companies for the Province of Ontario.
Related Party Transaction	Has the meaning ascribed thereto in MI 61-101.
Resulting Issuer	The issuer existing on the Completion Date, being 116 BC following completion of the Transaction, the Financing and the Name Change.
Resulting Issuer Board	The board of directors of the Resulting Issuer.
Resulting Issuer Options	The stock options of the Resulting Issuer Stock Option Plan.
Resulting Issuer Shares	Common shares, following completion of the Consolidation and the Transaction, of the Resulting Issuer.
Resulting Issuer Stock Option Plan	The Stock Option Plan following the completion of the Transaction.
Resulting Issuer Warrants	The warrants to purchase Resulting Issuer Shares.
Reverse Takeover or RTO	Means: <ul style="list-style-type: none"> (a) a reverse acquisition, which has the same meaning as in Canadian GAAP applicable to publicly accountable enterprises; (b) a transaction where an issuer acquires a Person by which the securityholders of the acquired Person, at the time of the transaction, obtain control of the issuer, where, for purposes of this paragraph of the definition, "control" has the same meaning as in Canadian GAAP applicable to publicly accountable enterprises; or

(c) a significant acquisition by an issuer accompanied or preceded by a change of control.

The Transaction is an RTO.

SEC	The United States Securities and Exchange Commission.
SEDAR	The System for Electronic Document Analysis and Retrieval as located on the internet at www.sedar.com.
Shareholders	Collectively, the Awakn Shareholders and the 116 BC Shareholders.
Stock Option Plan	The stock option plan of 116 BC to be approved by the 116 BC Shareholders at the 116 BC Meeting.
Subco	2835517 Ontario Ltd., a wholly owned subsidiary of 116 BC incorporated pursuant to the OBCA for the purposes of completing the Amalgamation.
Subscription Receipts	The subscription receipts of Awakn issued in connection with the Financing at a price of \$2.50 per Subscription Receipt, with each Subscription Receipt convertible, following completion of the Transaction, into one Resulting Issuer Share.
Subscription Receipt Agent	Endeavor Trust Corporation.
Subscription Receipt Agreement	The subscription receipt agreement to be entered into between Awakn and the Subscription Receipt Agent in relation to the Financing Proceeds and the Subscription Receipts on the Financing Closing Date.
Superior Proposal	An Alternative Proposal which is a transaction more favourable to 116 BC Shareholders or the Awakn Shareholders, as the case may be, from a financial point of view, than the terms of the Transaction.
Transaction	Collectively, the Amalgamation and related transactions contemplated under the Amalgamation Agreement.
Transfer Agent	National Securities Administrators Ltd.
TRD	Treatment resistant depression.
United Kingdom or UK	The United Kingdom of Great Britain and Northern Ireland.
United States or USA	The United States of America, its territories and possessions, any state of the United States and the District of Columbia.
Voting Share	a security of an issuer that: <ul style="list-style-type: none">(a) is not a debt security, and(b) carries a voting right either under all circumstances or under some circumstances that have occurred and are continuing.

SUMMARY

The following is a summary of information relating to 116 BC, Awakn and the Resulting Issuer (assuming completion of the Transaction) contained elsewhere in this Circular. This summary should be read together with the more detailed information and financial data and statements contained elsewhere in this Circular, including the schedules attached hereto, which are incorporated herein and form part of this Circular, and the documents incorporated by reference herein. Certain capitalized words and terms used in this Summary are defined in the Glossary of Terms.

The Meetings

Time, Date and Place of Meetings

The 116 BC Meeting will be held on Friday, June 11, 2021, at the hour of 10:00 a.m. (Vancouver time), at 600-890 West Pender Street, Vancouver, B.C., V6C 1J9.

The Awakn Meeting will be held on Friday, June 11, 2021, at the hour of 10:00 a.m. (Toronto time), at Irwin Lowy LLP at Suite 401, 217 Queen Street West, Toronto, Ontario M5V 0R2.

Record Date

The record date for determining the registered Shareholders for each Meeting is April 27, 2021. See section entitled "General Proxy Information" in this Circular for further information.

Purpose of the Meetings

At the 116 BC Meeting, 116 BC Shareholders will be asked to consider and approve general annual matters, the Stock Option Plan as well as the election of the directors of 116 BC following completion of the Transaction and to consider such other matters as may properly come before the 116 BC Meeting, all as set forth in the notice of the 116 BC Meeting accompanying this Circular.

At the Awakn Meeting, Awakn Shareholders will be asked to consider and approve the Transaction pursuant to the Awakn Resolution and to consider such other matters as may properly come before the Awakn Meeting, all as set forth in the notice of the Awakn Meeting accompanying this Circular.

See sections entitled "Particulars of Matters to be Acted Upon at the 116 BC Meeting" and "Particulars of the Matters to be Acted Upon at the Awakn Meeting" in this Circular.

Shareholder Approvals Required for Certain Matters

The full text of the Awakn Resolution is set out in schedule A attached to this Circular. Pursuant to the OBCA, the Awakn Resolution must be approved, with or without amendment, by at least two-thirds of the votes cast by the Awakn Shareholders, present in person or by proxy at the Awakn Meeting.

See section entitled "Information Concerning the Transaction – Shareholder Approvals" in this Circular.

The Parties

116 BC

116 BC is a company incorporated under the BCBCA and has not carried any business since incorporation. Following completion of the Transaction, 116 BC will carry on the business of Awakn through the Resulting Issuer.

See schedule B entitled "*Information Concerning 116 BC*" and schedule D entitled "*Information Concerning the Resulting Issuer*" attached to this Circular.

Upon the Closing and assuming the completion of the Financing in full, other than the exercise of the Financing Agents Option, the Resulting Issuer anticipates having 24,312,667 Resulting Issuer Shares issued and outstanding, 1,993,792 Resulting Issuer Warrants outstanding and 1,585,000 Resulting Issuer Options outstanding. See section entitled "*Description of the Securities – Fully Diluted Share Capital*" in schedule D entitled "*Information Concerning the Resulting Issuer*" attached to this Circular.

Awakn

Awakn is a private company incorporated pursuant to the OBCA. Awakn is a biotechnology company with clinical operations, engaged in the research, development and delivery of psychedelic medicine to treat addiction and other mental health conditions.

See schedule C entitled "*Information Concerning Awakn*" attached to this Circular.

Subco

Subco is wholly-owned subsidiary of 116 BC incorporated under the provisions of the OBCA for the purposes of completing the Amalgamation.

See section entitled "*Intercorporate Relationships*" in schedule B entitled "*Information Concerning 116 BC*" attached to this Circular.

The Transaction

Subco and Awakn have entered into the Amalgamation Agreement pursuant to which they will complete the Transaction and 116 BC will acquire, through the Amalgamation, all of the issued and outstanding Awakn Shares. See section entitled "*Information Concerning the Transaction – the Amalgamation Agreement*" in this Circular.

Principal Steps

Prior to the closing of the Transaction, 116 BC will complete the Consolidation of 116 BC Shares.

Under the terms of the Amalgamation Agreement, the Transaction will be completed by way of a three-cornered amalgamation under the OBCA, whereby:

- (a) Subco will amalgamate with and into Awakn, with Amalco becoming a wholly owned subsidiary of 116 BC;
- (b) each outstanding Awakn Share will be converted into the right to receive one post-Consolidation 116 BC Shares;
- (c) all 116 BC Shares held by Awakn will be canceled without any repayment of capital; and
- (d) each common share of Subco will be converted into one common share of Amalco.

Concurrently with closing of the Transaction, 116 BC is expected to complete the Name Change.

For more detailed information, see section entitled "*Information Concerning the Transaction– Principal Steps of the Transaction*" in this Circular.

Conditions to the Transaction

The Transaction and the obligations of the Parties to complete the Transaction is subject to certain conditions, including obtaining all necessary regulatory approvals, including, among others (i) the Awakn Resolution having received the approval of the Awakn Shareholders at the Awakn Meeting in accordance with the OBCA; (ii) the approval of the NEO Exchange; and (iii) the completion of the Financing. See section entitled "*Information Concerning the Transaction – the Amalgamation Agreement – Conditions to the Transaction*" in this Circular for further information.

Background to the Transaction

In February 2021, 116 BC and Awakn began discussing a potential transaction, and on March 3, 2021, 116 BC and Awakn entered into the Letter Agreement.

Throughout March, 2021, 116 BC and Awakn completed due diligence reviews of the other party.

On April 2, 2021, the Awakn Board consulted with Awakn's legal advisors with respect to the terms of the Amalgamation Agreement and the effect of the Transaction on outstanding securities of Awakn. The Awakn Board approved the Transaction and the Amalgamation Agreement pursuant to a resolution dated May 13, 2021.

See section entitled "*Information Concerning the Transaction – Background to the Transaction*" in this Circular for further information.

Board Recommendations Regarding the Transaction

The 116 BC Shareholders are not required to vote on the completion of the Transaction. The Awakn Board has unanimously determined that the Transaction is fair to the Awakn Shareholders and in the best interests of the Awakn Shareholders. The Awakn Board recommends that the Awakn Shareholders vote in favor of the Transaction. See section entitled "*Particulars to be Acted Upon at the Awakn Meeting – Proposed Transaction*" in this Circular.

Canadian Securities Law Matters

The issue and distribution of the Resulting Issuer Shares pursuant to the Amalgamation will constitute a distribution of securities that is exempt from the prospectus requirements of Canadian securities legislation and is exempt from or otherwise is not subject to the registration requirements under applicable securities legislation. The Resulting Issuer Shares received pursuant to the Amalgamation will not be legended and may be resold through registered dealers in each of the provinces of Canada provided that (i) the trade is not a "control distribution" as defined in National Instrument 45-102 "*Resale of Securities*" of the Canadian Securities Administrators, (ii) no unusual effort is made to prepare the market or to create a demand for the Resulting Issuer Shares, (iii) no extraordinary commission or consideration is paid to a person in respect of such sale, and (iv) if the selling security holder is an insider or officer of the Resulting Issuer, the selling security holder has no reasonable grounds to believe that the Resulting Issuer is in default of applicable Canadian securities laws.

Each Awakn Shareholder is urged to consult his or her professional advisors to determine the Canadian conditions and restrictions applicable to trades in Resulting Issuer Shares.

See section entitled "*Information Concerning the Transaction – Securities Law Matters for Awakn Shareholders*" in this Circular.

Dissent Rights

A holder of Awakn Shares is entitled to dissent in respect of the Transaction in accordance with section 185 of the OBCA.

Provided the Transaction becomes effective, each Awakn Shareholder who dissents in respect of the Transaction will be entitled to be paid the fair value of his, her or its Awakn Shares in respect of which such Shareholder dissents in accordance with section 185 of the OBCA. An Awakn Shareholder who intends to exercise the right to dissent should carefully consider and comply with the provisions of section 185 of the OBCA. Failure to strictly comply with the provisions of the OBCA and to adhere to the procedures established therein may result in the loss of all rights thereunder.

Any holder of Awakn Shares is entitled to dissent to the Transaction and to be paid the fair value of all, but not less than all, of such Awakn Shares in accordance with section 185 of the OBCA. Such dissenting Awakn Shareholders must send Awakn a written objection to the Transaction, which written objection must be received by Awakn at its registered office, at or before the Awakn Meeting. The execution or exercise of a proxy does not constitute written objection for the purposes of the OBCA.

Each Awakn Shareholder who might desire to exercise the right to dissent should carefully consider and comply with the applicable provisions of the OBCA and consult their own legal advisor.

See section entitled "*Particulars of the Matters to be Acted Upon at the Awakn Meeting – Dissent Rights*" in this Circular.

Canadian Federal Income Tax Considerations

This Circular does not contain any discussion as to the application of Canadian federal income tax, or the tax law of any province or other jurisdiction in Canada, in relation to the exchange of Awakn Shares for Resulting Issuer Shares as contemplated by the Amalgamation. Accordingly, holders of Awakn Shares resident in Canada should consult their own tax advisers for advice with respect to the application of Canadian tax law to the distribution of the Resulting Issuer Shares.

U.S. Federal Income Tax Advisory

This Circular does not contain any discussion as to the application of the United States federal income tax, or the tax law of any state or other jurisdiction in the United States, in relation to the exchange of Awakn Shares for Resulting Issuer Shares as contemplated by the Amalgamation. Accordingly, holders of Awakn Shares resident in the United States should consult their own tax advisers for advice with respect to the application of U.S. tax law to the distribution of the Resulting Issuer Shares.

See section entitled "*Income Tax Considerations*" in this Circular.

Financing

In connection with the Transaction and pursuant to an Agency Agreement, as contemplated by the Engagement Letter, Awakn is expected to complete the Financing with the assistance of the Agents to raise up to \$8,000,000 through the issue of up to 3,200,000 Subscription Receipts at a price of \$2.50 per Subscription Receipt, or to raise up to \$9,200,000 if the Financing Agents Option is exercised in full.

Each Subscription Receipt entitles the holder thereof to receive, without any further action on the part of the holder or payment of any additional consideration, one Resulting Issuer Share, subject to the satisfaction or waiver of the Escrow Release Conditions prior to Escrow Release Deadline, and provided that the Transaction has not otherwise been terminated.

Awakn has agreed to pay the Agents a cash commission equal to 7% of the gross proceeds of the Financing. In addition, Awakn will issue to the Agents such number of Brokers Warrants as is equal to 7% of the aggregate Subscription Receipts sold under the Financing. Awakn has also agreed to pay the Agents an additional corporate finance fee equal to 3% of the gross proceeds of the Financing, payable in Resulting Issuer Shares.

The Escrowed Proceeds will be held in escrow and, upon the satisfaction or waiver of the Escrow Release Conditions, the Escrowed Funds will be released to the Resulting Issuer. In the event that the Escrow Release Conditions are not satisfied by the Escrow Release Deadline, the proceeds of the Financing will be returned to the holders of the Subscription Receipts and the Subscription Receipts will be cancelled.

See section entitled "*Information Concerning the Transaction – Financing*" in this Circular.

Escrow Restrictions

Certain securities of the Resulting Issuer held by Principals of the Resulting Issuer will be subject to the Regulatory Escrow Requirement.

For additional information concerning the escrow restrictions applicable to the securities of the Resulting Issuer, see section entitled "*Escrowed Securities*" in schedule D entitled "*Information Concerning the Resulting Issuer*" attached to this Circular.

Board and Management of the Resulting Issuer

Following the Closing, the persons below will hold the following positions with the Resulting Issuer:

- Anthony Tennyson, Co-founder, President and CEO and Director
- Jonathan Held, Co-founder and CFO
- Dr. Benjamin Sessa, Co-founder, Chief Medical Officer and Director
- George Scorsis, Co-founder and Chairman of the Resulting Issuer Board
- Stephen Page, Director
- John Papastergiou, Director
- James Collins, Chief Operating Officer
- Shaun McNulty, Chief Science Officer

See section entitled "*Directors, Officers and Promoters*" in schedule D entitled "*Information Concerning the Resulting Issuer*" attached to his Circular.

Interests of Insiders, Promoters or Control Persons

As of the date of this Circular, Insiders of 116 BC hold an aggregate of 2,194,242 116 BC Shares, representing 25.8% of the issued and outstanding 116 BC Shares.

The following table shows the names of the Insiders of 116 BC (and any Associates and Affiliates) and the number and percentage of 116 BC Shares they currently hold and are expected to hold on completion of the Transaction:

Name of Insider	116 BC Shares as at the date of this Circular	% of 116 BC Shares as at the date of this Circular	Resulting Issuer Shares after the Transaction	% of Resulting Issuer Shares after the Transaction
Scott Munro	2,194,242 ⁽¹⁾	25.8%	51,76	0.21%

Notes:

(1) 125,000 116 BC Shares owned directly and 2,069,242 116 BC Shares controlled as trustee of Munro Family Trust.

See section entitled "*Pro-Forma Consolidated Capitalization*" attached to this Circular for additional information.

Arm's Length Transactions

The Transaction is an Arm's Length Transaction.

Available Funds and Use of Proceeds

Upon completion of the Transaction and the Financing and based on 116 BC having an estimated working capital deficit of \$20,000 as at March 31, 2021 and Awakn having an estimated working capital of \$3,585,000 as at March 31, 2021 including receipt of additional gross proceeds of \$8,000,000 upon completion of the Financing, assuming completion of the Financing in full, other than the exercise of the Financing Agents Option, the Resulting Issuer anticipates that it will have estimated working capital of \$11,565,000. The principal purpose of such funds, after giving effect to the Transaction and for the 12 months thereafter, are anticipated to be used as follows:

Principal Purpose	Budgeted Expenditures
Estimated Transaction Costs	\$250,000
Agents' Commission and Agents' Expenses ⁽¹⁾	\$710,000
Estimated general and administrative costs over the 12 months following the Closing Date	\$3,980,000
Research and development	\$4,270,000
Technology platform development	\$210,000
Clinic openings	\$1,690,000
Unallocated working capital ⁽²⁾	\$455,000
Total	\$11,565,000

Notes:

(1) Including commissions, fees and expenses paid pursuant to the Financing.

(2) Unallocated funds will be added to the working capital of 116 BC and invested in short-term interest bearing obligations.

There may be circumstances where, for sound business reasons, a reallocation of funds may be necessary. See section entitled "Available Funds and Principal Purposes" in schedule D entitled "Information Concerning the Resulting Issuer" attached to this Circular.

Selected Pro Forma Consolidated Financial Information

The following table sets forth certain *pro forma* financial information for 116 BC, Awakn and the Resulting Issuer, on a consolidated basis, after giving effect to the Transaction and the Financing, assuming that the Financing is completed in full, other than the exercise of the Financing Agents Option, and certain other adjustments and subject to the assumptions described in the notes to the unaudited consolidated *pro forma* financial statements of the Resulting Issuer which are attached as schedule K hereto. The unaudited *pro forma* consolidated balance sheets have been prepared based on the assumption that, among other things, the Transaction is completed on February 28, 2021.

The following information should be read in conjunction with the financial statements and reports thereon included in this Circular, being the audited financial statements of 116 BC for the financial year ended May 31, 2020 and the period from June 21, 2018 (incorporation) to May 31, 2019, which are attached hereto as schedule G, and corresponding MD&A for the year ended May 31, 2020, which is attached hereto as schedule H; the interim financial statements of 116 BC for the six and nine months ended February 28, 2021, which is attached hereto as schedule I, and corresponding MD&A, which is attached hereto as schedule J, and all of which are incorporated by referenced into this Circular and available on SEDAR, the audited consolidated financial statements of Awakn for the period from April 27, 2020 (incorporation) to January 31, 2021, which are attached hereto as schedule E and corresponding MD&A for the period from April 27, 2020 (incorporation) to January 31, 2021, which is attached hereto as schedule F.

Balance Sheet Data	116 BC as at February 28, 2021 (unaudited)	Awakn as at January 31, 2021 (audited)	Pro Forma as at February 28, 2021
Assets:			
Current Assets	\$nil	\$476,957	\$11,419,457
Non-current Assets	\$nil	\$348,531	\$408,531

Balance Sheet Data	116 BC as at February 28, 2021 (unaudited)	Awakn as at January 31, 2021 (audited)	Pro Forma as at February 28, 2021
Total Assets	\$nil	\$825,488	\$11,827,988
Liabilities:			
Current Liabilities	\$19,704	\$242,012	\$261,716
Non-current Liabilities	\$nil	\$118,434	\$118,434
Total Liabilities	\$19,704	\$360,446	380,150
Shareholder's Equity:			
Share Capital	\$1,000	\$1,152,346	\$11,270,878
Reserves	\$nil	\$39,870	\$2,114,986
Accumulated other Comprehensive Income	\$nil	\$610	\$610
Deficit	(\$20,704)	(\$865,186)	(\$2,076,038)
Non-controlling Interest	\$nil	\$137,402	\$137,402
Total Equity (Deficit)	\$19,704	\$465,033	\$11,447,838

Market for Securities

The 116 BC Shares are not listed on any stock exchange.

It is expected that upon completion of the Transaction, the Resulting Issuer Shares will be listed on the NEO Exchange under a trading symbol to be determined.

There is no public market for the Awakn Shares.

Conflicts of Interest

Directors or officers of the Resulting Issuer may, from time to time, serve as directors or officers of, or participate in ventures with, other companies involved in the biotechnology or clinic industries. Accordingly, conflicts of interest may arise which could influence these persons in evaluating possible business opportunities or in generally acting on behalf of the Resulting Issuer, notwithstanding that they will be bound by the provisions of the BCBCA to act at all times in good faith in the interests of the Resulting Issuer and to disclose such conflicts to the Resulting Issuer, if and when they arise. As of the date of this Circular, to the best of its knowledge, neither 116 BC nor Awakn is aware of the existence of any conflicts of interest between 116 BC or Awakn, as the case may be and any of the directors or officers of 116 BC or Awakn, as applicable. See section entitled "*Directors, Officers and Promoters – Conflicts of Interest*" in schedule D entitled "*Information Concerning the Resulting Issuer*" attached to this Circular.

For information concerning the director and officer positions held by the proposed directors and officers of the Resulting Issuer, see section entitled "*Directors, Officers and Promoters – Other Reporting Issuer Experience*" in schedule D entitled "*Information Concerning the Resulting Issuer*" attached to this Circular.

Interest of Experts

To the best of 116 BC's and Awakn's knowledge, no direct or indirect interest in 116 BC or Awakn is held or will be received by any experts responsible for opinions or reports referred to in this Circular. No expert is expected to be elected, appointed or employed as a director, officer or employee of the Resulting Issuer. See section entitled "*General Matters – Experts*" in this Circular for more information.

Risk Factors

In considering approval of the Transaction, the Awakn Shareholders should carefully consider certain risks relating to the Transaction and risks involved in the business of the Resulting Issuer.

There can be no assurance that debt or equity financing or cash generated by operations will be available or sufficient to meet these requirements or for other corporate purposes or, if debt or equity financing is available, that it will be on terms acceptable to the Resulting Issuer. Shareholders of the Resulting Issuer must rely on the ability, expertise, judgment, discretion, integrity and good faith of the management of Resulting Issuer. The Resulting Issuer's inability to access sufficient capital for the Resulting Issuer's operations could have a material adverse effect on the Resulting Issuer's financial condition, results of operations or prospects.

See section entitled "*Risk Factors*" in this Circular for a more detailed description of these risk factors and other risks. Resulting Issuer Shares are a risky and speculative investment.

Exchange Approval

Documentation respecting the Transaction has been filed with the NEO Exchange, and the NEO Exchange has conditionally accepted the Transaction. Acceptance of the Transaction by the NEO Exchange will be subject to 116 BC fulfilling all of the requirements of the NEO Exchange.

There can be no assurances that the NEO Exchange will approve the Transaction or the listing of the Resulting Issuer.

See section entitled "*Information Concerning the Transaction – Approval of the Exchange*" in this Circular.

Accompanying Documents

This Circular is accompanied by several schedules which are incorporated by reference into, form an integral part of, and should be read in conjunction with this Circular. **It is recommended that Shareholders read this Circular and the attached schedules in their entirety.**

GENERAL PROXY INFORMATION

Solicitation of Proxies

This Circular is furnished in connection with the solicitation of proxies by management of each of 116 BC and Awakn for use at the Meetings, and at any adjournment thereof. The solicitation will be by mail and possibly supplemented by telephone, electronic communications or other personal contact to be made without special compensation by regular officers and employees of 116 BC and Awakn, as applicable. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by 116 BC and Awakn, respectively. Neither 116 BC nor Awakn reimburses Shareholders, nominees or agents for the costs incurred in obtaining from their principals authorization to execute forms of proxy. 116 BC and Awakn have arranged for intermediaries to forward meeting materials to Beneficial Shareholders held as of record by those intermediaries and 116 BC and Awakn may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

COVID-19 GUIDANCE

In the context of the effort to mitigate potential risk to the health and safety associated with COVID-19 and in compliance with the orders and directives of the Government of Canada, the Provinces of British Columbia and Ontario and the Cities of Vancouver and Toronto, the Shareholders are being discouraged from attending the Meetings in person. All Shareholders are encouraged to vote on the matters before the Meetings by proxy in the manner set out herein.

Appointment of Proxies

Accompanying this Circular are forms of proxy for Registered Shareholders. The persons named in the form of proxy are directors and/or officers of 116 BC or Awakn, as applicable, and are proxyholders nominated by 116 BC Board or the Awakn Board. **A Shareholder has the right to appoint a person (who need not be a Shareholder) to attend and act on his, her or its behalf at the Meetings other than the persons named in the enclosed instrument of proxy. To exercise this right, a Shareholder must strike out the names of the nominees of management named in the instrument of proxy and insert the name of its nominee in the blank space provided on the proxy, or complete another instrument of proxy.**

116 BC Proxies

The completed instrument of proxy for 116 BC must be dated and signed and the duly completed instrument of proxy must be deposited at 116 BC's transfer agent, National Securities Administrators Ltd. no later than 48 hours (excluding Saturdays, Sundays and holidays) prior to the time of the 116 BC Meeting, or adjournment or postponement thereof or may be accepted by the chairman of the 116 BC Meeting, prior to the commencement of the 116 BC Meeting. The mailing address for proxies for 116 BC is:

**National Securities Administrators Ltd.
Suite 702, 777 Hornby St., Vancouver, British Columbia V6Z 1S4**

**Attention: Proxy Department
Email: proxy@transferagent.ca**

Awakn Proxies

The completed instrument of proxy for Awakn must be dated and signed and the duly completed instrument of proxy must be deposited at Awakn's registered offices no later than 48 hours (excluding Saturdays, Sundays and holidays) prior to the time of the Awakn Meeting, or adjournment or postponement thereof or may be accepted by the chairman of the Awakn Meeting, prior to the commencement of the Awakn Meeting. The mailing address for proxies for Awakn is:

Awakn Life Sciences Inc.
c/o Irwin Lowy LLP at Suite 401, 217 Queen Street West, Toronto, Ontario M5V 0R2
Attention: Carly Burk
Email: CBurk@irwinlowy.com

The instrument of proxy must be signed by the Shareholder or by his duly authorized attorney. If signed by a duly authorized attorney, the instrument of proxy must be accompanied by the original power of attorney or a notarially certified copy thereof.

Voting of Shares and Exercise of Discretion of Proxies

If a Shareholder specifies a choice with respect to any matter to be acted upon, 116 BC Shares or Awakn Shares, as applicable, represented by proxy will be voted or withheld from voting by the proxyholder in accordance with those instructions on any ballot or poll that may be called for.

In the enclosed form of proxy, in the absence of any instructions in the proxy, it is intended that such 116 BC Shares and Awakn Shares will be voted by the proxyholder, if a nominee of management, in favour of the motions proposed to be made at the Meetings as stated under the headings in the Notices of Meetings to which this Circular is attached. If any amendments or variations to such matters, or any other matters, are properly brought before the Meetings, the proxyholder, if a nominee of management, will exercise its discretion and vote on such matters in accordance with its best judgment.

The instrument of proxy enclosed, in the absence of any instructions in the proxy, also confers discretionary authority on any proxyholder other than the nominees of management named in the instrument of proxy with respect to the matters identified herein, amendments or variations to those matters, or any other matters which may properly be brought before the Meetings. To enable a proxyholder to exercise its discretionary authority a Shareholder must strike out the names of the nominees of management in the enclosed instrument of proxy and insert the name of its nominee in the space provided, and not specify a choice with respect to the matters to be acted upon. This will enable the proxyholder to exercise its discretion and vote on such matters in accordance with its best judgment.

At the time of printing this Circular, management of 116 BC and Awakn are not aware that any amendments or variations to existing matters or new matters are to be presented for action at the Meetings.

Revocation of Proxies

A proxy may be revoked by:

- (a) signing a proxy bearing a later date and depositing it at the place and within the time aforesaid;
- (b) in the case of a 116 BC proxy, signing and dating a written notice of revocation (in the same manner as the proxy is required to be executed, as set out in the notes to the proxy) and either delivering the same to National Securities Administrators Ltd. at Suite 702, 777 Hornby St., Vancouver, British Columbia V6Z 1S4 at any time up to and including the last Business Day preceding the day of the Meeting, or any adjournment thereof at which the proxy is to be used, or to the chairman of the 116 BC Meeting on the day of the 116 BC Meeting or any adjournment thereof;
- (c) in the case of a Awakn proxy, signing and dating a written notice of revocation (in the same manner as the proxy is required to be executed, as set out in the notes to the proxy) and either delivering the same to Awakn Life Sciences Inc. c/o Irwin Lowy LLP at Suite 401, 217 Queen Street West, Toronto, Ontario M5V 0R2, Attention: Carly Burk, Email: CBurk@irwinlowy.com at any time up to and including the last Business Day preceding the day of the Awakn Meeting, or any adjournment thereof at which the proxy is to be used, or to the chairman of the Awakn Meeting on the day of the Awakn Meeting or any adjournment thereof;

- (d) attending the Meetings or any adjournment thereof and registering with the scrutineer for the applicable Meeting as a shareholder present in person, whereupon such proxy will be deemed to have been revoked; or
- (e) in any other manner provided by law.

Only registered Shareholders have the right to revoke a proxy. A Beneficial Shareholder who wishes to change his, her or its vote must, at least seven days before the Meetings, arrange for his, her or its Intermediary to revoke his, her or its proxy on his, her or its behalf.

Advice to Beneficial Shareholders

The information set forth in this section is of significant importance to many Shareholders, as many Shareholders do not hold their 116 BC Shares or Awakn Shares, as applicable, in their own name. Beneficial Shareholders should note that only proxies deposited by Shareholders appearing on the records maintained by 116 BC's transfer agent or by Awakn's registered office as registered Shareholders will be recognized and allowed to vote at the Meetings, as applicable. If a Shareholder's 116 BC Shares or Awakn Shares are listed in an account statement provided to the Shareholder by a broker, in all likelihood those shares are not registered in the Shareholder's name and that Shareholder is a Beneficial Shareholder. Such shares are most likely registered in the name of the Shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co., the registration name for The Canadian Depository for Securities, which acts as nominee for many Canadian brokerage firms. 116 BC Shares or Awakn Shares held by brokers (or their agents or nominees) on behalf of a broker's client can only be voted at the Meetings at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting 116 BC Shares or Awakn Shares for the broker's clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate party well in advance of the Meetings.**

In accordance with the requirements of National Instrument 54-101 – *Communications with Beneficial Owners of Securities of a Reporting Issuer* ("NI 54-101") of the Canadian Securities Administrators, 116 BC has distributed copies of the Notices of Meeting, this Circular and the instruments of proxy to the clearing agencies and Intermediaries for onward distribution to Beneficial Shareholders. Intermediaries are required to forward 116 BC's proxy solicitation materials to Beneficial Shareholders unless a Beneficial Shareholder has waived the right to receive them under NI 54-101. **116 BC has determined not to pay for the distribution by Intermediaries of the meeting materials to holders who have advised the Intermediaries that they object to the disclosure of ownership information about the Beneficial Shareholder and such Beneficial Shareholders will not receive the meeting materials unless their Intermediary assumes the costs of such delivery.**

Regulatory policies require Intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholder meetings. The vast majority of Intermediaries now delegate responsibility for obtaining instructions from Beneficial Shareholders to Broadridge Financial Solutions Inc. ("**Broadridge**") in Canada. Broadridge typically prepares a machine-readable Request for Voting Instructions ("**VIF**"), mails these VIFs to Beneficial Shareholders and asks Beneficial Shareholders to return the VIFs to Broadridge, usually by way of mail, the Internet or telephone. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting by proxies for which Broadridge has solicited voting instructions. **A Beneficial Shareholder who receives a Broadridge VIF cannot use that form to vote shares directly at the Meetings. The VIF must be returned to Broadridge (or instructions respecting the voting of shares must otherwise be communicated to Broadridge) well in advance of the Meetings in order to have the shares voted. If you have any questions respecting the voting of 116 BC Shares or Awakn Shares held through an Intermediary, please contact that Intermediary for assistance.**

The purpose of this procedure is to permit Beneficial Shareholders to direct the voting of 116 BC Shares or Awakn Shares which they beneficially own. **A Beneficial Shareholder receiving a VIF cannot use that form to vote 116 BC Shares or Awakn Shares directly at the Meetings. Beneficial Shareholders should carefully follow the instructions set out in the VIF including those regarding when and where the VIF is to be delivered.** Should a Beneficial Shareholder who receives a VIF wish to attend the applicable Meeting or have someone else attend on their

behalf, the Beneficial Shareholder may request a legal proxy as set forth in the VIF, which will grant the Beneficial Shareholder or their nominee the right to attend and vote at the applicable Meeting.

All references to Shareholders in this Circular and the accompanying instrument of proxy and Notices of Meetings are to Registered Shareholders unless specifically stated otherwise.

Record Date

Only Shareholders of record on the close of business on April 27, 2021, who either personally attend the 116 BC Meeting or the Awakn Meeting, as applicable, or who complete and deliver an instrument of proxy in the manner and subject to the provisions set out under sections "*Appointment of Proxies*" and "*Revocation of Proxies*" in this Circular will be entitled to have his, her or its 116 BC Shares or Awakn Shares voted at the 116 BC Meeting or the Awakn Meeting, as applicable, or any adjournment or postponement thereof.

Indebtedness of Directors and Senior Officers

None of the directors or senior officers of 116 BC or Awakn, no proposed nominee for election as a director of 116 BC and no Associates or Affiliates of any of them, is or has been indebted to 116 BC or Awakn or their respective subsidiaries at any time since the beginning of 116 BC's or Awakn's last completed financial year, as applicable.

Interest of Certain Persons or Companies in Matters to be Acted Upon

Except as described in this Circular, to the knowledge of 116 BC and Awakn, the directors and executive officers of 116 BC and Awakn have no material interest in the Transaction that differs from the interests of Shareholders generally.

Except as otherwise described in this Circular, there are no agreements or arrangements between 116 BC, Awakn and any director, officer or proposed director and officer of 116 BC or Awakn in respect of the Transaction and no Associate or Affiliate of any of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meetings.

Interest of Informed Persons in Material Transactions

For the purposes of this Circular, "informed person" means:

- (a) a director or executive officer of 116 BC or Awakn, as applicable;
- (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of 116 BC or Awakn, as applicable;
- (c) any person or company who beneficially owns, directly or indirectly, voting securities of 116 BC or Awakn, as applicable or who exercises control or direction over voting securities of 116 BC or Awakn, as applicable, or a combination of both, carrying more than 10% of the voting rights attached to all outstanding voting securities of 116 BC or Awakn, as applicable, other than voting securities held by the person or company as underwriter in the course of a distribution; and

116 BC or Awakn, as applicable, if it has purchased, redeemed or otherwise acquired any of its own securities, for so long as it holds any of its securities.

Other than as disclosed elsewhere in this Circular or in their capacity as a Shareholder and being treated equally to all other Shareholders, no informed person, no proposed director of 116 BC or Awakn, and no Associate or Affiliate of any such informed person or proposed director, has any material interest, direct or indirect, in any material transaction since the commencement of 116 BC's or Awakn's last completed financial year or in any proposed transaction, which, in either case, has materially affected or will materially affect 116 BC, Awakn or any of their subsidiaries.

Voting Shares

116 BC

The authorized capital of 116 BC consists of an unlimited number of 116 BC Shares. Each 116 BC Shareholder of record at the close of business on the Record Date will be entitled to receive notice of and vote at the 116 BC Meeting, or any adjournment or postponement thereof, in person or by proxy. As of the Record Date, 116 BC had 8,502,104 116 BC Shares issued and outstanding, each 116 BC Share carrying the right to one vote. 116 BC Shareholders are entitled to one vote for each 116 BC Share held.

A quorum at the 116 BC Meeting will consist of one shareholder present and being, or one shareholder represented by proxy, with such shareholder holding not less than one of the issue shares entitled to be voted at the meeting.

Awakn

The authorized capital of Awakn consists of an unlimited number of Awakn Shares. Each Awakn Shareholder of record at the close of business on the Record Date will be entitled to receive notice of and vote at the Awakn Meeting, or any adjournment or postponement thereof, in person or by proxy. As of the Record Date, Awakn had 17,483,334 Awakn Shares issued and outstanding, each Awakn Share carrying the right to one vote. The Awakn Shareholders are entitled to one vote for each Awakn Share held.

A quorum at the Awakn Meeting will consist of all of the Awakn Shareholders or two Awakn Shareholders, whichever number be the lesser, personally present in person or represented by proxy.

Principal Shareholders

116 BC

To the knowledge of the directors and senior officers of 116 BC only the following own, directly or indirectly, or exercise control or direction over, shares carrying more than 10% of the voting rights attached to all outstanding 116 BC Shares:

Name of Shareholder	Number of 116 BC Shares	Percentage of Issued and Outstanding 116 BC Shares
James Scott Munro ⁽¹⁾	2,194,242 ⁽²⁾	25.8%

Notes

(1) Mr. Munro is the Chief Executive Officer, Chief Financial Officer and a director of 116 BC.

(2) 125,000 116 BC Shares owned directly and 2,069,242 116 BC Shares controlled as trustee of Munro Family Trust.

Awakn

To the knowledge of the directors and senior officers of Awakn, only the following own, directly or indirectly, or exercise control or direction over, shares carrying more than 10% of the voting rights attached to all Awakn Shares:

Name of Shareholder	Number of Awakn Shares	Percentage of Issued and Outstanding Awakn Shares
Dr. Benjamin Sessa	2,230,000	12.79%

Notes

(1) Dr. Sessa is the Co-founder, Chief Medical Officer and a director of Awakn.

PARTICULARS OF THE MATTERS TO BE ACTED UPON AT THE 116 BC MEETING

Annual Matters

Presentation of Financial Statements

The audited consolidated financial statements of 116 BC for the year ended May 31, 2020 and the period from June 21, 2018 (incorporation) to May 31, 2019 and the respective report of the auditors thereon will be placed before the Shareholders at the 116 BC Meeting. No vote will be taken on the consolidated financial statements. The consolidated financial statements and additional information concerning 116 BC are available under 116 BC's profile at www.sedar.com.

Election of Directors

The 116 BC Board currently consists of one director. Shareholders will be asked to approve an ordinary resolution that the number of directors elected be fixed at three. The term of office of the current director will end at the conclusion of the 116 BC Meeting.

On May 13, 2021, the 116 BC Board approved a majority voting policy, whereby, at an uncontested election of directors at a shareholders' meeting, any director who is not elected by at least a majority (50% + 1 vote) of the votes cast with respect to his or her election shall immediately tender his or her written resignation to the Chair of the 116 BC Board. The 116 BC Board (other than the affected director) will consider such offer of resignation and shall determine whether to accept, reject, or take such other actions with respect to the tendered resignation. In its deliberations, the 116 BC Board will consider all factors deemed relevant including, without limitation, the stated reasons, if any, why certain shareholders cast WITHHELD votes for the director, the qualifications of the director and whether the director's resignation from the 116 BC Board would be in the best interests of 116 BC. The 116 BC Board will take formal action no later than 90 days following the date of the applicable shareholders' meeting and the resignation will be effective on the date it is accepted by the 116 BC Board. The 116 BC Board will accept the resignation, absent exceptional circumstances that would warrant the continued service of the applicable director on the 116 BC Board.

116 BC shall promptly issue a news release with the 116 BC Board's decision. If the 116 BC Board has determined not to accept a resignation, the news release shall fully state the reasons for that decision.

No director who is required to tender his or her resignation shall participate in the 116 BC Board's deliberations or determination. If a resignation is accepted by the 116 BC Board, and subject to any corporate law restrictions, the 116 BC Board may leave any resulting vacancy unfilled until the next annual general meeting, or may appoint a new director to fill the vacancy who the 116 BC Board considers to merit the confidence of the shareholders, or may call a special meeting of shareholders at which nominee(s) will be presented to fill the vacant position or positions.

The 116 BC Board determined that three directors will be nominated at the 116 BC Meeting. The persons named below will be presented for election at the 116 BC Meeting as management's nominees. Unless the director's office is earlier vacated in accordance with the provisions of the BCBCA, each director elected at the 116 BC Meeting will hold office until the conclusion of the next annual general meeting of the shareholders of 116 BC, or if no director is then elected, until a successor is elected, or until the election of directors conditional on and effective upon completion of the Transaction as set out below under the section entitled "*Particular of the Matters to be Acted upon at the 116 BC Meeting – Conditional Matters to be Acted Upon in Connection with the Transaction – Transaction Election of Directors*" in this Circular.

The following table states the names of the persons nominated by management for election as directors, any offices with 116 BC currently held by them, their principal occupations or employment, the period or periods of service as directors of 116 BC and the approximate number of voting securities of 116 BC beneficially owned, directly or indirectly, or over which control or direction is exercised as of the date hereof.

Name, province or state and country of residence and position, if any, held in 116 BC	Principal Occupation during the past 5 years ⁽⁴⁾	Served as Director of 116 BC	Number of 116 BC beneficially owned, directly or indirectly, or controlled or directed at present ⁽⁴⁾	Percentage of Voting Shares Owned or Controlled
James Scott Munro ⁽³⁾ British Columbia, Canada Chief Executive Officer, Chief Financial Officer and director	Business Executive	June 21, 2018	2,194,242	25.8%
Richard Paolone ⁽³⁾	Securities Lawyer	n/a	nil	n/a
Patrick Brown ⁽³⁾	Accountant	n/a	nil	n/a

Notes:

- (1) The information as to voting securities beneficially owned, controlled or directed, not being within the knowledge of 116 BC, has been furnished by the respective nominees individually.
- (2) 125,000 116 BC Shares owned directly and 2,069,242 116 BC Shares controlled as trustee of Munro Family Trust.
- (3) Proposed member of the Audit Committee.
- (4) Principal occupations and biographies for each of the proposed directors of 116 BC are as follows:

Biographies

James Scott Munro, Chief Executive Officer, Chief Financial Officer and director, is an experienced accountant, entrepreneur and venture capitalist who has served in a variety of senior executive roles including CEO, CFO and director in both Canadian and U.S. public and private companies for over 25 years. Over the past 10+ years, Scott has owned and operated private venture capital and consulting firms that provide M&A advisory, going-public transactions, reporting, and other services to private and public companies.

Richard Paolone, director, is a practicing securities lawyer focused on mining, agriculture and cannabis. Mr. Paolone is the principal lawyer of Paolone Law Professional Corporation. In his private practice, he has developed experience with respect to public companies, capital markets, mergers and acquisitions and other facets fundamental to the natural resources sector. Mr. Paolone currently serves as director and CEO of several other private and reporting companies.

Mr. Brown, director, is an experienced and formally trained Chartered Accountant with over 25 years in senior audit and finance roles. Mr. Brown currently operates Parabolic Communications Inc. that provides marketing and investor relations services with professional experience in public markets and investor relations, having managed programs for several over-the-counter registered entities.

PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE ELECTION OF THE ABOVE-NAMED NOMINEES, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT THEREOF. Management has no reason to believe that any of the nominees will be unable to serve as a director but, **IF A NOMINEE IS FOR ANY REASON UNAVAILABLE TO SERVE AS A DIRECTOR, PROXIES IN FAVOUR OF MANAGEMENT WILL BE VOTED IN FAVOUR OF THE REMAINING NOMINEES AND MAY BE VOTED FOR A SUBSTITUTE NOMINEE UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT OF THE ELECTION OF DIRECTORS.**

Corporate Cease Trade Orders or Bankruptcies

Other than as set forth below, no proposed director, within 10 years before the date of this Circular, has been a director, chief executive officer or chief financial officer of any company that:

- (a) was subject to: (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days (collectively an "Order") and that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

No proposed director, within 10 years before the date of this Circular, has been a director or executive officer of any company that, while the proposed director was acting in that capacity, or within a year of the proposed director ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Personal Bankruptcies

None of the proposed directors of 116 BC have, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such person.

Penalties and Sanctions

None of the proposed directors of 116 BC have been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Appointment of Auditors

PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED IN FAVOUR OF THE APPOINTMENT OF ADAM SUNG KIM LTD., CHARTERED PROFESSIONAL ACCOUNTANT, AS AUDITORS OF 116 BC TO HOLD OFFICE UNTIL THE NEXT ANNUAL GENERAL MEETING OF SHAREHOLDERS AND THE AUTHORIZATION OF THE DIRECTORS TO FIX THEIR REMUNERATION, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS 116 BC SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT THEREOF. Adam Sung Kim Ltd., Chartered Professional Accountant, was first appointed as the auditors of 116 BC on June 21, 2018.

In the event that MNP LLP is appointed at the 116 BC Meeting as set out below under the section entitled "*Particular of the Matters to be Acted upon at the 116 BC Meeting – Conditional Matters to be Acted Upon in Connection with the Transaction – Transaction Appointment of Auditors*" in this Circular and the Transaction is successfully completed, Adam Sung Kim Ltd., Chartered Professional Accountant, will be replaced by MNP LLP, who would thereafter serve as the auditors of 116 BC.

Approval of Stock Option Plan

116 BC Board has adopted a "rolling" stock option plan (as amended, the "**Stock Option Plan**") for officers, directors, employees and consultants of 116 BC. The 116 BC Board approved the Stock Option Plan on May 4, 2021. 116 BC has not granted any stock options under the Stock Option Plan.

The purpose of the Stock Option Plan is to attract, retain and motivate directors, officers, employees and other service providers of 116 BC by providing them with the opportunity, through stock options, to acquire a proprietary interest in 116 BC and benefit from its growth.

The following is a summary of the key terms of the Stock Option Plan. It is not a comprehensive discussion of all of the terms and conditions of the Stock Option Plan. Readers are advised to review the full text of the Stock Option Plan attached hereto as schedule L to fully understand all terms and conditions of the Stock Option Plan.

- (a) options may be granted under the Stock Option Plan only to directors, officers, employees and consultants of 116 BC and its subsidiaries and other designated persons as designated from time to time by the 116 BC Board, as more particularly described in the Stock Option Plan;

- (b) the maximum number of 116 BC Shares that may be reserved for issue pursuant to stock options granted under the Stock Option Plan (together with the 116 BC Shares which may be reserved for issue pursuant to any other share compensation arrangements of 116 BC) may not exceed in the aggregate 10% of the number of issued and outstanding number of 116 BC Shares on a non-diluted basis on the date of the grant of stock options;
- (c) unless 116 BC has obtained the requisite disinterested shareholder approval, the total number of 116 BC Shares which may be reserved for issue pursuant to stock options granted under the Stock Option Plan (together with the 116 BC Shares which may be reserved for issue pursuant to any other share compensation arrangements of 116 BC) to any one person within a 12 month period may not exceed in the aggregate 5% of the number of 116 BC Shares issued and outstanding on a non-diluted basis on the date of the grant of stock options;
- (d) the maximum term of any stock option issued under the Stock Option Plan is 10 years after the date of the grant of the stock option;
- (e) subject to extension as described below, an optionee has 90 days after the date on which such optionee's employment, directorship, consulting agreement or other qualified position is terminated, other than for cause, to exercise any stock options granted to him or her under the Stock Option Plan;
- (f) the 116 BC Board may, in its sole discretion, increase the periods permitted to exercise any stock options under the Stock Option Plan following a termination of employment, directorship, consulting agreement or other qualified position (the "**Termination**"), if allowable under applicable law, provided, however, that such stock options may not be exercisable more than 10 years after the date on which they were granted;
- (g) a stock option granted under the Stock Option Plan terminates on the earlier of one year following the death of the optionee and the stock option's regular expiry date; and
- (h) in the event of a reorganization of 116 BC or the amalgamation, merger or consolidation of the 116 BC Shares, 116 BC the Board will make such appropriate provisions for the protection of the rights of the optionee as it may deem advisable.

At the Meeting, Shareholders will be asked to consider and, if deemed appropriate, to pass, with or without variation, an ordinary resolution in the form set out below (the "**Stock Option Plan Resolution**"), subject to such amendments, variations or additions as may be approved at the 116 BC Meeting, authorizing and approving the Stock Option Plan. In order to pass, the Stock Option Plan Resolution must be approved by a majority of the votes cast at the Meeting by all Shareholders, present in person or represented by proxy.

If the Stock Option Plan Resolution is not approved at the 116 BC Meeting, the Stock Option Plan will not be implemented.

The 116 BC Board recommends that shareholders vote for the Stock Option Plan Resolution.

The text of the Stock Option Plan Resolution to be submitted to the shareholders of 116 BC is set forth below, subject to such amendments, variations or additions as may be approved at the Meeting:

"BE IT RESOLVED THAT AS AN ORDINARY RESOLUTION OF THE SHAREHOLDERS THAT:

1. the stock option plan approved by the directors of 116 BC on May 4, 2021 as described in the joint management information circular dated May 14, 2021 of 116 BC and attached thereto as schedule L (the "**Stock Option Plan**") be and it is hereby approved and adopted;

2. the directors of 116 BC be authorized to grant stock options under, and subject to the terms and conditions of, the Stock Option Plan, which may be exercised to purchase up to 10% of the issued and outstanding number of 116 BC Shares of 116 BC at the date of the grant of stock options;
3. the Stock Option Plan may be amended by the directors of 116 BC in order to satisfy the requests of any regulatory authorities (collectively the "**Regulatory Requests**") without further approval of the shareholders of 116 BC, unless approval of the shareholders of 116 BC is required by the Regulatory Requests; and
4. any director or officer of 116 BC is hereby authorized and directed, acting for, in the name of and on behalf of 116 BC, to execute or cause to be executed, under the seal of 116 BC or otherwise and to deliver or to cause to be delivered, all such other deeds, documents, instruments and assurances and to do or cause to be done all such other acts as in the opinion of such director or officer of 116 BC may be necessary or desirable to carry out the terms of the foregoing resolutions."

PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE APPROVAL OF THE STOCK OPTION PLAN RESOLUTION UNLESS A SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS 116 BC SHARES ARE TO BE VOTED AGAINST SUCH RESOLUTION.

Conditional Matters to be Acted Upon in Connection with the Transaction

In connection with the Transaction, 116 BC would be required to elect the directors of the Resulting Issuer and appoint new auditors. Accordingly, the 116 BC Shareholders are asked to consider and approve, conditional on the Transaction being completed, the matters listed below. If the Transaction will not proceed, 116 BC will not implement such matters notwithstanding the approval of such matters at the 116 BC Meeting.

Transaction Election of Directors

Conditional on and effective following the completion of the Transaction, Shareholders will be asked to approve an ordinary resolution that the number of directors elected be fixed at five.

The following table sets forth the name of each of the persons proposed to be nominated for election as a director conditional on and effective following the completion of the Transaction (the "**Resulting Issuer Director Nominees**"), all proposed positions and offices of such nominee with the Resulting Issuer, the nominee's municipality of residence, principal occupation at the present and during the preceding five years, if applicable, the period during which the nominee has served as a director of 116 BC, and the number and percentage of 116 BC Shares that the nominee has advised are beneficially owned by the nominee, directly or indirectly, or over which control or direction is exercised, as of the Record Date.

Name, province or state and country of residence and position, if any, to hold with the Resulting Issuer	Principal Occupation ⁽⁴⁾	Served as Director of 116 BC since	Number of 116 BC Shares beneficially owned, directly or indirectly, or controlled or directed at present ⁽¹⁾	Percentage of 116 BC Shares Owned or Controlled
Anthony Tennyson President, CEO and Director Dublin, Ireland	CEO and President of Awakn	n/a	nil	n/a
George Scorsis ⁽²⁾ Director Ontario, Canada	Executive Chairman and CEO of WeedMD Inc., a cannabis company	n/a	nil	n/a
Benjamin Sessa Chief Medical Officer and Director Bristol, United Kingdom	Chief Medical Officer of Awakn	n/a	nil	n/a

Name, province or state and country of residence and position, if any, to hold with the Resulting Issuer	Principal Occupation ⁽⁴⁾	Served as Director of 116 BC since	Number of 116 BC Shares beneficially owned, directly or indirectly, or controlled or directed at present ⁽¹⁾	Percentage of 116 BC Shares Owned or Controlled
Stephen Page ⁽²⁾ Director London, United Kingdom	Health, social care and education consultant	n/a	nil	n/a
John Papastergiou ⁽²⁾ Director Ontario, Canada	Research Scientist and Pharmacist	n/a	nil	n/a

Notes:

- (1) *The information as to voting securities beneficially owned, controlled or directed, not being within the knowledge of 116 BC, has been furnished by the respective Resulting Issuer Director Nominees individually.*
- (2) *Members of the Audit Committee.*
- (3) *Compositions of the Compensation Committee and the Nominating and Corporate Governance Committee will be determined by the Resulting Issuer Board following the completion of the Transaction.*
- (4) *Principal occupations and biographies for each of the Resulting Issuer Director Nominees are set out in schedule C entitled "Information Concerning Awakn" attached hereto.*

Each director elected will hold office conditional on and effective following the completion of the Transaction until the next annual general meeting of the shareholders of the Resulting Issuer, or until his or her successor is elected or appointed, unless his or her office is earlier vacated in accordance with the notice of articles of the Resulting Issuer or the provisions of the BCBCA.

PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE ELECTION OF THE ABOVE-NAMED NOMINEES CONDITIONAL ON AND EFFECTIVE FOLLOWING THE COMPLETION OF THE TRANSACTION, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT THEREOF. Management has no reason to believe that any of the Resulting Issuer Director Nominee will be unable to serve as a director but, **IF A RESULTING ISSUER DIRECTOR NOMINEE IS FOR ANY REASON UNAVAILABLE TO SERVE AS A DIRECTOR, PROXIES IN FAVOUR OF MANAGEMENT WILL BE VOTED IN FAVOUR OF THE REMAINING RESULTING ISSUER DIRECTOR NOMINEES AND MAY BE VOTED FOR A SUBSTITUTE RESULTING ISSUER DIRECTOR NOMINEE UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS 116 BC SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT OF THE ELECTION OF DIRECTORS.**

Corporate Cease Trade Orders or Bankruptcies

No proposed Resulting Issuer Director Nominee, within 10 years before the date of this Circular, has been a director, chief executive officer or chief financial officer of any company that:

- (a) was subject to: (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days (collectively an "**Order**") and that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

No proposed Resulting Issuer Director Nominee, within 10 years before the date of this Circular, has been a director or executive officer of any company that, while the proposed director was acting in that capacity, or within a year of the proposed Resulting Issuer Director Nominee ceasing to act in that capacity, became bankrupt, made a proposal

under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Personal Bankruptcies

None of the proposed Resulting Issuer Director Nominees have, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such person.

Penalties and Sanctions

None of the proposed Resulting Issuer Director Nominees have been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Transaction Appointment of Auditors

The 116 BC Shareholders will be asked to vote for the appointment of MNP LLP as auditor of the Resulting Issuer, to hold office conditional on and effective following the completion of the Transaction.

PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED IN FAVOUR OF THE APPOINTMENT OF MNP LLP AS AUDITORS OF THE RESULTING ISSUER TO HOLD OFFICE CONDITIONAL ON AND EFFECTIVE FOLLOWING THE COMPLETION OF THE TRANSACTION UNTIL THE NEXT ANNUAL GENERAL MEETING OF SHAREHOLDERS OR UNTIL MNP LLP IS REMOVED FROM OFFICE OR RESIGNS AND THE AUTHORIZATION OF THE DIRECTORS TO FIX THEIR REMUNERATION, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS 116 BC SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT THEREOF.

The appointment of MNP LLP, as auditors of the Resulting Issuer will only be effective in the event that the Transaction is successfully completed.

PARTICULARS OF THE MATTERS TO BE ACTED UPON AT THE AWAKN MEETING

Proposed Transaction

116 BC, Awakn and Subco have entered into the Amalgamation Agreement providing for the completion of the Transaction. At the Awakn Meeting, the Awakn Shareholders will be asked to consider and, if deemed advisable, approve the Awakn Resolution set forth in schedule A attached hereto to approve the Transaction. **The Awakn Board recommends that the Awakn Shareholders vote in favor of the Awakn Resolution.**

The Awakn Resolution must receive the approval of at least two-thirds of the Awakn Shareholders who vote in person or by proxy. **It is the intention of the persons named in the enclosed proxy, in the absence of instructions to the contrary, to vote the proxy in favour of the Awakn Resolution.**

For more detailed information regarding the Transaction, see section entitled "*Information Concerning the Transaction*" in this Circular.

Dissent Rights

A holder of Awakn Shares is entitled to dissent in respect of the Transaction in accordance with section 185 of the OBCA.

The following description of the right to dissent and appraisal to which a Shareholder who dissents in respect of the Transaction under the OBCA ("Transaction Dissenting Shareholder") is not a comprehensive statement of procedures to be followed by a Transaction Dissenting Shareholder who seeks payment of the fair value of the Awakn Shares of such Transaction Dissenting Shareholder and is qualified in its entirety by the reference to the full text of section 185 of the OBCA, which is attached hereto as schedule N.

Provided the Transaction becomes effective, each Transaction Dissenting Shareholder will be entitled to be paid the fair value of his, her or its Awakn Shares in respect of which such Shareholder dissents in accordance with section 185 of the OBCA.

A Transaction Dissenting Shareholder who intends to exercise the right to dissent and appraisal should carefully consider and comply with the provisions of section 185 of the OBCA. Failure to strictly comply with the provisions of the OBCA and to adhere to the procedures established therein may result in the loss of all rights thereunder.

Any holder of Awakn Shares is entitled to dissent to the Transaction and to be paid the fair value of all, but not less than all, of such Awakn Shares in accordance with section 185 of the OBCA. A Transaction Dissenting Shareholder must send Awakn a written objection to the Transaction, which written objection must be received by Awakn at its registered office, at or before the Awakn Meeting. The execution or exercise of a proxy does not constitute written objection for the purposes of the OBCA.

Each Shareholder who might desire to exercise the right to dissent should carefully consider and comply with the applicable provisions of the OBCA and consult their own legal advisor.

INCOME TAX CONSIDERATIONS

No Tax Summary

This Circular contains no discussions of the tax consequences of the Amalgamation to the Shareholders resident in Canada or otherwise. No representation with respect to the Canadian federal or income tax consequences in other jurisdictions to any particular Shareholder is made herein. Accordingly, Shareholders should consult their own tax advisors with respect to their particular circumstances including, where relevant, the application and effect of the income and other taxes of any country, province, territory, state or local tax authority.

No U.S. Legal Opinion or IRS Ruling

No legal opinion from U.S. legal counsel or ruling from the United States Internal Revenue Service has been requested, or will be obtained, regarding the U.S. federal income tax consequences of the Amalgamation. Shareholders who are subject to U.S. taxation should consult with their own professional advisers with regard to the Amalgamation's U.S. tax implications.

INFORMATION CONCERNING THE TRANSACTION

General

The parties to the Transaction are 116 BC, Subco and Awakn. The Transaction is not a Related Party Transaction for the purposes of Canadian Securities Laws.

The Transaction will result in a Reverse Takeover of 116 BC by Awakn and the acquisition of all of the issued and outstanding securities of Awakn by 116 BC via a three-corner amalgamation.

Principal Steps of the Transaction

Pursuant to the Amalgamation Agreement, 116 BC will acquire all of the outstanding securities of Awakn via the Amalgamation of Subco, a wholly owned subsidiary of 116 BC incorporated solely for the purposes of completing the Transaction, with Awakn pursuant to section 174 of the OBCA.

Prior to the completion of the Amalgamation, 116 BC will complete the Consolidation of 116 BC Shares. Concurrently with the closing of the Transaction, 116 BC is expected to complete the Name Change.

Under the terms of the Amalgamation Agreement, the following steps will occur on the Closing Date:

- (a) Any Awakn Shares held by Dissenting Shareholders will be deemed to be transferred by the holder thereof, without any further act or formality on its part, free and clear of all liens, claims and encumbrances, to Amalco, and Amalco shall thereupon be obligated to pay each Dissenting Shareholder the fair value of his, her or its Dissenting Shares in accordance with the OBCA and the Dissenting Shareholder shall be removed from the central securities register as holder of the Awakn Shares and such transferred Dissenting Shares shall be cancelled.
- (b) Subco and Awakn will amalgamate as one corporation, being Amalco, by filing the Articles of Amalgamation and on the Amalgamation, among other things;
 - (i) each outstanding Awakn Share will be exchanged for 42.5105 post-Consolidation 116 BC Shares;
 - (ii) each common share of Subco will be converted into one common share of Amalco;
 - (iii) as consideration for the issue of 116 BC Shares pursuant to the Amalgamation, Amalco will issue to 116 BC one common share of Amalco for each one 116 BC Share issued; and
 - (iv) all 116 BC Shares held by Awakn will be canceled without any repayment of capital.
- (c) Amalco will become a wholly owned subsidiary of 116 BC.

No fractional securities will be issued. Any fractions resulting will be rounded down to the next whole number and no cash or other consideration shall be paid or payable in lieu of such fraction of a 116 BC Share.

The Amalgamation Agreement

The Transaction will be effected in accordance with the Amalgamation Agreement, a copy of which has been filed under 116 BC's profile on SEDAR at www.sedar.com as a material document. The description of the Amalgamation Agreement, both below and elsewhere in this Circular is a summary only, is not exhaustive and is qualified in its entirety by reference to the terms of the Amalgamation Agreement, which is incorporated by reference herein.

Representations and Warranties

The Amalgamation Agreement contains representations and warranties made by each of 116 BC and Awakn. The assertions embodied in those representations and warranties are solely for the purposes of the Amalgamation Agreement and may be subject to important qualifications, limitations and exceptions agreed to by the parties in connection with negotiating its terms and as set out in the disclosure letters delivered in connection with the Amalgamation Agreement. Certain representations and warranties may not be accurate or complete as of any specified date because they are qualified by certain disclosure provided by the Parties or are subject to a standard of materiality or are qualified by a reference to the concept of a "Material Adverse Event" (which concept is defined in the Amalgamation Agreement and in some respects are different from the materiality standards generally applicable under securities laws). Therefore, Shareholders should not rely on the representations and warranties as statements of factual information at the time they were made or otherwise.

The Amalgamation Agreement contains representations and warranties of the Parties relating to certain matters including, among other things: incorporation and qualification; ownership of subsidiaries; absence of conflict with or violation of constating documents, agreements or applicable laws; authority to execute and deliver the Amalgamation Agreement and perform its obligations under the Amalgamation Agreement; due authorization and enforceability of the Amalgamation Agreement; composition of share capital; options or other rights for the purchase of securities; indebtedness; receipt of all required consents and approvals; financial statements; records, accounts, minute books and corporate records; material contracts; permits and licenses; employment matters; compliance with laws, including environmental laws; absence of adverse litigation, judgment or order; absence of undisclosed liabilities; absence of adverse material change; taxation matters; environmental matters; reporting issuer and listing status; and matters related to the Amalgamation.

Conditions to the Transaction

The respective obligations of Awakn and 116 BC to complete the transactions contemplated by the Amalgamation Agreement are subject to a number of conditions which must be satisfied or waived in order for the Amalgamation to become effective, which conditions are summarized below. There is no assurance that these conditions will be satisfied or waived on a timely basis. Unless all of the conditions are satisfied or waived, the Amalgamation will not proceed.

Mutual Conditions

The respective obligations of 116 BC and Awakn to complete the transactions contemplated in the Amalgamation Agreement are subject to the fulfillment of the following conditions on or before the Closing Date or such other time as is specified below:

- (a) approval of the Awakn Shareholders in accordance with the provisions of the OBCA shall have been obtained at the Awakn Meeting;
- (b) holders of no more than 5% of the Awakn Shares shall have exercised Dissent Rights;
- (c) Awakn shall have completed the Financing, and the Escrow Release Conditions shall have been satisfied or waived;
- (d) the NEO Exchange shall have conditionally approved the Transaction and the listing on the NEO Exchange of the Resulting Issuer Shares to be issued pursuant to the Transaction on terms and conditions acceptable to each of the Parties, acting reasonably;
- (e) Subco shall not have engaged in any business enterprise or other activity or have any assets or liabilities; and
- (f) the distribution of the Resulting Issuer Shares pursuant to the Transaction shall be exempt from the prospectus and registration requirements of applicable Canadian and provincial securities laws and, except with respect to persons deemed to be "control persons" of the Resulting Issuer under such securities laws, such Resulting Issuer Shares shall not be subject to any resale restrictions in Canada under such securities law.

Conditions for the Benefit of Awakn

The obligation of Awakn to complete the transactions contemplated by the Amalgamation Agreement is subject to the fulfillment or waiver of the following additional conditions, as set forth in the Amalgamation Agreement, at or before the Closing Date or such other time as is specified below, including, but not limited to:

- (a) the representations and warranties made by 116 BC in the Amalgamation Agreement that are qualified by the expression "material", "Material Adverse Change" or "Material Adverse Effect" shall be true and correct as of the date of the Amalgamation Agreement and as of the Closing Date as if made on and as of the Closing Date (except to the extent that such representations and warranties speak as of an earlier date, in which event

such representations and warranties shall be true and correct as of such earlier date), and all other representations and warranties made by 116 BC in the Amalgamation Agreement which are not so qualified shall be true and correct in all material respects as of the date of the Amalgamation Agreement and as of the Closing Date as if made on and as of the Closing Date (except to the extent that such representations and warranties speak as of an earlier date, in which event such representations and warranties shall be true and correct as of such earlier date);

- (b) there shall not have occurred a Material Adverse Change in respect of 116 BC;
- (c) 116 BC shall have complied in all material respects with its covenants contained in the Amalgamation Agreement; and
- (d) 116 BC Board shall have adopted all necessary resolutions and all other necessary corporate action shall have been taken by 116 BC to permit the consummation of the Transaction and the transactions to be completed by 116 BC pursuant to the terms of the Amalgamation Agreement.

Conditions for the Benefit of 116 BC

The obligation of 116 BC to complete the transactions contemplated by the Amalgamation Agreement is subject to the fulfillment or waiver of the following addition conditions, as set forth in the Amalgamation Agreement, at or before the Closing Date or such other time specified below, including, but not limited to:

- (a) the representations and warranties made by Awakn in the Amalgamation Agreement that are qualified by the expression "material", "Material Adverse Change" or "Material Adverse Effect" shall be true and correct as of the date of the Amalgamation Agreement and as of the Closing Date as if made on and as of the Closing Date (except to the extent that such representations and warranties speak as of an earlier date, in which event such representations and warranties shall be true and correct as of such earlier date), and all other representations and warranties made by Awakn in the Amalgamation Agreement which are not so qualified shall be true and correct in all material respects as of the date of the Amalgamation Agreement and as of the Closing Date as if made on and as of the Closing Date (except to the extent that such representations and warranties speak as of an earlier date, in which event such representations and warranties shall be true and correct as of such earlier date);
- (b) there shall not have occurred a Material Adverse Change in respect of Awakn;
- (c) Awakn shall have complied in all material respects with its covenants contained in the Amalgamation Agreement; and
- (d) the Awakn Board shall have adopted all necessary resolutions and all other necessary corporate action shall have been taken by Awakn to permit the consummation of the Transaction and the transactions to be completed by Awakn pursuant to the terms of the Amalgamation Agreement.

Covenants of 116 BC

116 BC has agreed with Awakn that it will, among other things:

- (a) call the 116 BC Meeting as soon as practicable;
- (b) Other than as required to give effect to the Transactions contemplated by the Amalgamation Agreement or as permitted by the Amalgamation Agreement, not do any of the following prior to the Closing Date, without the prior written consent of Awakn, which consent shall not be unreasonable withheld or delayed:
 - (i) issue, sell, grant, pledge, lease, dispose of, encumber or create any encumbrance on, or agree to issue, sell, grant, pledge, lease, dispose of, or encumber or create any encumbrance on, any shares

- of, or any options, warrants, calls, conversion privileges or rights of any kind to acquire any shares of, 116 BC other than as contemplated by the Amalgamation Agreement;
- (ii) incur or commit to incur any debt, except in the ordinary and regular course of business, to finance its working capital requirements or as otherwise contemplated in connection with the transactions contemplated in the Amalgamation Agreement;
 - (iii) declare or pay any dividends or distribute any of its properties or assets to 116 BC Shareholders;
 - (iv) enter into any material contracts without the consent of Awakn, other than in connection with the Transaction or as otherwise contemplated in the Amalgamation Agreement;
 - (v) alter or amend its notice of articles or articles, other than as may be required in connection with the transactions contemplated in the Amalgamation Agreement, including the Consolidation;
 - (vi) engage in any business enterprise or other activity materially different from that carried on or contemplated by it as of the date of the Amalgamation Agreement;
 - (vii) other than in the ordinary and regular course of business, sell, pledge, lease, dispose of, grant any interest in, encumber, or agree to sell, pledge, lease, dispose of, grant any interest in or encumber, any of its assets, except where to do so would not have a Material Adverse Effect on 116 BC;
 - (viii) redeem, purchase or offer to purchase any of 116 BC Shares or any of its other securities, other than as contemplated by the Amalgamation Agreement;
 - (ix) amend the terms of any convertible security issued and outstanding; or
 - (x) acquire, directly or indirectly, any assets, including but not limited to securities of other companies, other than in the ordinary and regular course of business;
- (c) not take any action, or refrain from taking any action or permit any action to be taken or not taken (subject to a commercially reasonable efforts qualification), inconsistent with the provisions of the Amalgamation Agreement or that would reasonably be expected to materially impede the completion of the transactions contemplated by the Amalgamation Agreement or would render, or that would reasonably be expected to render, any representation or warranty made by 116 BC in the Amalgamation Agreement untrue or inaccurate in any material respect at any time on or before the Closing Date if then made or that would have a Material Adverse Effect on 116 BC.
- (d) use all commercially reasonable efforts to satisfy, or cause to be satisfied, all conditions precedent to its obligations to the extent that the same is within its control and to take, or cause to be taken, all other action and to do, or cause to be done, all other things necessary, proper or advisable under all applicable laws to complete the transactions contemplated by the Amalgamation Agreement;
- (e) make, or cooperate as necessary in the making of, all necessary filings and applications under all applicable laws required in connection with the transactions contemplated thereby and take all reasonable action necessary to be in compliance with such laws;
- (f) use its commercially reasonable efforts to conduct its affairs so that all of the representations and warranties of 116 BC contained in the Amalgamation Agreement shall be true and correct on and as of the Closing Date as if made on and as of such date.
- (g) in its capacity as sole shareholder of Subco:

- (i) take all such action as is necessary or desirable to cause Subco to satisfy its obligations hereunder, including without limitation, passing a resolution approving the Transaction, on or prior to the Closing Date, or such other date as may be agreed to by 116 BC and Awakn, acting reasonably;
 - (ii) prior to the Closing Date, not cause or permit Subco to issue any securities or enter into any agreements to issue or grant options, warrants or rights to purchase any of its securities except for the issuance of a nominal number of common shares to 116 BC or carry on any business, enter into any transaction or effect any corporate act whatsoever, other than as contemplated in the Amalgamation Agreement or as reasonably necessary to carry out the Amalgamation, unless previously consented to in writing by Awakn; and
 - (iii) after the Closing Date, cause Amalco to satisfy any obligations which Amalco may have to a Awakn Shareholder who exercises Dissent Rights;
- (h) Until the earlier of: (i) the Closing Date; and (ii) the termination of the Amalgamation Agreement in accordance, 116 BC shall use its commercially reasonable efforts to:
- (i) obtain conditional approval of the NEO Exchange for listing 116 BC Shares to be issued to Awakn Shareholders pursuant to and in accordance with the terms of the Amalgamation Agreement.

Covenants of Awakn

Awakn has agreed with 116 BC that it will, among other things:

- (a) call the Awakn Meeting as soon as practicable;
- (b) other than as required to give effect to the Transactions contemplated by the Amalgamation Agreement or as permitted by the Amalgamation Agreement, not do any of the following prior to the Closing Date, without the prior written consent of 116 BC which consent shall not be unreasonable withheld or delayed:
 - (i) issue, sell, grant, pledge, lease, dispose of, encumber or create any encumbrance on, or agree to issue, sell, grant, pledge, lease, dispose of, or encumber or create any encumbrance on, any shares of, or any options, warrants, calls, conversion privileges or rights of any kind to acquire any shares of, Awakn, other than as contemplated by the Amalgamation Agreement;
 - (ii) incur or commit to incur any debt, except in the ordinary and regular course of business, to finance its working capital requirements or as otherwise contemplated in connection with the transactions contemplated in the Amalgamation Agreement;
 - (iii) declare or pay any dividends or distribute any of its properties or assets to the Awakn Shareholders;
 - (iv) enter into any material contracts without the consent of 116 BC other than in connection with the Transaction or as otherwise contemplated in the Amalgamation Agreement;
 - (v) alter or amend its notice of articles or articles, other than as may be required in connection with the transactions contemplated in the Amalgamation Agreement, including the Amalgamation;
 - (vi) engage in any business enterprise or other activity materially different from that carried on or contemplated by it as of the date of the Amalgamation Agreement;
 - (vii) other than in the ordinary and regular course of business, sell, pledge, lease, dispose of, grant any interest in, encumber, or agree to sell, pledge, lease, dispose of, grant any interest in or encumber, any of its assets, except where to do so would not have a Material Adverse Effect on Awakn;

- (viii) redeem, purchase or offer to purchase any of the Awakn Shares or any of its other securities, other than as contemplated by the Amalgamation Agreement;
 - (ix) amend the terms of any convertible security issued and outstanding; or
 - (x) acquire, directly or indirectly, any assets, including but not limited to securities of other companies, other than in the ordinary and regular course of business.
- (c) not take any action, or refrain from taking any action or permit any action to be taken or not taken (subject to a commercially reasonable efforts qualification), inconsistent with the provisions of the Amalgamation Agreement or that would reasonably be expected to materially impede the completion of the transactions contemplated by the Amalgamation Agreement or would render, or that would reasonably be expected to render, any representation or warranty made by Awakn in the Amalgamation Agreement untrue or inaccurate in any material respect at any time on or before the Closing Date if then made or that would have a Material Adverse Effect on Awakn.
 - (d) Use all commercially reasonable efforts to satisfy, or cause to be satisfied, all conditions precedent to its obligations to the extent that the same is within its control and to take, or cause to be taken, all other action and to do, or cause to be done, all other things necessary, proper or advisable under all applicable laws to complete the transactions contemplated by the Amalgamation Agreement;
 - (e) make, or cooperate as necessary in the making of, all necessary filings and applications under all applicable laws required in connection with the transactions contemplated thereby and take all reasonable action necessary to be in compliance with such laws;
 - (f) use its commercially reasonable efforts to conduct its affairs so that all of the representations and warranties of Awakn contained in the Amalgamation Agreement shall be true and correct on and as of the Closing Date as if made on and as of such date; or
 - (g) prior to the Closing Date, Awakn will complete the Financing, provided that 116 BC agrees to assist Awakn with the Financing and 116 BC and Awakn will mutually determine, through negotiation with the placement agent(s), the terms thereof, the issue price and the terms of any underlying warrants (if any).

Alternative Transactions

The Parties have agreed that they will not, and will not permit any of their respective directors, officers, employees or agents, to directly or indirectly, solicit, discuss, encourage or accept an Alternative Proposal, subject to their fiduciary duties at law. The Parties will with reasonable diligence do all such things and provide all such reasonable assurances as may be required to obtain the approval of applicable regulatory authorities, including the NEO Exchange, to the transactions contemplated in the Amalgamation Agreement, and each Party will provide such further documents or instruments as may be necessary to effect the purposes of the Amalgamation Agreement. Each Party shall use all commercially reasonable effort to cause each of the condition precedents to be satisfied as soon as reasonably possible.

Notwithstanding the above or any other provision of the Amalgamation Agreement:

- (a) 116 BC Board may consider, participate in any discussions or negotiations with, or provide information to, any person who has delivered or issued a bona fide Alternative Proposal which was not solicited or encouraged after the date of the Amalgamation Agreement and did not otherwise result from a breach of the Amalgamation Agreement and that 116 BC Board determines in good faith, after consultation with its outside legal counsel, would, if consummated in accordance with its terms, result in Superior Proposal, provided that any such determination shall only be made if 116 BC Board has received written advice of outside legal counsel to the effect that the board of directors is required to do so in order to properly discharge its fiduciary duties, and provided further that, immediately upon receipt of such advice, 116 BC advises Awakn in writing that it has received such advice and provides written details thereof; and

- (b) the Awakn Board may, prior to the approval of the Awakn Resolution by the Awakn Shareholders, consider, participate in any discussions or negotiations with, or provide information to, any person who has delivered or issued a bona fide Alternative Proposal which was not solicited or encouraged after the date of Amalgamation Agreement and did not otherwise result from a breach of the Amalgamation Agreement and that the Awakn Board determines in good faith, after consultation with its outside legal counsel, would, if consummated in accordance with its terms, result Superior Proposal, provided that any such determination shall only be made if the Awakn Board has received advice of outside legal counsel to the effect that the board of directors is required to do so in order to properly discharge its fiduciary duties, and provided further that, immediately upon receipt of such advice, Awakn advises 116 BC in writing that it has received such advice and provides written details thereof.

Right to Match

Notwithstanding any other provision of the Amalgamation Agreement, Awakn agrees that it will not enter into any agreement (other than a confidentiality agreement) regarding a Superior Proposal or release the person making the Superior Proposal from any standstill agreements without providing 116 BC with an opportunity of not less than five Business Days to amend the Amalgamation Agreement to provide at least as favourable terms as those to be included in the Superior Proposal. In particular, Awakn covenants to provide 116 BC with all material terms and conditions of any Superior Proposal at least five Business Days prior to the proposed date of execution of such Superior Proposal by Awakn. The Awakn Board will review any offer by 116 BC to amend the terms of the Amalgamation Agreement in good faith in order to determine, acting reasonably and exercising its fiduciary duties, whether 116 BC's offer, upon acceptance by Awakn, would result in Superior Proposal not being a Superior Proposal. If the Awakn Board so determines, it will enter into an amended Agreement with 116 BC reflecting 116 BC's amended proposal. In the event 116 BC agrees to amend the Amalgamation Agreement as provided above within such five Business Day period, Awakn covenants to not enter into the Superior Proposal or release the party making the Superior Proposal from any standstill agreements. If upon expiry of the five Business Day period, 116 BC has either not provided an offer to amend the Amalgamation Agreement or such offer would not render the Superior Proposal not a Superior Proposal, Awakn may proceed with the Superior Proposal and terminate the Amalgamation Agreement.

Amendment

The Amalgamation Agreement may, at any time and from time to time, before or after the receipt of the approval of the Awakn Shareholders, be amended by mutual written agreement of the Parties without, subject to applicable Laws, further notice to or authorization on the part of 116 BC Shareholders or the Awakn Shareholders, and any such amendment may, without limitation:

- (a) change the time for the performance of any of the obligations or acts of any of the Parties;
- (b) waive any inaccuracies in, or modify, any representation or warranty contained therein or in any document delivered pursuant thereto;
- (c) waive compliance with, or modify, any of the covenants therein contained and waive or modify the performance of any of the obligations of any of the parties thereto; and
- (d) waive compliance with, or modify, any condition therein contained.

Termination

The Amalgamation Agreement may, prior to the Closing Date, be terminated, in certain circumstance, including:

- (a) by mutual written agreement by 116 BC, Awakn and Subco;
- (b) subject to notice and cure provisions within the Amalgamation Agreement:

- (i) by 116 BC if any condition for its benefit is not satisfied or waived,
 - (ii) by Awakn, if any condition for its benefit is not satisfied or, or
 - (iii) by 116 BC or by Awakn, if any of the mutual conditions for the benefit of the terminating party is not satisfied or waived;
- (c) by Awakn if there is a material breach of the covenants of 116 BC contained in the Amalgamation Agreement by 116 BC or any of its directors, officers, employees, agents, consultants or other representatives, in each case on or before the Closing Date, which breach cannot be cured;
- (d) by 116 BC if there is a material breach of the covenants of Awakn contained in the Amalgamation Agreement by Awakn or any of its directors, officers, employees, agents, consultants or other representatives, in each case on or before the Closing Date, which breach cannot be cured; by 116 BC or by Awakn as the result of a Superior Proposal; or
- (e) by Awakn or by 116 BC if the Transaction shall not have been completed by the Completion Deadline.

Expenses

All expenses incurred in connection with the Amalgamation Agreement and the transactions contemplated thereby shall be paid by the Party incurring such expense.

Background to the Transaction

In February 2021, 116 BC and Awakn began discussing a potential transaction and on March 3, 2021, 116 BC and Awakn entered into the Letter Agreement.

Throughout March, 2021, 116 BC and Awakn completed due diligence reviews of the other party.

On April 2, 2021, the Awakn Board consulted with Awakn's legal advisors with respect to the terms of the Amalgamation Agreement and the effect of the Transaction on outstanding securities of Awakn. The Awakn Board approved the Transaction and the Amalgamation Agreement pursuant to a resolution dated May 13, 2021.

Shareholder Approvals

Pursuant to the OBCA, the Transaction must be approved by at least two-thirds of the votes cast at the Awakn Meeting by Awakn Shareholders present in person or by proxy.

Notwithstanding the foregoing, the Awakn Resolution authorizes the Awakn Board, without further notice to or approval of the Shareholders, subject to the terms of the Amalgamation Agreement to decide not to proceed with the Transaction and to revoke the Awakn Resolution at any time prior to the Closing Date.

Approval of the Exchange

The Amalgamation Agreement provides that receipt of all regulatory approvals, including without limitation, the approval of the NEO Exchange of the Transaction, is a condition precedent to the completion of the Transaction. Acceptance by the NEO Exchange will be conditional upon receipt of various documents and information, including evidence of requisite Shareholder approval, all of which will be filed by 116 BC in connection with the 116 BC Meeting.

As of the date of this Circular, 116 BC has received conditional approval of the NEO Exchange. **There is no assurance that the Transaction or the Financing will receive either conditional or final approval of the NEO Exchange.**

Securities Law Matters for Awakn Shareholders

Shareholders, including securityholders residing elsewhere than in Canada, are urged to consult their legal advisors to determine the extent of all applicable resale provisions.

Canadian Securities Laws

The issuance and distribution of the Resulting Issuer Shares pursuant to the Amalgamation will constitute a distribution of securities that is exempt from the prospectus requirements of Canadian securities legislation and is exempt from or otherwise is not subject to the registration requirements under applicable securities legislation. The Resulting Issuer Shares received pursuant to the Amalgamation will not be legended and may be resold through registered dealers in each of the provinces of Canada provided that (i) the trade is not a "control distribution" as defined in National Instrument 45-102 "*Resale of Securities*" of the Canadian Securities Administrators, (ii) no unusual effort is made to prepare the market or to create a demand for the Resulting Issuer Shares, (iii) no extraordinary commission or consideration is paid to a person in respect of such sale, and (iv) if the selling security holder is an insider or officer of the Resulting Issuer, the selling security holder has no reasonable grounds to believe that the Resulting Issuer is in default of applicable Canadian securities laws.

United States Securities Laws

The Resulting Issuer Shares issued in connection with the Amalgamation are or will be "restricted securities" as defined in Rule 144 under the 1933 Act, and the holders may dispose of the Resulting Issuer Shares only pursuant to an effective registration statement under the 1933 Act or an exemption from the registration requirements of the 1933 Act. 116 BC is not obligated to file and has no present intention of filing with the SEC or with any state securities administrator any registration statement in respect of resales of the Resulting Issuer Shares in the United States. Accordingly, holders of the Resulting Issuer Shares may be required to hold the Resulting Issuer Shares indefinitely.

Additionally, 116 BC (i) is not obligated to remain a "foreign issuer" within the meaning of Regulation S, (ii) may not, at the time 116 BC Shares are resold or otherwise transferred by it or at any other time, be a foreign issuer, and (iii) may engage in one or more transactions that could cause 116 BC not to be a foreign issuer, and if 116 BC is not a foreign issuer at the time of any sale or other transfer of 116 BC Shares pursuant to Rule 904 of Regulation S, a holder of the Awakn Shares may be required to hold 116 BC Shares indefinitely.

Financing

In connection with the Transaction and pursuant to an Agency Agreement, as contemplated by the Engagement Letter, Awakn is expected to complete the Financing with the assistance of the Agents to raise up to \$8,000,000 through the issue of up to 3,200,000 Subscription Receipts at a price of \$2.50 per Subscription Receipt, or to raise up to \$9,200,000 if the Financing Agents Option is exercised in full.

Each Subscription Receipt entitles the holder thereof to receive, without any further action on the part of the holder or payment of any additional consideration, one Resulting Issuer Share, subject to the satisfaction or waiver of the Escrow Release Conditions prior to Escrow Release Deadline, and provided that the Transaction has not otherwise been terminated.

Awakn has agreed to pay the Agents a cash commission equal to 7% of the gross proceeds of the Financing. In addition, Awakn will issue to the Agents such number of Brokers Warrants as is equal to 7% of the aggregate Subscription Receipts sold under the Financing. Awakn has also agreed to pay the Agents an additional corporate finance fee equal to 3% of the gross proceeds of the Financing, payable in Resulting Issuer Shares

The Escrowed Proceeds will be held in escrow and, upon the satisfaction or waiver of the Escrow Release Conditions, the Escrowed Funds will be released to the Resulting Issuer. In the event that the Escrow Release Conditions are not satisfied by the Escrow Release Deadline, the proceeds of the Financing will be returned to the holders of the Subscription Receipts and the Subscription Receipts will be cancelled.

It was a condition of the closing of the Financing that each director, officer and certain key shareholders Awakn to be identified and agreed to by Awakn and the Co-Lead Agents prior to the closing of the Financing shall agree, in a lock-up agreement to be executed concurrently with the Financing Closing Date, pursuant to which such party will have agreed, subject to customary carve-outs and exceptions, directly or indirectly, offer, sell, contract to sell, grant any option to purchase, make any short sale, or otherwise dispose of, or transfer, or announce any intention to do so any Awakn Shares, 116 Shares or Resulting Issuer Shares, whether now owned directly or indirectly, or under their control or direction, or with respect to which each has beneficial ownership, or enter into any transaction or arrangement that has the effect of transferring, in whole or in part, any of the economic consequences of ownership of any Awakn Shares, 116 Shares or Resulting Issuer Shares, whether such transaction is settled by the delivery of any Awakn Shares, 116 Shares or Resulting Issuer Shares, other securities, cash or otherwise other than pursuant to a take-over bid or any other similar transaction made generally to all of the shareholders of the any Awakn Shares, 116 Shares or Resulting Issuer Shares as the case may be, or any securities issuable in exchange therefor, for a period commencing on the Financing Closing Date and ending a minimum of six (6) months after the date of listing of the any Awakn Shares, 116 Shares or Resulting Issuer Shares on the NEO Exchange, or such other period of time as may be agreed in writing by the Co-Lead Agents and Awakn.

Awakn also agreed to cause the Resulting Issuer not to issue or sell any of its common shares or financial instruments convertible or exchangeable into common shares, other than for purposes of director or employee stock options or to satisfy existing instruments of the Resulting Issuer already issued as of the date hereof, for a period of 90 days from the date of the escrow release, without the prior consent of Agent, such consent not to be unreasonably withheld.

RISK FACTORS

The Resulting Issuer's securities should be considered highly speculative due to the nature of the Resulting Issuer's business. An investor should consider carefully the risk factors set out below. In addition, investors should carefully review and consider all other information contained in this Circular (including all schedules attached hereto) before making an investment decision. The risks discussed below also include forward-looking statements and actual results may differ substantially from those discussed in these forward-looking statements. See section entitled "*Forward-Looking Statements*" in this Circular.

An investment in the Resulting Issuer Shares should be considered highly speculative, not only due to the nature of each of 116 BC's and Awakn's existing and proposed business and operations, but also because of the uncertainty related to completion of the Transaction and the business of the Resulting Issuer if the Transaction is completed. An investment in securities of the Resulting Issuer should only be made by persons who can afford a significant or total loss of their investment.

In addition to the other information in this Circular (including all schedules attached hereto), an investor should carefully consider each of, and the cumulative effect of, the following risk factors, which assume the completion of the Transaction.

Risk Factors Associated with the Transaction

No Certainty That All Conditions Precedent Will Be Satisfied

The completion of the Transaction is subject to a number of conditions precedent set out in the Amalgamation Agreement, some of which are outside the control of 116 BC and Awakn, including receipt of the applicable shareholder approval or NEO Exchange approval. There can be no certainty, nor can 116 BC or Awakn provide any assurance, that these conditions will be satisfied or, if satisfied, when they will be satisfied. The requirement to take certain actions or to agree to certain conditions to satisfy such requirements or obtain any such approvals may have a material adverse effect on the business and affairs of 116 BC, Awakn or the Resulting Issuer or the trading price of 116 BC Shares.

If the Transaction is not completed, the market price of 116 BC Shares may decline to the extent that the market price reflects a market assumption that the Transaction will be completed. Additionally, if the Transaction is not completed and either 116 BC or Awakn decides to seek another merger or amalgamation, there can be no assurance that it will

be able to find a party willing to pay an equivalent or more attractive price than the consideration to be received by 116 BC Shareholders or Awakn Shareholders, as applicable pursuant to the Transaction.

Anticipated Benefits of the Transaction May Not Be Realized

116 BC and Awakn are proposing to complete the Transaction to strengthen the position of the Resulting Issuer and to create the opportunity to realize certain benefits including, among other things, those set forth in this Circular. Achieving the benefits of the Transaction depends in part on the ability of the Resulting Issuer to effectively capitalize on its assets, to realize the anticipated capital and operating synergies, to profitably sequence the growth prospects of its asset base and to maximize the potential of its improved growth opportunities and capital funding opportunities as a result of the Transaction. A variety of factors, including those risk factors set forth in this Circular and the schedules attached hereto, may adversely affect the ability to achieve the anticipated benefits of the Transaction.

Failure to Obtain All Regulatory Requirements

Completion of the Transaction is subject to, among other things, the acceptance of the NEO Exchange and the approval of each of the Awakn Shareholders. As of the date of this Circular, 116 BC has received conditional approval of the NEO Exchange. There can be no certainty, nor can either party provide any assurance, that these conditions will be satisfied or, if satisfied, when they will be satisfied.

Termination of Acquisition Agreements or Amalgamation Agreement

Each of 116 BC and Awakn has the right to terminate the Amalgamation Agreement in certain circumstances. Accordingly, there is no certainty, nor can either party provide any assurance, that the Amalgamation Agreement will not be terminated before the completion of the Transaction.

Acquisitions Generally

While each of 116 BC and Awakn conducted due diligence in connection with the Transaction, there are risks inherent in any acquisition. Specifically, there could be unknown or undisclosed risks or liabilities of a Party for which the other Party is not sufficiently indemnified pursuant to the provisions of the Amalgamation Agreement. Any such unknown or undisclosed risks or liabilities could materially and adversely affect the Resulting Issuer's financial performance and results of operations. The Resulting Issuer could encounter additional transaction and integration related costs or other factors such as the failure to realize all of the benefits anticipated in the Transaction. All of these factors could cause a delay of the anticipated accretive effect of Transaction and cause a decrease in the market price of the Resulting Issuer Shares.

Tax Issues

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

Dilution

Following completion of the Transaction, the Resulting Issuer may issue equity securities to finance its activities, including acquisitions. If the Resulting Issuer were to issue Resulting Issuer Shares, holders of Resulting Issuer Shares upon completion of the Transaction may experience dilution in the Resulting Issuer. Moreover, when the Resulting Issuer's intention to issue additional equity securities becomes publicly known, the Resulting Issuer's share price may be materially adversely affected.

Risks Related to the Business of Awakn and the Resulting Issuer

Risks Relating to Operations in the United Kingdom

It is unlawful to possess, supply, produce, import or export ketamine in the UK except under a controlled drugs licence from the Home Office of Her Majesty's Government of the United Kingdom (the "**Home Office**"). Failure to obtain the necessary licences, or non-compliance with any such licences issued to Awakn, could adversely affect Awakn's business in the UK.

Awakn has applied to the Home Office for a Schedule 2 controlled drugs licence to possess and supply Ketamine at the Bristol Clinic. The grant of this licence is dependent upon obtaining CQC registration (see below).

A Home Office licence is required by a healthcare service provider for the production, possession and/or supply of MDMA and psilocybin because these are deemed to be controlled drugs. These drugs can be used in clinical trials in the UK, although a controlled drugs licence is still required to use them in clinical trials. Failure to obtain the necessary licences, or non-compliance with any such licences issued to Awakn, could adversely affect Awakn's business in the UK.

Healthcare providers carrying on certain regulated activities in England are required to register with the CQC. Regulated activities are listed in Schedule 1 of the Health and Social Care Act 2008 (Regulated Activities) Regulations 2014, and include treatment of disease, disorder or injury by a healthcare professional (including mental health services). The CQC monitors, inspects and regulates independent doctors and clinics providing mental health services. Awakn Bristol Ltd. has submitted its application for both manager and provider registrations at the Bristol Clinic with the CQC. Failure to obtain the necessary CQC registration, or non-compliance with any CQC registration granted, could adversely affect Awakn's business in the UK.

Manufacturers of drugs sold in the UK must have in place quality procedures which comply with Directive 2003/94/EC. This Directive lays down the principles and guidelines of good manufacturing practice in respect of medicinal products for human use and investigational medicinal products for human use. The GMP Guidelines (Volume 4 of the Rules Governing Medicinal Products in the European Union, EU Guidelines for Good Manufacturing Process for Medicinal Products for Human and Veterinary Use, Chapter 7 (Outsourced Activities)) must also be adhered to. Although the UK left the European Union on January 31, 2020, and the Brexit transition period expired on December 31, 2020, Directive 2003/94/EC continues to apply in the UK for the time being (and will apply until the UK implements its own UK laws). Additionally, individuals or companies that procure, hold, sell or supply medicinal products for human use to anyone other than members of the public (i.e. the patient) in the UK must have a wholesale dealer licence. Individual patients must consent to taking drugs as part of their therapy or treatment. Patient consent must be obtained before participation in clinical trials can proceed in the UK, and, in accordance with UK data protection laws, patients must be told how their data will be stored and used, and for what purposes it will be used. Any non-compliance with any of the above referenced rules and regulations, or any other rules or regulations applicable to Awakn (see Schedule C – *Information Concerning Awakn - Regulatory Framework in the United Kingdom*) could adversely affect Awakn's business in the UK.

In order to conduct clinical trials in the UK, the trial protocol must be reviewed and approved by a Research Ethics Committee. All clinical trials of medicines must also be authorized by the Medicines and Healthcare Products Regulatory Agency (MHRA). The ethics approvals will need to be submitted to the MHRA when applying for marketing authorizations (namely a licence granted by the MHRA to market and promote a medicine in the UK). Failure to obtain any such approvals or authorizations could have an adverse effect on Awakn's business in the UK.

Failure to comply with the Data Protection Legislation in the UK may result in fines of up to €20 million or 4% of total annual group turnover. Recent fines have been larger where the company involved could not demonstrate that it had a suitable program to manage compliance and demonstrate the accountability principle. The UK Information Commissioner has wide ranging powers which include the ability to prevent Awakn using patent data until it has a suitable compliance regime in place. In addition, an organization commits an offence under the Bribery Act 2010 if a person associated with it bribes another person for that organization's benefit. Individuals can be imprisoned and could also receive an unlimited fine. Organizations can also receive unlimited fines. "Senior officers" can also be

convicted of an offence where they are deemed to have given their consent or connivance to giving or receiving a bribe or bribing a foreign public official. It is possible that omitting to act might be regarded as consent or connivance and lead to prosecutions, fines and imprisonment. A director convicted of a bribery offence is also likely to be disqualified from holding a director position for up to 15 years. Any non-compliance with such legislation could have an adverse impact on Awakn's business.

Early stage of NCE Prospects Development may not Succeed

Given the early stage of Awakn's product development, Awakn cannot make any assurances that Awakn's research and development programs will result in regulatory approval or commercially viable products. To achieve profitable operations, Awakn, alone or with others, must successfully develop, gain regulatory approval, and market Awakn's future products. Awakn currently has no products that have been approved by the MHRA in the United Kingdom, FDA in the United States or any similar regulatory authority. To obtain regulatory approvals for Awakn's product candidates being developed and to achieve commercial success, clinical trials must demonstrate that the product candidates are safe for human use and that they demonstrate efficacy.

Many product candidates never reach the stage of clinical testing and even those that do have only a small chance of successfully completing clinical development and gaining regulatory approval. Product candidates may fail for a number of reasons, including, but not limited to, being unsafe for human use or due to the failure to provide therapeutic benefits equal to or better than the standard of treatment at the time of testing. Unsatisfactory results obtained from a particular study relating to a research and development program may cause Awakn or its collaborators to abandon commitments to that program. Positive results of early preclinical research may not be indicative of the results that will be obtained in later stages of preclinical or clinical research. Similarly, positive results from early-stage clinical trials may not be indicative of favourable outcomes in later-stage clinical trials, Awakn can make no assurance that any future studies, if undertaken, will yield favourable results.

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

Awakn cannot make any assurances that any future studies, if undertaken, will yield favorable results. Many companies in the pharmaceutical and biotechnology industries have suffered significant setbacks in later-stage clinical trials after achieving positive results in early-stage development, and Awakn cannot be certain that it will not face similar setbacks. These setbacks have been caused by, among other things, preclinical findings made while clinical trials were underway or safety or efficacy observations made in clinical trials, including previously unreported adverse events. Moreover, preclinical and clinical data are often susceptible to varying interpretations and analyses, and many companies that believed their product candidates performed satisfactorily in preclinical studies and clinical trials nonetheless failed to obtain MHRA, FDA or other regulatory agency approval.

Reliance on Third Parties to Plan, Conduct and Monitor Preclinical Studies and Clinical Trials

Awakn relies and will continue to rely on third parties to conduct a significant portion of Awakn's preclinical and clinical development activities. Preclinical activities include in vivo studies providing access to specific diseasemodels, pharmacology and toxicology studies and assay development. Clinical development activities include trial design, regulatory submissions, clinical patient recruitment, clinical trial monitoring, clinical data management and analysis, safety monitoring and project management. If there is any dispute or disruption in Awakn's relationship with third parties, or if they are unable to provide quality services in a timely manner and at a feasible cost, Awakn's active development programs will face delays. Further, if any of these third parties fails to perform as Awakn expects or if their work fails to meet regulatory requirements, Awakn's testing could be delayed, cancelled or rendered ineffective.

Failure to Demonstrate Safety and Efficacy Could Cause Additional Costs and/or Delays

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

Delays in Clinical Testing, will Result in Delays in Commercializing Product Candidates

Awakn cannot predict whether any clinical trials will begin as planned, will need to be restructured, or will be completed on schedule, or at all. Awakn's product development costs will increase if Awakn experiences delays in clinical testing. Significant clinical trial delays could shorten any periods during which Awakn may have the exclusive right to commercialize its product candidates or allow Awakn's competitors to bring products to market before it is able to, which would impair Awakn's ability to successfully commercialize its product candidates and may harm Awakn's financial condition, results of operations and prospects. The commencement and completion of clinical trials for Awakn's products may be delayed for a number of reasons, including delays related, but not limited, to:

- failure by regulatory authorities to grant permission to proceed or placing the clinical trial on hold;
- patients failing to enroll or remain in Awakn's trials at the rate Awakn expects;
- suspension or termination of clinical trials by regulators for many reasons, including concerns about patient safety or failure of Awakn's contract manufacturers to comply with requirements;
- any changes to Awakn's manufacturing process that may be necessary or desired;
- delays or failure to obtain clinical supply from contract manufacturers of Awakn's products necessary to conduct clinical trials;
- product candidates demonstrating a lack of safety or efficacy during clinical trials;
- patients choosing an alternative treatment for the indications for which Awakn is developing any of its product candidates or participating in competing clinical trials;
- patients failing to complete clinical trials due to dissatisfaction with the treatment, side effects or other reasons;
- reports of clinical testing on similar technologies and products raising safety or efficacy concerns;
- competing clinical trials and scheduling conflicts with participating clinicians;
- clinical investigators not performing Awakn's clinical trials on their anticipated schedule, dropping out of a trial, or employing methods not consistent with the clinical trial protocol, regulatory requirements or other third parties not performing data collection and analysis in a timely or accurate manner;
- failure of Awakn's contract research organizations to satisfy their contractual duties or meet expected deadlines;
- inspections of clinical trial sites by review boards, regulatory authorities, or ethics committees finding regulatory violations that require us to undertake corrective action, resulting in suspension or termination of one or more sites or the imposition of a clinical hold on the entire study;
- one or more review boards or ethics committees rejecting, suspending or terminating the study at an investigational site, precluding enrollment of additional subjects, or withdrawing its approval of the trial; or
- failure to reach agreement on acceptable terms with prospective clinical trial sites.

Awakn's product development costs will increase if Awakn experiences delays in testing or approval or if Awakn needs to perform more or larger clinical trials than planned. Additionally, changes in regulatory requirements and policies may occur, and Awakn may need to amend study protocols to reflect these changes. Amendments may require Awakn to resubmit its study protocols to regulatory authorities, review boards or ethics committees for re-

examination, which may impact the cost, timing or successful completion of that trial. Delays or increased product development costs may have a material adverse effect on Awakn's business, financial condition and prospects.

Difficulty Enrolling Patients in Clinical Trials May Result in the Completion of the Trials Being Delayed or Cancelled

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

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

Regulatory Approval Processes are Lengthy, Expensive and Inherently Unpredictable

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

Awakn could fail to receive regulatory approval for its product candidates for many reasons, including, but not limited to:

- disagreement with the design or implementation of Awakn's clinical trials;
- failure to demonstrate that a product candidate is safe and effective for its proposed indication;
- failure of clinical trials to meet the level of statistical significance required for approval;
- failure to demonstrate that a product candidate's clinical and other benefits outweigh its safety risks;
- disagreement with Awakn's interpretation of data from preclinical studies or clinical trials;
- the insufficiency of data collected from clinical trials of Awakn's product candidates to support the submission and filing of a biologic license application or other submission to obtain regulatory approval;
- deficiencies in the manufacturing processes or the failure of facilities of contract manufacturers with which Awakn contracts for clinical and commercial supplies to pass a pre-approval inspection; or
- changes in the approval policies or regulations that render Awakn's preclinical and clinical data insufficient for approval.

A regulatory authority may require more information, including additional preclinical or clinical data to support approval, which may delay or prevent approval and Awakn's commercialization plans or Awakn may decide to

abandon the development program. If Awakn were to obtain approval, regulatory authorities may approve any of Awakn's product candidates for fewer or more limited indications than Awakn requests, may grant approval contingent on the performance of costly post-marketing clinical trials or may approve a product candidate with a label that does not include the labeling claims necessary or desirable for the successful commercialization of that product candidate. Moreover, depending on any safety issues associated with Awakn's product candidates that garner approval, the FDA or other regulatory authorities may impose a risk evaluation and mitigation strategy, or comparable, thereby imposing certain restrictions on the sale and marketability of such products.

Competition from other Biotechnology and Pharmaceutical Companies

The biotechnology and pharmaceutical industries are intensely competitive and subject to rapid and significant technological change. Awakn's competitors include large, well-established pharmaceutical companies, biotechnology companies and academic and research institutions developing therapeutics for the similar indications Awakn is targeting as well as competitors with existing marketed therapies. Many other companies are developing or commercializing therapies to treat the same diseases or indications for which Awakn's product candidates may be useful. Some competitors use therapeutic approaches that may compete directly with Awakn's product candidates.

Many of its competitors have substantially greater financial, technical and human resources than Awakn does and have significantly greater experience than Awakn in conducting preclinical testing and human clinical trials of product candidates, scaling up manufacturing operations and obtaining regulatory approvals of products. Accordingly, Awakn's competitors may succeed in obtaining regulatory approval for products more rapidly than Awakn does. Awakn's ability to compete successfully will largely depend on:

- the efficacy and safety profile of Awakn's product candidates relative to marketed products and other product candidates in development;
- Awakn's ability to develop and maintain a competitive position in the product categories and technologies on which Awakn focuses;
- the time it takes for Awakn's product candidates to complete clinical development and receive marketing approval;
- Awakn's ability to obtain required regulatory approvals;
- Awakn's ability to commercialize any of its product candidates that receive regulatory approval;
- Awakn's ability to establish, maintain and protect intellectual property rights related to its product candidates; and
- acceptance of any of its product candidates that receive regulatory approval by physicians and other healthcare providers and payers.

Competitors have developed and may develop technologies that could be the basis for products that challenge the discovery research capabilities of Awakn. Some of those products may have an entirely different approach or means of accomplishing the desired therapeutic effect than Awakn's product candidates and may be more effective or less costly than its product candidates. The success of Awakn's competitors and their products and technologies relative to Awakn's technological capabilities and competitiveness could have a material adverse effect on the future preclinical studies and clinical trials of its product candidates, including Awakn's ability to obtain the necessary regulatory approvals for the conduct of such clinical trials. This may further negatively impact Awakn's ability to generate future product development programs.

If Awakn is not able to compete effectively against Awakn's current and future competitors, its business will not grow and its financial condition and operations will substantially suffer.

Negative Results from Clinical Trials

From time to time, studies or clinical trials on various aspects of biopharmaceutical products are conducted by academic researchers, competitors or others. The results of these studies or trials, when published, may have a significant effect on the market for the biopharmaceutical product that is the subject of the study. The publication of negative results of studies or clinical trials or adverse safety events related to Awakn's product candidates, or the therapeutic areas in which its product candidates compete, could adversely affect Awakn's share price and its ability

to finance future development of Awakn's product candidates and Awakn's business and financial results could be materially and adversely affected.

Reliance on Third Parties Requires Sharing of Trade Secrets

Awakn relies on third parties to develop its products and as a result, must share trade secrets with them. Awakn seeks to protect its proprietary data and technology in part by entering into confidentiality agreements and, if applicable, material transfer agreements, collaborative research agreements, consulting agreements or other similar agreements with its collaborators, advisors, employees and consultants prior to beginning research or disclosing proprietary information. These agreements typically restrict the ability of Awakn's collaborators, advisors, employees and consultants to publish data potentially relating to Awakn's trade secrets. Some of its academic collaborators have rights to publish data, provided that Awakn is notified in advance and may delay publication for a specified time in order to secure Awakn's intellectual property rights arising from the collaboration. In other cases, publication rights are controlled exclusively by Awakn, although in some cases Awakn may share these rights with other parties. Awakn may also conduct joint research and development programs which may require it to share trade secrets under the terms of research and development collaboration or similar agreements. Despite Awakn's efforts to protect its trade secrets, Awakn's competitors may discover its trade secrets, either through breach of these agreements, independent development or publication of information. A competitor's discovery of Awakn's trade secrets may impair its competitive position and could have a material adverse effect on its business and financial condition.

Third Party Licenses May be Required to Manufacture Key Products

A substantial number of patents have already been issued to other biotechnology and pharmaceutical companies. To the extent that valid third-party patent rights cover Awakn's products or services, Awakn or its strategic collaborators would be required to seek licenses from the holders of these patents in order to manufacture, use or sell these products and services and payments under them would reduce Awakn's profits from these products and services. Awakn is currently unable to predict the extent to which Awakn may wish or be required to acquire rights under such patents, the availability and cost of acquiring such rights and whether a license to such patents will be available on acceptable terms or at all. There may be patents in the U.S. or in foreign countries or patents issued in the future that are unavailable to license on acceptable terms. Awakn's inability to obtain such licenses may hinder or eliminate its ability to manufacture and market Awakn's products.

COVID-19

COVID-19 is an infectious disease caused by severe acute respiratory syndrome coronavirus 2. Since December 31, 2019, the outbreak of COVID-19 has resulted in governments worldwide, including United Kingdom, the European Union, Canada and the United States, enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally, resulting in an economic slowdown. Such events may result in a period of business disruption, and in reduced operations, any of which could have a material adverse impact on the Resulting Issuer's profitability, results of operations, financial condition and the trading price of the Resulting Issuer's securities. Governments and central banks have reacted to the COVID-19 pandemic with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 pandemic is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Resulting Issuer.

To date, a number of businesses have suspended or scaled back their operations and development as cases of COVID-19 have been confirmed, for precautionary purposes or as governments have declared a state of emergency or taken other actions. If the operation or development of one or more of the Resulting Issuer's clinics is suspended or scaled back, or if its supply chains are disrupted, it may have a material adverse impact on the Resulting Issuer's profitability, results of operations, financial condition and the trading price of the Resulting Issuer's securities. To the extent that the Resulting Issuer's management or other personnel are unavailable to work due to the COVID-19 pandemic, whether due to illness, government action or otherwise, it may have a material adverse impact on the Resulting Issuer's profitability, results of operations, financial condition and the trading price of the Resulting Issuer's securities. The

breadth of the impact of the COVID-19 pandemic on investors, businesses, the global economy and financial and commodity markets may also have a material adverse impact on the Resulting Issuer's profitability, results of operations, financial conditions and the trading price of the Resulting Issuer's securities.

Non-Compliance with Laws

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

Risks Related to Prescribing Medication

Governmental medical boards or other regulatory bodies could take disciplinary action against the Resulting Issuer's physicians for excessive psychedelic prescriptions. Physician prescription patterns may be tracked and may be used to impose disciplinary action on physicians who prescribe psychedelics at a high rate. If any of the Resulting Issuer's physicians are deemed to be prescribing psychedelics excessively, such physicians could face disciplinary action, including, revocation of the physician's license. Any disciplinary action or license revocation of physicians who work at a clinic operated by the Resulting Issuer could result in such clinic not having sufficient physicians to address patient needs and could adversely affect the Resulting's business.

Risks Inherent in the Nature of the Health Clinic Industry

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

Unfavourable Publicity or Consumer Perception

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

Social Media

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

Patient Acquisitions

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

Reliance on Personnel

The Resulting Issuer's success depends to a significant extent on its ability to identify, attract, hire, train and retain qualified personnel. Competition for such personnel may be intense and there can be no assurance that the Resulting Issuer will be successful in identifying, attracting, hiring, training and retaining such personnel in the future. If the Resulting Issuer is unable to identify, attract, hire, train and retain qualified personnel in the future, such inability could have a material adverse effect on its business, operating results and financial condition.

Development Risks

Future development of the Resulting Issuer's business may not yield expected returns and may strain management resources. Development of the Resulting Issuer's revenue streams is subject to a number of risks, including construction delays, cost overruns, financing risks, cancellation of key service contracts, and changes in government regulations. Overall costs may significantly exceed the costs that were estimated when the project was originally undertaken, which could result in reduced returns, or even losses, from such investments.

Resulting Issuer may not Achieve its Milestones According to Schedule

From time to time, the Resulting Issuer may announce the timing of certain events that it expects to occur, such as the anticipated timing of results from its clinical trials. These statements are forward-looking and are based on the best estimates of management at the time relating to the occurrence of such events. However, the actual timing of such events may differ from what has been publicly disclosed. The timing of events such as initiation or completion of a clinical trial, filing of an application to obtain regulatory approval or announcement of additional clinical trials for a product candidate may ultimately vary from what is publicly disclosed. These variations in timing may occur as a result of different events, including the nature of the results obtained during a clinical trial or during a research phase, timing of the completion of clinical trials or any other event having the effect of delaying the publicly announced timeline. The Resulting Issuer undertakes no obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as otherwise required by law. Any variation in the timing of previously announced milestones could have a material adverse effect on the Resulting Issuer's business plan, financial condition or operating results and the trading price of Resulting Issuer Shares.

Substantial Risk of Regulatory or Political Change

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

Government Regulations, Permits and Licenses

The Resulting Issuer's operations may be subject to governmental laws or regulations promulgated by various legislatures or governmental agencies from time to time. A breach of such legislation may result in the imposition of fines and penalties. The cost of compliance with changes in governmental regulations has the potential to reduce the

profitability of operations. The Resulting Issuer intends to fully comply with all governmental laws and regulations. The physicians that recommend psychedelic therapy to the Resulting Issuer's patients will be subject to various laws in the United Kingdom. If any permits are required for the Resulting Issuer's operations and activities in the future, there can be no assurance that such permits will be obtainable on reasonable terms or on a timely basis, or that applicable laws and regulations will not have an adverse effect on the Resulting Issuer's business.

The current and future operations of the Resulting Issuer are and will be governed by laws and regulations governing the health care industry, labour standards, occupational health and safety, land use, environmental protection, and other matters. Amendments to current laws, regulations and permits governing operations and activities of health clinics, or more stringent implementation thereof, could have a material adverse impact on the Resulting Issuer and cause increases in capital expenditures or costs, or reduction in levels of its medical services.

Non-Referrals

Physicians may not refer patients to the clinics operated by the Resulting Issuer. In addition, as the market grows, and general practitioners become more comfortable and knowledgeable about the psychedelic therapy industry and products available, they may choose to write prescriptions directly for their own patients rather than refer them to an outside clinic.

Difficult to Forecast

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

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

Cyber-Attacks

The Resulting Issuer's operations will depend, in part, on how well it will protect its information technology systems, networks, equipment and software from damages from a number of threats. Events such as cable cuts, power loss, hacking, computer viruses and theft could result in information system failures, delays and/or increase in capital expenses for the Resulting Issuer. While it is expected that the Resulting Issuer will implement protective measures to reduce the risk of and detect cyber incidents, cyber-attacks are becoming more sophisticated and frequent, and the techniques used in such attacks change rapidly; the development of the Resulting Issuer's business and operating results may be hindered by applicable restrictions on sales and marketing activities imposed by regulatory bodies.

Competitive Risks

The psychedelic therapy business in the United Kingdom is an emerging industry with high levels of competition. The Resulting Issuer's current business plan is the establishment of a chain of Ketamine-Enhanced Psychotherapy, psychedelic-enhanced psychotherapy and psychedelic-integration psychotherapy clinics in the United Kingdom and the European Union. The Resulting Issuer expects that, due to the urgent need for new and innovative treatments for mental health conditions and the evidence-based studies showing the impact of psychedelics as a treatment for mental health conditions, psychedelics as a treatment for these conditions will become more accepted in the medical community. As such, the Resulting Issuer expects to compete with other similar businesses as well as with individual medical professionals who undertake the prescribing and supervising of psychedelics to their patients. While Awakn was an early entrant to the psychedelic-enhanced psychotherapy market, other market participants have emerged. The

Resulting Issuer expects to face intense competition from new or existing market participants, some of which may have greater financial resources. Increased competition by larger and better financed competitors could materially and adversely affect the business, financial condition and results of operations of the Resulting Issuer.

Litigation

The Resulting Issuer may become party to litigation from time to time in the ordinary course of business, including a medical malpractice claim, or a claim based in related legal theories of negligence or vicarious liability among others if a physician at one of the clinics operated by the Resulting Issuer causes injury, which could adversely affect the Resulting Issuer's business. Should any litigation in which the Resulting Issuer becomes involved be determined against the Resulting Issuer, such a decision could adversely affect the Resulting Issuer's ability to continue operating and the market price for the Resulting Issuer Shares. Even if the Resulting Issuer is involved in litigation and wins, litigation can redirect significant resources. Litigation may also create a negative perception of the Resulting Issuer's business.

Insurance Coverage

Both Awakn and 116 BC believe that the existing insurance coverage addresses all material risks to which the Resulting Issuer will be exposed and is adequate and customary in the current state of operations, however such insurance is subject to coverage limits and exclusions and may not be available for the risks and hazards to which the Resulting Issuer is exposed. Moreover, there can be no guarantee that the Resulting Issuer will be able to obtain adequate insurance coverage in the future or obtain or maintain liability insurance on acceptable terms or with adequate coverage against all potential liabilities.

Reliance upon Insurers and Governments

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

Intellectual Property

Failure to obtain or register trademarks used or proposed to be used in the business of the Resulting Issuer could require the Resulting Issuer to rebrand, resulting in a material adverse impact on its business. If the Resulting Issuer is unable to register or, if registered, maintain effective patent rights for its product candidates, the Resulting Issuer may not be able to effectively compete in the market. If the Resulting Issuer is not able to protect its proprietary information and know-how, such proprietary information may be used by others to compete against the Resulting Issuer. The Resulting Issuer may not be able to identify infringements of its patents (if and when granted), and, accordingly, the enforcement of its intellectual property rights may be difficult. Once such infringements are identified, enforcement could be costly and time consuming. Third party claims of intellectual property infringement, whether or not reasonable, may prevent or delay the Resulting Issuer's development and commercialization efforts.

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

The patent positions of pharmaceutical companies can be highly uncertain and involve complex legal, scientific and factual questions for which important legal principles remain unresolved. Patents issued to the Resulting Issuer may

be challenged, invalidated or circumvented. To the extent the Resulting Issuer's intellectual property offers inadequate protection, or is found to be invalid or unenforceable, the Resulting Issuer will be exposed to a greater risk of direct competition. If its intellectual property does not provide adequate protection against the Resulting Issuer's competitors, its competitive position could be adversely affected, as could the Resulting Issuer's business, financial condition and results of operations. Both the patent application process and the process of managing patent disputes can be time consuming and expensive. The Resulting Issuer will be able to protect its intellectual property from unauthorized use by third parties only to the extent that its proprietary technologies, key products, and any future products are covered by valid and enforceable intellectual property rights, including patents, or are effectively maintained as trade secrets, and provided the Resulting Issuer has the funds to enforce its rights, if necessary.

Limited Operating History and Lack of Profits

Neither Awakn nor 116 BC has yet generated material revenue. Awakn has a limited operating history and 116 BC has not conducted any business since incorporation. The Resulting Issuer is therefore subject to many of the risks common to early stage enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial, and other resources and lack of revenues. There is no assurance that the Resulting Issuer will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of the early stage of operations.

Management of Growth

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

Dependence on Management Team

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

Conflicts of Interest

Certain of the directors and officers of the Resulting Issuer will be 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 the Resulting Issuer may become subject to conflicts of interest. The OBCA provides that in the event that a director has a material interest in a contract or proposed contract or agreement that is material to the issuer, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement, subject to and in accordance with the OBCA. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the OBCA. To the proposed management of the Resulting Issuer's knowledge, as at the date hereof there are no existing or potential material conflicts of interest between the Resulting Issuer and a proposed director or officer of the Resulting Issuer except as otherwise disclosed herein.

Reliance on Third Parties

The Resulting Issuer will rely on outside sources to manufacture the psychedelics used in the clinics operated by the Resulting Issuer and further relies on outside sources to stock and distribute, via a prescription by a licensed physician, the psychedelics used in the clinics. The Resulting Issuer will have little to no control over these third parties. The failure of such third parties to deliver either components or finished goods and otherwise perform their obligations on a timely basis could have a material adverse effect on the business of the Resulting Issuer.

Risk Associated with the Capital Markets

Market for Securities and Volatility of Share Price

There can be no assurance that an active trading market in the Resulting Issuer's securities will be established or sustained. The market price for the Resulting Issuer's securities could be subject to wide fluctuations. Factors such as government regulation, interest rates, share price movements of peer companies and competitors, announcements of quarterly variations in operating results, revenues and costs, and sentiments toward stocks as well as overall market movements, may have a significant adverse impact on the market price of the securities of the Resulting Issuer. The stock market has from time to time experienced extreme price and volume fluctuations, which have often been unrelated to the operating performance of a particular company.

Smaller Companies

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

Speculative Nature of Investment Risk

An investment in the securities of the Resulting Issuer carries a high degree of risk and should be considered as a speculative investment. Each of 116 BC, Awakn and the Resulting Issuer has no history of earnings, limited cash reserves, a limited operating history, has not paid dividends, and is unlikely to pay dividends in the immediate or near future.

Liquidity and Future Financing Risk

The Resulting Issuer has limited financial resources, has no source of operating income and has no assurance that additional funding will be available to it for further development, operations and expansion plans. Although 116 BC and Awakn have been successful in the past in financing activities through the sale of equity securities, there can be no assurance that the Resulting Issuer will be able to obtain additional financing in the future to execute its business plan. Further, current global financial conditions have been subject to increased volatility and access to public financing has been negatively impacted. This may impact the ability of the Resulting Issuer to obtain equity or debt financing in the future and, if obtained, on terms favorable to the Resulting Issuer.

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

Negative Cash Flow from Operations

Each of 116 BC and Awakn had negative cash flows from operating activities since incorporation and the Resulting Issuer expects to continue to have negative cash flows and the net proceeds from the Financing will be used to fund such negative cash flow from operating activities. The Resulting Issuer currently has no source of operating cash flow and is expected to continue to do so for the foreseeable future. The Resulting Issuer's failure to achieve profitability and positive operating cash flows could have a material adverse effect on its financial condition and results of operations.

Dividends

The Resulting Issuer does not anticipate paying any dividends on the Resulting Issuer Shares in the foreseeable future. Dividends paid by the Resulting Issuer would be subject to tax and, potentially, withholdings.

Any decision to declare and pay dividends in the future will be made at the discretion of the Resulting Issuer Board and will depend on, among other things, financial results, cash requirements, contractual restrictions and other factors that the Resulting Issuer Board may deem relevant.

GENERAL MATTERS

Experts

Adam Sung Kim Ltd., Chartered Professional Accountant, prepared the auditor's reports for the audited annual financial statements of 116 BC for the financial year ended May 31, 2020 and the period from June 21, 2018 (incorporation) to May 31, 2019, which are attached as schedule G to this Circular. Adam Sung Kim Ltd., Chartered Professional Accountant, the auditor of 116 BC, is independent in accordance with the Rules of Professional Conduct of the Institute of Chartered Accountants of British Columbia.

MNP LLP prepared the auditor's reports for the audited annual financial statements of Awakn for the period from April 27, 2020 (incorporation) to January 31, 2021, which are attached as schedule E to this Circular. MNP LLP, the auditor of Awakn, is independent in accordance with the Rules of Professional Conduct of the Institute of Chartered Accountants of Ontario.

To the knowledge of 116 BC and Awakn, none of the experts above or their respective Associates or Affiliates, beneficially owns, directly or indirectly, any securities of 116 BC or Awakn, has received or will receive any direct or indirect interests in the property of 116 BC or Awakn or is expected to be elected, appointed or employed as a director, officer or employee of the Resulting Issuer or any Associate or Affiliate thereof.

Other Material Facts

To the knowledge of management of 116 BC and Awakn, there are no other material facts relating to 116 BC, Awakn, the Resulting Issuer, the Transaction or the Financing that are not otherwise disclosed in this Circular and are necessary in order for the Circular to contain full, true and plain disclosure of all material facts relating to 116 BC, Awakn and the Resulting Issuer, assuming completion of the Transaction and the Financing.

Additional Information

Additional information relating to 116 BC is on SEDAR at www.sedar.com. Shareholders may contact 116 BC's registered office at 5728 East Boulevard, Vancouver, British Columbia V6M 4M4 to request copies of 116 BC's financial statements and MD&A or a copy of this Circular, or any of 116 BC documents incorporated herein by reference. All such documents can also be accessed on SEDAR under 116 BC's profile.

Additional Business

As of the date of this Circular, neither 116 BC Board nor the Awakn Board knows of any other matters to be brought to the Meetings, other than those set forth in the Notice of Meetings accompanying this Circular. If other matters are properly brought before the Meetings, the persons named in the enclosed proxy will vote the proxy on such matters in accordance with their best judgment.

APPROVAL BY THE BOARD OF DIRECTORS OF EACH 116 BC AND AWAKN

The contents and mailing to 116 BC Shareholders and Awakn Shareholders of this Circular have been approved by the 116 BC Board and the Awakn Board respectively.

No person is authorized to give any information or to make any representations in respect of the matters addressed herein other than those contained in this Circular and, if given or made, such information must not be relied upon as having been authorized.

SCHEDULE A

AWAKN RESOLUTION

BE IT RESOLVED as a special resolution that:

1. the amalgamation (the "**Amalgamation**") under section 174 of the *Business Corporations Act* (Ontario) (the "**OBCA**") involving 1169082 B.C. Ltd. ("**116 BC**"), Awakn Life Sciences Inc. (the "**Awakn**") and 2835517 Ontario Ltd. ("**Subco**"), a wholly-owned subsidiary of 116 BC, pursuant to the terms and conditions contained in the amalgamation agreement (the "**Amalgamation Agreement**") dated May 13, 2021 (as the same may be or has been modified or amended), is hereby authorized and approved and the Amalgamation is hereby adopted;
2. the execution and delivery by Awakn of the Amalgamation Agreement is hereby authorized and approved;
3. the articles of the amalgamated company shall be substantially in the form of the articles of Subco, as may be amended by any officer or director of Awakn;
4. any officer or director of Awakn is hereby authorized and directed, on behalf of Awakn, to execute and deliver the articles of amalgamation to effect the Amalgamation and to file same with the Director under the OBCA with respect to the Amalgamation;
5. notwithstanding that this special resolution has been passed (and the Amalgamation Agreement adopted) by the shareholders of Awakn, the directors of Awakn are hereby authorized and empowered without further approval of the shareholders of Awakn at any time prior to the issue by the Director under the OBCA of a certificate of amalgamation in respect of the Amalgamation (i) to amend the Amalgamation Agreement to the extent permitted by the Amalgamation Agreement, and (ii) not to proceed with the Amalgamation to the extent permitted by the Amalgamation Agreement or otherwise give effect to these resolutions; and
6. any officer or director of Awakn is hereby authorized and directed for and on behalf of and in the name of Awakn to execute, under the seal of Awakn or otherwise, and to deliver, all documents, agreements and instruments and to do all such other acts and things, including delivering such documents as are necessary or desirable to the Director under the OBCA for filing in accordance with the Amalgamation Agreement, as such officer or director, may deem necessary or desirable to implement the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of any such documents, agreements or instruments or doing of any such act or thing.

SCHEDULE B

INFORMATION CONCERNING 116 BC

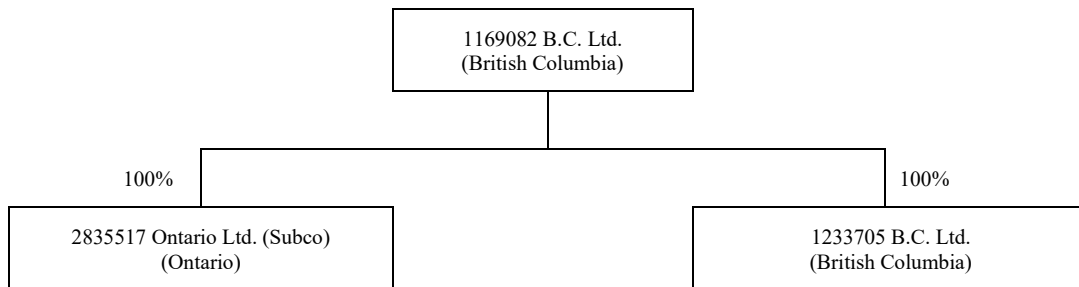
The following information has been provided by 116 BC and reflects the current business, financial and share capital position of 116 BC. See schedule D entitled "Information Concerning the Resulting Issuer" attached to the Circular for pro forma business, financial and share capital information following the Completion Date. All capitalized terms not otherwise defined herein have the meaning ascribed thereto in the Circular to which this schedule B is attached.

Corporate Structure

116 BC was incorporated as 1169082 B.C. Ltd. on June 21, 2018 in accordance with the *Business Corporations Act* (British Columbia). 116 BC's registered and head office is located at 5728 East Boulevard, Vancouver, British Columbia V6M 4M4.

Intercorporate Relationships

116 BC has two wholly owned subsidiaries, being Subco, which was incorporated solely for the purposes of completing the Transaction, as well as 1233705 B.C. Ltd., which are represented in the organizational chart below.



Except as described herein, 116 BC has no other subsidiaries and does not hold any shares or securities of any other entity and is not affiliated with, nor is it a holding corporation of, any other body corporate.

116 BC is the registered and beneficial owner of all of the issued and outstanding shares of each of Subco and 1233705 B.C. Ltd.

General Development of the Business

Three Year History

116 BC was incorporated on June 21, 2018 under the BCBCA as a wholly-owned subsidiary of Hemagenetics Technologies Corp. ("**HTC**"), then a reporting issuer in the provinces of British Columbia and Alberta.

On June 26, 2018, 116 BC entered into a statutory arrangement with among others, HTC (the "**Arrangement**"). The Arrangement received final B.C. supreme court approval on July 19, 2018. On April 29, 2019, 116 BC completed the Arrangement and became a reporting issuer in the provinces of British Columbia and Alberta.

116 BC has not carried on any business since incorporation.

Selected Consolidated Financial Information and Management's Discussion and Analysis

Selected Financial Information

The following table sets forth selected financial information of 116 BC for its most recently completed quarter, being the six months ended November 30, 2020, and the financial year ended May 31, 2020 and the period from June 21, 2018 (incorporation) to May 31, 2019. Such information is derived from 116 BC's financial statements, which are attached as schedules I and G, respectively, to the Circular and should be read in conjunction with such financial statements and the notes thereto:

Selected Financial Information	For the nine months ended February 28, 2021 (unaudited)	For the period ended May 31, 2020 (audited)
Operations Data		
Total Revenues	nil	nil
Total Expenses	\$2,497	\$11,350
Net Income (Loss)	(\$2,497)	\$11,358
Net Income (Loss) per Share – Basic and Fully Diluted	(0.00)	(0.00)

Management's Discussion and Analysis

116 BC's MD&A for the nine months ended February 28, 2021 and the financial year ended May 31, 2020 are attached as schedules J and H, respectively, to the Circular and should be read in conjunction with 116 BC's the interim financial statements for the six months ended November 30, 2020, together with the notes thereto, and the audited financial statements for the financial year ended May 31, 2020, together with the notes thereto, attached as schedules I and G, respectively, to the Circular.

A *pro forma* consolidated statement of financial position for the Resulting Issuer giving effect to the Transaction and the closing of the Financing, assuming that the Financing is completed in full, other than the exercise of the Financing Agents Option, as at February 28, 2021 is attached to as schedule K to the Circular.

Description of the Securities

The authorized capital of 116 BC consists of an unlimited number of 116 BC Shares without par value and an unlimited number of preferred shares without par value. As at the date of this Circular, there are 8,502,104 116 BC Shares issued and outstanding and no preferred shares are outstanding.

The following is a summary of the principal attributes of 116 BC Shares:

Voting Rights. The holders of 116 BC Shares are entitled to receive notice of, attend and vote at any meeting of the shareholders of 116 BC. 116 BC Shares carry one vote per BC Share. There are no cumulative voting rights, and directors do not stand for re-election at staggered intervals.

Dividends. The holders of 116 BC Shares are entitled to receive on a *pro rata* basis such dividends as may be declared by the 116BC Board, out of funds legally available therefor. There are no indentures or agreements limiting the payment of dividends.

Profits. Each 116 BC Share is entitled to share *pro rata* in any profits of 116 BC to the extent they are distributed either through the declaration of dividends or otherwise distributed to shareholders, or on a winding up or liquidation.

Rights on Dissolution. In the event of the liquidation, dissolution or winding up of 116 BC, the holders of 116 BC Shares will be entitled to receive on a *pro rata* basis all of the assets of 116 BC remaining after payment of all 116 BC's liabilities.

Pre-Emptive, Conversion and Other Rights. No pre-emptive, redemption, sinking fund or conversion rights are attached to 116 BC Shares, and 116 BC Shares, when fully paid, will not be liable to further call or assessment. No other class of shares may be created without the approval of the holders of 116 BC Shares. There are no provisions discriminating against any existing or prospective holder of 116 BC Shares as a result of such shareholder owning a substantial number of 116 BC Shares.

Stock Option Plan

116 BC does not have a stock option plan in place. At the Meeting the 116 BC Shareholders will be asked to approve the Stock Option Plan.

Prior Sales

During the 12 months prior to the date of this Circular, no securities of 116 BC have been issued.

Directors and Officers

Directors and Officers

Other than otherwise indicated, the following table is as of the date of this Circular and sets out the name, municipality of residence, positions and/or offices held with 116 BC, and principal occupations for the last five years of each person who is a director or officer of 116 BC, as well as the period during which each person has been a director of 116 BC, if applicable.

Name, Province, Country of Residence and Position(s) with 116 BC	Principal Occupation for Last Five Years	Director Since	Number of 116 BC Shares Owned⁽¹⁾
James Scott Munro British Columbia, Canada Chief Executive Officer, Chief Financial Officer and director	Business executive	June 21, 2018	2,194,242 ⁽²⁾

Notes:

- (1) *The information as to voting securities beneficially owned, controlled or directed, not being within the knowledge of 116 BC, has been furnished by the respective director or officer individually.*
- (2) *125,000 116 BC Shares owned directly and 2,069,242 116 BC Shares controlled as trustee of Munro Family Trust.*

Each of the directors of 116 BC is appointed for a one-year term expiring at each annual meeting of shareholders or until their successors are elected or appointed.

As at the date of this Circular, the current directors and senior executive officers of 116 BC as a group beneficially own, directly or indirectly, or exercise control or direction over, approximately 2,194,242 116 BC Shares representing 25.8% of the outstanding number of 116 BC Shares. The information as to 116 BC Shares beneficially owned or over which control or direction is exercised, not being within the knowledge of 116 BC, has been furnished by the directors and executive officers directly.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Corporate Cease Trade Orders or Bankruptcies

Other than as set forth below, no director or executive officer of 116 BC is, as at the date of this Circular, or was within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company that:

- (a) was subject to: (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days (collectively an "**Order**") and that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to an Order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

No director or executive officer of 116 BC is, as at the date of this Circular, or was within 10 years before the date of this Circular, a director or executive officer of any company that, while the director or executive officer was acting in that capacity, or within a year of the director or executive officer ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Personal Bankruptcies

None of the directors or executive officers of 116 BC have, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such person.

Penalties and Sanctions

None of the directors or executive officers of 116 BC have been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

Certain directors and officers of 116 BC also serve as directors of other companies. Accordingly, there exists the possibility that such directors or officers will be in a position of a conflict of interest. Any decision made by such directors or officers involving 116 BC will be made in accordance with their duties to deal fairly and in good faith with 116 BC and such other companies. In addition, such directors will declare and refrain from voting on any matters in which they may have a material conflict of interest.

Statement of Executive Compensation

Under applicable securities legislation, 116 BC is required to disclose certain financial and other information relating to the compensation of the CEO, the CFO and the most highly compensated executive officer of 116 BC as at May 31, 2020 whose total compensation was more than \$150,000 for the financial year of 116 BC ended May 31, 2020 (collectively the "**NEOs**") and for the directors of 116 BC.

During the financial year ended May 31, 2020, 116 BC had one NEO and one director, being Scott Munro.

Director and Named Executive Officer Compensation

No compensation was paid to any director or NEO of 116 BC for the financial year ended May 31, 2020 and the period from June 21, 2018 (incorporation) to May 31, 2019.

Stock Options and Other Compensation Securities

No compensation securities were granted or issued to any NEO or director by 116 BC or its subsidiaries since incorporation. 116 BC does not have a stock option plan or other equity compensation plans in place. At the 116 BC Meeting, the 116 BC Shareholders will be asked to approve the Stock Option Plan.

Employment, consulting and management agreements

116 BC does not have any contracts, agreements, plans or arrangements that provides for payments to a director or NEO at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of 116 BC or a change in an NEO's responsibilities.

Pension Disclosure

116 BC does not have any pension or retirement plan which is applicable to the NEOs or directors. 116 BC has not provided compensation, monetary or otherwise, to any person who now or previously has acted as an NEO of 116 BC in connection with or related to the retirement, termination or resignation of such person, and 116 BC has provided no compensation to any such person as a result of a change of control of 116 BC.

Securities Authorized for Issuance under Equity Compensation Plans

116 BC does not have a stock option plan or other equity compensation plans in place.

Management Contracts

There are no management functions of 116 BC which are to any substantial degree performed by a person or company other than the sole director and NEO of 116 BC.

Audit Committee Information required in the Circular of a Venture Issuer

National Instrument 52-110 – *Audit Committees* ("**NI 52-110**") requires that certain information regarding the audit committee of a "venture issuer" (as that term is defined in NI 52-110) be included in the management information circular sent to shareholders in connection with the issuer's annual general meeting of the 116 BC Shareholders. 116 BC is a "venture issuer" for the purposes of NI 52-110.

Audit Committee Charter

The full text of the charter of 116 BC's Audit Committee is attached as schedule M to the Circular (the "**116 BC Audit Committee Charter**").

Composition of the Audit Committee

Upon completion of the 116 BC Meeting, the Audit Committee members of 116 BC will be J. Scott Munro, Patrick Brown and Richard Paolone each of whom is a director and financially literate. Patrick Brown and Richard Paolone are each independent in accordance with NI 52-110. Mr. Munro, the CEO of 116 BC is not considered to be independent.

Relevant Education and Experience

The following is a description of the education and experience of each proposed member of the Audit Committee that is relevant to the performance of his responsibilities as an Audit Committee member and, in particular, any education or experience that would provide the member with:

1. an understanding of the accounting principles used by 116 BC to prepare its consolidated financial statements;
2. the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves;
3. experience preparing, auditing, analyzing or evaluating consolidated financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by 116 BC's consolidated financial statements, or experience actively supervising one or more persons engaged in such activities; and
4. an understanding of internal controls and procedures for financial reporting.

J. Scott Munro, Chief Executive Officer, Chief Financial Officer and Director is an experienced accountant, entrepreneur and venture capitalist who has served in a variety of senior executive roles including CEO, CFO and director in both Canadian and U.S. public and private companies for over 25 years. Over the past 10+ years, Scott has owned and operated private venture capital and consulting firms that provide M&A advisory, going-public transactions, reporting, and other services to private and public companies.

Richard Paolone, Proposed Director, is a practicing securities lawyer focused on mining, agriculture and cannabis. Mr. Paolone is the principal lawyer of Paolone Law Professional Corporation. In his private practice, he has developed experience with respect to public companies, capital markets, mergers and acquisitions and other facets fundamental to the natural resources sector. Mr. Paolone currently serves as director and CEO of several other private and reporting companies.

Patrick Brown, Proposed Director, is an experienced and formally trained Chartered Accountant with over 25 years in senior audit and finance roles. Mr. Brown currently operates Parabolic Communications Inc. that provides marketing and investor relations services with professional experience in public markets and investor relations, having managed programs for several over-the-counter registered entities.

Audit Committee Oversight

Since the commencement of 116 BC's most recently completed financial year, there has not been a recommendation of the Audit Committee to nominate or compensate an external auditor which was not adopted by the 116 BC Board.

Reliance on Exemptions in NI 52-110

Since the commencement of 116 BC's most recently completed financial year, 116 BC has not relied on:

1. the exemption in section 2.4 (*De Minimis Non-audit Services*) of NI 52-110 (which exempts all non-audit services provided by 116 BC's auditor from the requirement to be pre-approved by the Audit Committee if such services are less than 5% of the auditor's annual fees charged to 116 BC, are not recognized as non-audit services at the time of the engagement of the auditor to perform them and are subsequently approved by the Audit Committee prior to the completion of that year's audit);
2. the exemption in subsection 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*) of NI 52-110 (an exemption from the requirement that a majority of the members of the Audit Committee must not be executive officers, employees or control persons of 116 BC or of an affiliate of 116

BC if a circumstance arises that affects the business or operations of 116 BC and a reasonable person would conclude that the circumstance can be best addressed by a member of the Audit Committee becoming an executive officer or employee of 116 BC);

3. the exemption in subsection 6.1.1(5) (*Events Outside Control of Member*) (an exemption from the requirement that a majority of the members of the Audit Committee must not be executive officers, employees or control persons of 116 BC or of an affiliate of 116 BC if an Audit Committee member becomes a control person of 116 BC or of an affiliate of 116 BC for reasons outside the member's reasonable control);
4. the exemption in subsection 6.1.1(6) (*Death, Incapacity or Resignation*) (an exemption from the requirement that a majority of the members of the Audit Committee must not be executive officers, employees or control persons of 116 BC or of an affiliate of 116 BC if a vacancy on the Audit Committee arises as a result of the death, incapacity or resignation of an Audit Committee member and the Board was required to fill the vacancy); or
5. an exemption from the requirements of NI 52-110, in whole or in part, granted by a securities regulator under Part 8 (*Exemptions*) of NI 52-110.

116 BC is a "venture issuer" for the purposes of NI 52-110. Accordingly, 116 BC is relying upon the exemption in section 6.1 of NI 52-110 providing that 116 BC is exempt from the application of Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) of NI 52-110.

Pre-Approval Policies and Procedures

The Audit Committee is expected to adopt specific policies and procedures for the engagement of non-audit services as described in the Audit Committee Charter.

Audit Fees

The following table provides details in respect of audit, audit related, tax and other fees billed by the external auditor of 116 BC for professional services rendered to 116 BC during the fiscal year ended May 31, 2020 and the period from June 21, 2018 (incorporation) to May 31, 2019:

	Audit Fees (\$)	Audit-Related Fees (\$)	Tax Fees (\$)	All Other Fees (\$)
Year ended May 31, 2020	4,498	nil	nil	nil
Period from June 21, 2018 (incorporation) to May 31, 2019	3,213	nil	nil	nil

Audit Fees – aggregate fees billed for professional services rendered by the auditor for the audit of 116 BC's annual consolidated financial statements as well as services provided in connection with statutory and regulatory filings.

Audit-Related Fees – aggregate fees billed for professional services rendered by the auditor and were comprised primarily of audit procedures performed related to the review of quarterly consolidated financial statements and related documents.

Tax Fees – aggregate fees billed for tax compliance, tax advice and tax planning professional services. These services included reviewing tax returns and assisting in responses to government tax authorities.

All Other Fees – aggregate fees billed for professional services which included accounting advice.

Report on Corporate Governance

116 BC believes that adopting and maintaining appropriate governance practices is fundamental to a well-run company, to the execution of its chosen strategies and to its successful business and financial performance. National Instrument 58-101 – *Disclosure of Corporate Governance Practices* and National Policy 58-201 – *Corporate Governance Guidelines* (collectively the "**Governance Guidelines**") of the Canadian Securities Administrators set out a list of non-binding corporate governance guidelines that issuers are encouraged to follow in developing their own corporate governance guidelines. In certain cases, 116 BC's practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for 116 BC at its current stage of development and therefore these guidelines have not been adopted. 116 BC will continue to review and implement corporate governance guidelines as the business of 116 BC progresses and becomes more active in operations.

The following disclosure is required by the Governance Guidelines and describes 116 BC's approach to governance and outlines the various procedures, policies and practices that 116 BC and the Board have implemented.

Board of Directors

The 116 BC Board is currently composed of one director. Following the completion of the 116 BC Meeting, the 116 BC board will be comprised of three directors. Form 58-101F2 – *Corporate Governance Disclosure (Venture Issuers)* ("**Form 58-101F2**") requires disclosure regarding how the 116 BC Board facilitates its exercise of independent supervision over management of 116 BC by providing the identity of directors who are independent and the identity of directors who are not independent and the basis for that determination. NI 52-110 provides that a director is independent if he or she has no direct or indirect "material relationship" with 116 BC. "Material relationship" is defined as a relationship which could, in the view of the 116 BC Board, be reasonably expected to interfere with the exercise of a director's independent judgment. In addition, under NI 52-110, an individual who is, or has been within the last three years, an employee or executive officer of an issuer, is deemed to have a "material relationship" with the issuer. Accordingly, of the proposed nominees, J. Scott Munro is considered not to be "independent". The remaining two proposed directors are considered to be "independent" within the meaning of NI 52-110. In assessing Form 58-101F2 and making the foregoing determinations, the 116 BC Board has examined the circumstances of each director in relation to a number of factors.

Directorships

The following table sets forth the directors and proposed of 116 BC who currently hold directorships with other reporting issuers:

Name of Director	Reporting Issuers
J. Scott Munro	Adastra Labs Holdings Ltd., CanAm Biotech Inc. and 1169032 B.C. Ltd.
Richard Paolone	Red Pine Petroleum Ltd., Rotonda Ventures Corp., 1143990 BC Ltd., Emerald Isle Resources Inc. and Republic Goldfields Inc.
Patrick Brown	CanAm Biotech Inc.

Board Committees

The 116 Board does not currently have any committees. Following completion of the 116 BC Meeting, the 116 BC Board will constitute one committee, the Audit Committee.

Orientation and Continuing Education

The 116 BC Board does not have a formal orientation or education program for its members. The 116 BC Board's continuing education is typically derived from correspondence with 116 BC's legal counsel to remain up to date with developments in relevant corporate and securities law matters. Additionally, historically board members have been

nominated who are familiar with 116 BC and the nature of its business. New 116 BC Board members are provided with information regarding the functioning of the 116 BC Board and its committees and full access to management.

Ethical Business Conduct

The 116 BC Board has not adopted guidelines or attempted to quantify or stipulate steps to encourage and promote a culture of ethical business conduct, but does promote ethical business conduct through the nomination of 116 BC Board members it considers ethical, through avoiding or minimizing conflicts of interest.

Nomination of Directors

The recruitment of new directors has generally resulted from recommendations made by directors and shareholders. The assessment of the contributions of individual directors has principally been the responsibility of the 116 BC Board. Prior to standing for election, new nominees to the 116 BC Board are reviewed by the entire 116 BC Board.

Other Board Committees

The 116 BC Board currently does not have any standing committees.

Assessments

Currently the 116 BC Board has not implemented a formal process for assessing directors.

Non-Arm's Length Transactions

No assets, provision of assets or services have been acquired or are to be acquired from any director, officer, principal shareholder of 116 BC or any of its Associates or Affiliates in the 24 month period prior to the date of this Circular.

Legal Proceedings

There are no legal proceedings to which 116 BC is a party, or of which any of its property is the subject matter, and no such proceedings are known to 116 BC to be contemplated.

Auditor, Transfer Agent and Registrar

The auditor of 116 BC is Adam Sung Kim Ltd., Chartered Professional Accountant located at Suite 168, 4300 North Fraser Way, Burnaby, British Columbia V5J 5J8.

The registrar and transfer agent of 116 BC Shares is National Securities Administrators Ltd. located at Suite 702 - 777 Hornby St., Vancouver, British Columbia V6Z 1S4.

Material Contracts

The following are the material contracts of 116 BC that are outstanding as of the date of this Circular:

- (a) the Amalgamation Agreement.

The Amalgamation Agreement is filed on SEDAR at www.sedar.com under 116 BC's profile and may be inspected without charge at the office of Irwin Lowy LLP at Suite 401, 217 Queen Street West, Toronto, Ontario M5V 0R2 during normal business hours until the Closing Date and for a period of 30 days thereafter.

SCHEDULE C

INFORMATION CONCERNING AWAKN

The following information has been provided by Awakn and reflects the current business, financial and share capital position of Awakn. See schedule D entitled "Information Concerning the Resulting Issuer" attached to the Circular for pro forma business, financial and share capital information following the Completion Date. All capitalized terms not otherwise defined herein have the meaning ascribed thereto in the Circular to which this schedule C is attached.

The following information should be read in conjunction with the information concerning Awakn appearing elsewhere in the Circular to which this schedule C is attached.

The following information contained in this schedule C is presented on a pre-Transaction basis and is reflective of current business, financial and share capital position of Awakn, without giving effect to any components of the Transaction. See schedule B entitled "Information Concerning 116 BC" and schedule D entitled "Information Concerning the Resulting Issuer" attached to the Circular for business, financial and share capital information related to 116 BC and the Resulting Issuer, respectively.

In this schedule C, unless there is something in the subject matter or context inconsistent therewith, capitalized terms have the meanings ascribed to those terms in the accompanying Circular. All references to "\$" in this schedule C are references in Canadian dollars unless otherwise stated.

Corporate Structure

Awakn was incorporated on April 27, 2020 under the OBCA under the name "Kaleido Life Sciences Inc.". Awakn changed its name to its current name, "Awakn Life Sciences Inc.", effective June 1, 2020.

Awakn's registered and head office are located at Suite 200, 366 Bay Street, Toronto, Ontario M5H 4B2.

Awakn operates in the UK through its subsidiaries Awakn Bristol, Awakn Life Sciences UK and Awakn London.

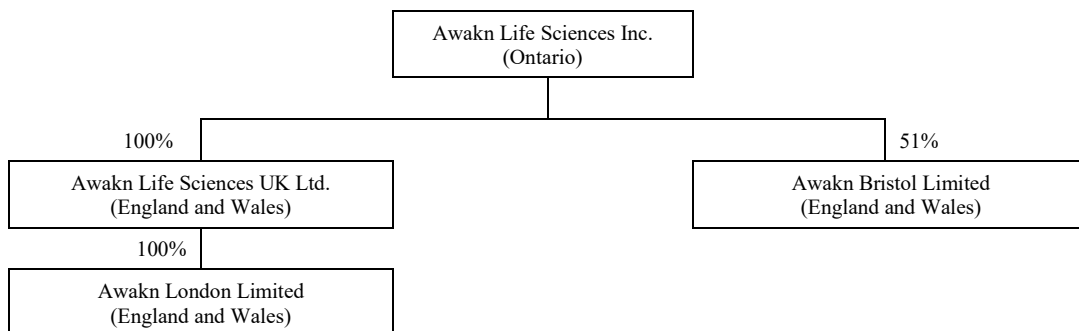
Awakn Bristol was incorporated and registered in England and Wales on June 17, 2016 under the name Mandala Therapy Limited. Mandala Therapy Limited changed its name to "Awakn Bristol Limited", effective November 4, 2020.

Awakn Life Sciences UK was incorporated and registered in England and Wales on July 24, 2020.

Awakn London was incorporated and registered in England and Wales on March 1, 2021.

Intercorporate Relationships

The following chart reflects the intercorporate relationships of Awakn:



General Development of the Business

Awakn is a biotechnology company with clinical operations, engaged in the research, development and delivery of psychedelic medicine to treat addiction and other mental health conditions. Awakn has a dual strategic focus:

- develop and commercialize proprietary psychedelic therapies and New Chemical Entity ("NCE") drugs to treat addiction; and
- treat addiction and other mental health conditions in a chain of medical psychedelic clinics across the United Kingdom and the European Union.

History

On June 16, 2020, Awakn, Dr. Ben Sessa and Awakn Bristol entered into an investment agreement (the "**Awakn Bristol Investment Agreement**") to acquire from Dr. Sessa an interest in Awakn Bristol (the "**Awakn Bristol Acquisition**"). In connection with the Awakn Bristol Acquisition, the parties to the Awakn Bristol Agreement entered into a shareholders' agreement (together with the Awakn Bristol Investment Agreement, collectively the "**Awakn Bristol Acquisition Arrangements**"). Pursuant to the Awakn Bristol Acquisition Arrangements, effective November 30, 2020, Awakn acquired a 51% interest in Awakn Bristol for (i) cash consideration of £325,000 paid in two installments (as to £74,000 paid on July 9, 2020 and as to £250,330 paid on November 30, 2020); and (ii) the issue of 3,000,000 Awakn Shares with a fair value of \$60,000 at \$0.02 per Awakn Share (issued on July 6, 2020). Pursuant to the Awakn Bristol Acquisition Arrangements, Awakn has the option to acquire Dr. Sessa's remaining 49% ownership interest in Awakn Bristol by paying Dr. Sessa the greater of \$2,000,000 and the fair value, determined in accordance with the terms of the Awakn Bristol Acquisition Arrangements (the "**Awakn Bristol Option**"). Awakn may only exercise the Awakn Bristol Option upon completion of a liquidity event. Under the Awakn Bristol Acquisition Arrangements, Dr. Sessa has a put option to force Awakn to acquire his 49% ownership interest in Awakn Bristol which may only be exercised in conjunction with a liquidity event. The Transaction qualifies as a liquidity event for the purposes of the Awakn Bristol Acquisition Arrangements. All Awakn Bristol Option payments are payable in Awakn Shares. At the time of the entering into of the Awakn Bristol Investment Agreement, Dr. Sessa, now the Chief Medical Officer, a director of Awakn and a member of the scientific advisory board of Awakn, was at arm's length with Awakn.

On July 6, 2020, Awakn appointed Professor David Nutt as the chair of its scientific advisory board.

On August 31, 2020, Awakn appointed Professor Matthew Johnson as a member of its scientific advisory board.

On September 2, 2020, Awakn signed a lease for its first clinic, the Bristol Clinic, which is located at 1 Regent Street, Bristol BS8 4HW, United Kingdom.

On September 21, 2020, Awakn appointed Professor Celia Morgan as a member of its scientific advisory board.

On September 22, 2020, Awakn appointed Dr. Michael Mithoefer and Ann Mithoefer as members of its scientific advisory board.

On November 30, 2020, Awakn completed its seed round financing, raising gross proceeds of \$1,000,000.

On December 18, 2020, Awakn appointed Professor Celia Morgan as Ketamine-Assisted Psychotherapy for Alcohol Use Disorder Leader.

On January 1, 2021, Awakn appointed James Collins as Chief Operating Officer.

On January 11, 2021, Awakn appointed Dr. Shaun McNulty as Chief Science Officer.

On February 1, 2021, Awakn signed a consulting agreement with PRAH, a clinical research organization, to co-deliver its Phase IIb clinical trial using MDMA to treat AUD.

On February 18, 2021, Dr. Ben Sessa, Awakn's Chief Medical Officer, published the first safety and tolerability of MDMA assist psychotherapy in patients with alcohol use disorder in the Journal of Psychopharmacology.

On March 1, 2021, Awakn acquired from the University of Exeter an exclusive licence to use and deliver the Ketamine in the Reduction of Alcoholic Relapse psychotherapy intervention, as validated in a Phase II clinical trial led by the University of Exeter. The research will allow Awakn to treat patients with a research backed treatment for AUD.

On March 3, 2021, Awakn announced its intention to complete a reverse takeover transaction involving 116 BC and complete its listing on the NEO Exchange.

On March 8, 2021, Awakn completed the acquisition of proprietary research data on next generation candidate MDMA and Ketamine molecules ("**IP Assets**") from Equasy Enterprises Ltd. ("**Equasy Enterprises**"), a company established and controlled by Prof. David Nutt, the chair of the scientific advisory board of Awakn, for an aggregate purchase price of \$60,000, payable by the issue of 50,000 Awakn Shares at a deemed price of \$1.20 per share. In the event that a patent is filed in the name of Awakn for a next generation molecule that is created using the IP Assets, Awakn is required to issue to Equasy Enterprises an additional 50,000 Awakn Shares at a deemed price of \$1.20 per share. The data acquired provides significant insights into the basic pharmacological mechanisms of action for MDMA. Subsequently, Awakn signed an amendment to the agreement with Equasy Enterprises, under which it agreed to issue Equasy Enterprises up to an additional 280,000 shares upon the successful completion of certain milestones.

On March 8, 2021, Awakn appointed Professor David Nutt as Head of Research, to pursue new chemical entities based on the research acquire from Equasy Enterprises.

On March 19, 2021, Awakn completed the Awakn Debenture Financing. Pursuant to the Awakn Debenture Financing, Awakn issued 4,000 Awakn Debenture Units at a price of \$1,000 per Awakn Debenture Unit with each Awakn Debenture Unit being comprised of one \$1,000 Awakn Debenture and one-half of one Awakn Debenture Warrant.

On April 9, 2021, Awakn signed a non-binding Collaborative Working Agreement with the University of Exeter to set the framework for shared activity on a number of mental health care advanced predictive analytics projects. Awakn is negotiating a contract with the University of Exeter to use a patter classifier to detect identity shifts following Ketamine treatments through developing digital signatures of identity shifts in recovery for people with problematic substance use. This contract is in draft form and has not yet been signed by the parties.

On April 20, 2021 Awakn and the Lead Agents entered into the Engagement Letter in connection with the Financing.

Narrative Description of the Business

General

Awakn is a biotechnology company with clinical operations, researching, developing, and delivering psychedelic medicine to treat addiction and other mental health conditions.

Awakn's vision is to create a paradigm shift in mental health treatment, Awakn's mission is to integrate psychedelics into mainstream mental healthcare with a core focus on addiction, and Awakn's purpose is to deliver better mental health for more people.

Awakn has three strategic objectives: be a global leader in the research of psychedelic therapies and NCE drugs to treat addiction; build the UK and EU's leading chain of medical psychedelic clinics; and scale its reach through its Partnership Ecosystem outside its core territories of the United Kingdom and the European Union.

Awakn is executing this strategy across two core workstreams of R&D and Delivery. Awakn's R&D activity is focused on Research, Digital, and Intellectual Property ("IP"), while Awakn's Delivery activity is focused on Clinics and a Partnerships Ecosystem.

Research and Development Workstream

Research: Awakn's research activity is focused on developing proprietary MDMA and ketamine-like NCE drugs, clinical trials to secure marketing authorization for MDMA as a treatment for AUD in the United Kingdom and the European Union, and managing Awakn's IP assets consisting of proprietary therapies, proprietary protocols, and proprietary research data.

Digital: Awakn's digital activity is focused on developing advanced analytics to improve the efficiency of Psychedelic-Assisted Psychotherapy for treating addiction utilising data from Awakn's research and clinical activities.

Intellectual Property: Awakn IP activity is focused on managing Awakn's IP assets, including significant research data acquired from Professor David Nutt's Equasy Enterprises, the Ketamine for Reduction of Alcoholic Relapse ("KARE") therapy licensed from University of Exeter, and Awakn's proprietary ketamine and MDMA-assisted psychotherapy protocols and therapies for the treatment of addiction and other mental health conditions.

Delivery Workstream

Clinics: the Bristol Clinic is, and future Awakn clinics are expected to, provide treatment which combines proven therapeutic potential of ketamine with psychotherapy to treat addiction and other mental health disorders.

Partnerships Ecosystem: Awakn's partnerships ecosystem is focused on scaling its reach outside its core territories of the United Kingdom and the European Union through licencing to enable addiction treatment practitioners to deliver the Awakn methodology.

Industry Information and Market Trends

Mental Health Crisis

According to *The Global Burden of Mental, Neurological and Substance Use Disorders: An Analysis from the Global Burden of Disease Study 2010*, mental health and addiction (including alcohol), is the 5th leading cause of illness globally, affecting 20% of the world's population and costing the European Union, the United States and the United Kingdom economies Cad\$2trillion per year. Unlike other medical disciplines, psychiatry focuses on maintenance rather than cure, and symptom suppression rather than addressing the root causes of these illnesses. Psychedelics and psychedelic-assisted psychotherapy are the exception which have the potential to change mental health services and deliver better patient outcomes.

Alcohol Use Disorder

Alcohol use disorder is the most prevalent substance use disorder, with alcohol use being one of the top five causes of disease and disability in almost all countries throughout Europe according to the Lancet ([https://www.thelancet.com/journals/lanpsy/article/PIIS2215-0366\(18\)30337-7/fulltext](https://www.thelancet.com/journals/lanpsy/article/PIIS2215-0366(18)30337-7/fulltext)). According to the book "*Drink?: The New Science of Alcohol and Your Health*", by Professor David Nutt, in the United Kingdom, alcohol and related diseases are the leading cause of death in men aged between 16 and 54 years, accounting for over 20% of the total United Kingdom adult population. Recent COVID-19 lockdowns have increased stress and anxiety with studies showing mental health has worsened substantially (8.1% on average) with coping mechanisms such as increased consumption of alcohol reported by 8.6 million people in the United Kingdom, some inevitably to a problem level. While there are current treatment methods available, which are effective for some segments of the population, relapse rates are high.

Operations

Research Development

Awakn's goal is to be the global leader in the research of psychedelic therapies and NCE drugs to treat addiction. To achieve this goal, Awakn is driving broad research and development activities, in parallel, to reduce both time and cost to market. Awakn's research plan is divided into three separate work packages:

(a) Work package 1

It is expected that this work package will generate new chemical entities with improved pharmacological and drug-like characteristics compared to MDMA and ketamine and will establish candidates for clinical development. The chemical structures, production processes and mode of use will all be patent protected as part of Awakn's active intellectual property protection strategy. Initial activities will include structure-based design computer aided drug design/in silico, evaluation of patentability and the identification of potential hits/chemical series with appropriate predicted properties for subsequent production and development. A contract research organization has now been selected and work is expected to begin in the second quarter of 2021. Follow on activities will include all activities from production of initial molecules, screening in vitro and in vivo, demonstration of MDMA and ketamine-like pharmacological properties, med chem delivery of analogues, preliminary formulation, evaluation of brain penetration, absorption, distribution, metabolism and excretion ("**ADME**"), efficacy in vivo, addiction potential and selectivity, up to the selection of a candidate and back up molecules for clinical development. These activities are expected to be completed in the second quarter of 2022. To deliver clinical candidates, additional activities will include full Clinical Trial Application enabling studies including process development, formulation and Good Laboratory Practice production to facilitate toxicological evaluation, inter-batch comparison, stability analysis, Chemistry Manufacturing Control assay development and formulation, targeted to be completed in the second quarter of 2023.

(b) Work Package 2

It is expected this work package will deliver clinical trial efficacy data for MDMA-Assisted Psychotherapy of patients with Non-Physically Dependent ('Harmful Use') AUD through a Phase IIb trial in the United Kingdom to help Awakn assess the potential of securing marketing authorization for MDMA as a treatment for AUD in the United Kingdom and the European Union.

Awakn has selected and initiated activities with PRAH, to co-deliver this Phase IIb trial. Awakn's Phase IIb study will take place in the United Kingdom and will be a double-blind, placebo-controlled clinical trial, designed to demonstrate conclusively both the safety of MDMA and the efficacy of MDMA-Assisted Psychotherapy as a treatment for patients with Non-Physically Dependent ('Harmful Use') AUD. Awakn believe this Phase IIb trial will be initiated with approval by the MHRA ethics committee in the third quarter of 2021 as well as first time in human in the third/fourth quarter of 2021. The outcomes from this Phase IIb trial, alongside additional clinical and non-clinical data, will ultimately be used to design follow on studies and to support formal applications for marketing authorization in the United Kingdom and the European Union.

This program builds on the recent Bristol Imperial MDMA in Alcoholism ("**BIMA**") clinical trial, directed by Dr. Ben Sessa, the Chief Medical Officer, a director of Awakn and a member of the scientific advisory board of Awakn, Dr. Laurie Higbed, Lead Psychologist of Awakn, Mr. Steve O'Brien, the Operations Manager of Awakn and Professor David Nutt, the Chair of scientific advisory board of Awakn and Head of Research and completed in July, 2020 and published in February 2021. The BIMA study explored the potential for MDMA to treat patients with alcohol addiction. It was the first MDMA addiction study, an open-label safety and tolerability proof-of-concept study investigating the potential role for MDMA therapy in treating patients with AUD (*First study of safety and tolerability of 3,4-methylenedioxymethamphetamine-assisted psychotherapy in patients with alcohol use disorder (2021) Journal of Psychopharmacology, Sessa et al.*). The BIMA study's aim was to assess if MDMA-assisted psychotherapy can be delivered safely and is tolerated by patients with AUD, post detoxification. Multiple outcomes regarding drinking behaviour, quality of life and psychosocial functioning were evaluated. MDMA treatment was well tolerated by all participants and no unexpected adverse events were observed. Psychosocial functioning improved across the cohort

and alcohol use diminished by over 85%. The BIMA study demonstrated the value in further developing this therapeutic approach to obtain broad regulatory approval to enter the market. Prior to carrying out the BIMA study, the same study team carried out a non-interventional observational study, following 14 participants through their treatment-as-usual post-alcohol detox (the 'Outcomes Study'; Sessa et al., 2020). The image below presents the results from the BIMA study, compared to an observational study.

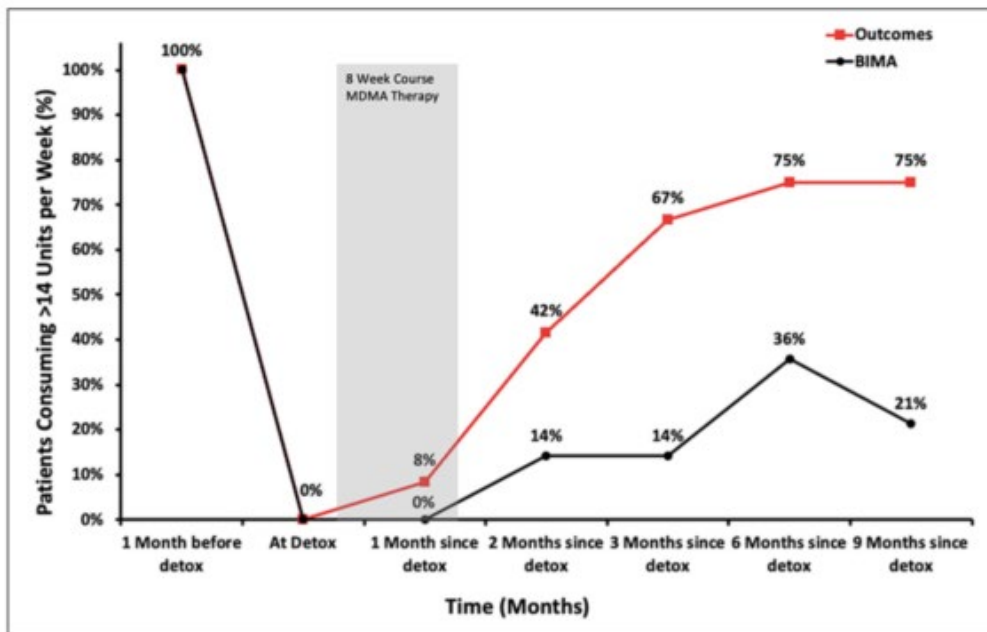


Figure 6. TLFB showing % of patients consuming more than the 14 recommended daily units of alcohol (Sessa et al., 2020).

(c) Work Package 3

It is expected that work package 3 will comprise additional phase II clinical trials to extend the potential patient populations and clinical indications with unmet medical needs, that MDMA and ketamine can be used for and Awakn can apply for marketing authorization to support. PRAH or other selected contract research organizations will facilitate these activities in addition to the proposed phase IIb trial (work package 1 above) and will support, alongside Awakn's Chief Medical Officer, Chief Science Officer and advisors, the continued development of a coherent and costed strategic clinical development plan to deliver marketed drugs and therapeutic approaches to market in a rapid and cost-effective manner.

Work packages 1 and 2 focus on MDMA and on developing innovative MDMA and ketamine like candidates. Activities have been initiated already for the first two work packages and will run in parallel. Work package 3 is expected to be initiated in the second quarter of 2021 and will expand the range of therapeutic indications addressable by Awakn treatment approaches and are expected to increase the available market.

Digital

Awakn Digital is focused on developing predictive analytics based enabling technologies to improve the effectiveness of psychedelic-assisted psychotherapy in treating addiction.

Awakn has signed a collaborative working agreement with the University of Exeter, which establishes a framework for the working relationship to pursue a number of mental health care focused advanced predictive analytic projects.

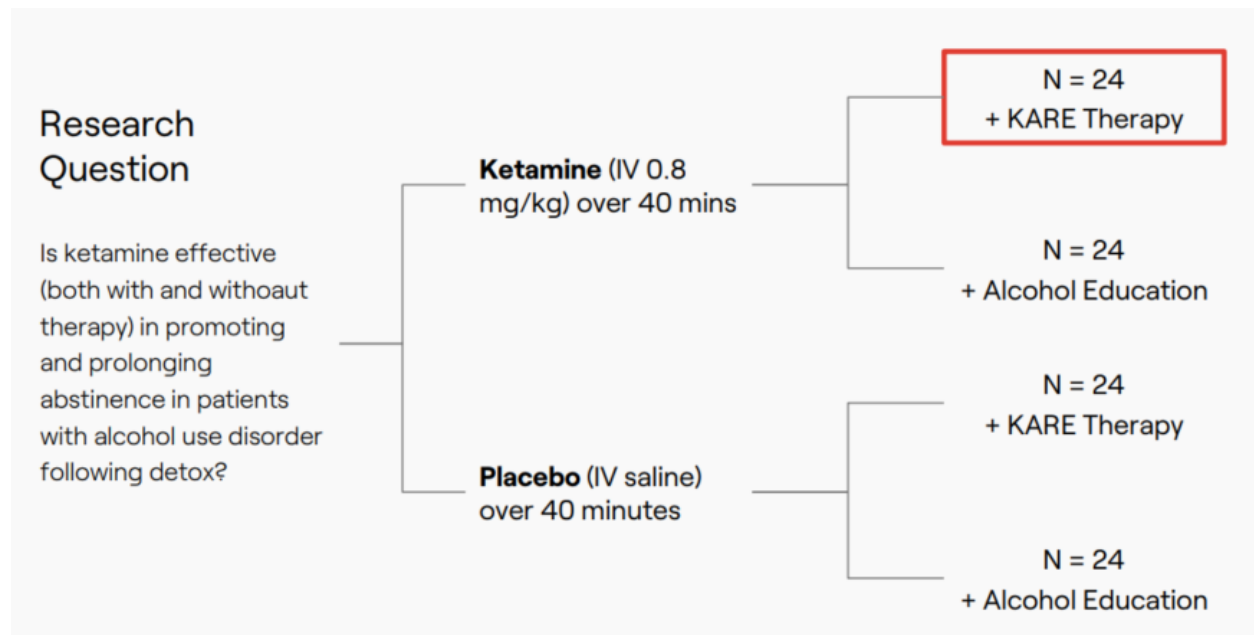
The first Awakn Digital project will use a pattern classifier to detect identity shifts following ketamine-assisted psychotherapy to treat Alcohol Use Disorder. The project builds on the work of Dr Koschate-Reis who holds an EPSRC Innovation Fellowship "Psychological Identity in a Digital World" and has been working on developing digital signatures of identity shift in recovery in people with problematic substance use in collaboration with local drug and alcohol services. Awakn will focus this project on clients treated with 'Ketamine in the Reduction of Alcoholic Relapse' (KARE) intervention validated in a Phase II clinical trial funded by the UK Medical Research Council and which Awakn exclusively licenced from the University of Exeter in March 2021.

Intellectual Property (IP)

Awakn has acquired and developed significant amounts of relevant IP.

Proprietary Research Data: On March 8, 2021, Awakn acquired from Equasy Enterprises, a company established and controlled by Professor David Nutt, proprietary research data, to facilitate the identification and development of MDMA and ketamine-like molecules (the "**Nutt Research**"). The data acquired provides significant insights into the basic pharmacological mechanisms of action for MDMA. The Nutt Research has facilitated the identification of several new and innovative molecular targets that will form the basis of both Awakn's NCE drug development program and generation off new patents for Awakn. To facilitate these activities, Professor Nutt joined Awakn as Head of Research and in addition to his existing role as Chair of Awakn's scientific advisory board of Awakn and he will work to develop new candidate molecules, supported by Dr. Shaun McNulty, the Chief Science Officer of Awakn.

Ketamine for reduction of Alcoholic Relapse (KARE): On March 1, 2021, Awakn acquired from the University of Exeter an exclusive licence to use and deliver the KARE psychotherapy intervention, as validated in a Phase II clinical trial led by the University of Exeter (the "**Exeter Licence**"). The KARE clinical research study, led by Prof. Celia Morgan (a member of the scientific advisory board of Awakn) of the University of Exeter, was a Phase II a/b, four-armed, placebo-controlled trial assessing ketamine combined with the KARE psychotherapy in the treatment for AUD. The study started in 2016, finished in 2020 and included 96 participants and was funded by the Medical Research Council. The primary endpoints of the Phase II trial were percentage days abstinent and relapse at six months, with secondary endpoints including depressive symptoms, craving, and quality of life. The combined therapy arm, compared to other arms, demonstrated a clear capacity to improve the lives of people struggling with alcohol problems by reducing drinking over a six-month period.



Ketamine primarily works as a non-competitive N-methyl D-aspartate receptor antagonist. More recently, ketamine has also been identified as interacting with cholinergic, adrenergic, monoamine and opioid receptors. The literature is strongly supportive of the use of ketamine in accident and emergency departments. Expressing low toxicity, high efficacy and reliable sedation and anaesthesia, ketamine's rapid onset of action, and low interaction with other drugs demonstrates its safety in medical and clinical practice (*Kurdi, Theerth and Deva, 2014*). In recent years, ketamine has been developed, and used off-license, for psychiatric indications, especially in treatment-resistant depression where it has similarly shown to be safe and effective (*Srivastava et al 2015, Murrrough et al 2013, Shiroma et al 2020*).

There exists a strong evidence base for using ketamine as a purely psychopharmacological agent (with minimal or no psychotherapy) for the management of TRD, (*Srivastava et al 2015, Murrrough et al 2013, Shiroma et al 2020, Diamond et al 2014*), with many clinics around the world, particularly in the United States, and at least one such clinic in the United Kingdom, providing such a service. However, there are fewer clinics internationally, and none in the United Kingdom to date, that combine the drug ketamine with psychotherapy.

Clinics

Awakn plans to open a chain of 20 clinics across the United Kingdom and the European Union by 2024. It is expected that each clinic will offer psychedelic-assisted psychotherapy based, initially, on the Exeter Licence as well as its proprietary protocols, with a team of trained psychiatrists and therapists (the "**Awakn Ketamine-Assisted Psychotherapy**"). Awakn has partnered with a leading design agency to design and deliver an evidenced-based client-centered clinic providing a warm, positive, safe environment that better enables people to engage with the therapy, address their trauma, and find an opportunity for healing. The leading expert on ketamine-assisted psychotherapy, Prof. Celia Morgan who is a member of the scientific advisory board of Awakn, will support Awakn's activity by introducing evidence-based ketamine-assisted psychotherapy for AUD into Awakn's clinics throughout the United Kingdom and, when opened, clinics in the European Union.

In the United Kingdom and potentially in selected European markets, Awakn plans to provide services directly via Awakn's clinics. Awakn is exploring partnerships that would allow Awakn to offer its services on a licensed basis to markets outside of those it directly serves through its owned clinics. Awakn has a licensing model that allows Awakn to train and enable psychiatrists and psychotherapists to utilize the Awakn psychedelic-assisted psychotherapy which is expected to lead to market share growth, drive revenue and widen access and participation in Awakn services to further the agenda of tackling mental illness. Awakn intends to license its core IP including the protocol, therapy manual, and the Awakn brand. It also intends to supply license partners with psychedelic compounds, digital tools to support the therapy process and ongoing supervision for therapists to ensure the right standard of care.

It is expected that at the Awakn clinics a broader range of psychiatric indications than only TRD will be offered the Awakn Ketamine-Assisted Psychotherapy, using a treatment protocol with ketamine sessions combined with bespoke, patient-centered psychotherapy. There is an increasing global network of clinicians providing outcome data and treatment protocols for this broader range of psychiatric indications for ketamine-assisted psychotherapies which includes the following psychiatric indications: Depressive Disorders (*Shiroma et al 2020, Schwartz et al 2016, Xu et al 2015, Mandal et al 2019*), Bipolar Disorder (dep phase) (*Grady et al 2017, Ionescu et al 2014*), Anxiety Disorders (*Glue 2017/2018, Rodriguez2013, Bloch2012*), PTSD (*Feder et al 2014, Donoghue 2015*), Substance Use Disorders (*Krupitsky '95,'07, Ezquerra-Romano 2018*) and Eating Disorders (*Scolnick 2020, Mills 1998, Dechant 2020*). Underlying all of these psychiatric indications there are frequently issues of trauma, often going back to childhood maltreatment and abuse, that underpin the chronicity of the patients' mental health problems.

The lead clinicians at Awakn, Dr. Sessa, the Chief Medical Officer, a director of Awakn and a member of the scientific advisory board of Awakn, and Dr. Laurie Higbed, Lead Psychologist of Awakn, are senior mental health professionals with combined over 30 years of clinical experience working with cases of trauma-based psychiatric issues. Both Dr. Higbed and Dr. Sessa are also approved MDMA and Psilocybin psychotherapists, having trained with the MAPS and Compass-Pathways respectively with each of those compounds respectively. Using their skills gained from academic, clinical and research activities with MDMA and psilocybin-assisted psychotherapies, the Awakn clinical team will be expanding the psychiatric and psychological professions' capacity to broaden the clinical indications with ketamine-assisted therapies.

In order to provide a consistent approach to the delivery of psychological therapies for the range of psychiatric indications described above combined with ketamine, the Awakn clinical team are currently producing a therapy treatment manual, which will be used across all Awakn clinics, to be used by Awakn clinical staff across all subsequent clinics. The Awakn Ketamine-Assisted Psychotherapy treatment manual will draw upon psychological theories developed from several existing models of psychological therapies currently being used with other psychedelic-assisted treatment and research protocols.

It is proposed that the Awakn Ketamine-Assisted Psychotherapy will be provided off-license. The prescribing physician will abide by the general guidelines for using any off-license drug (MHRA guideline online). Awakn will be using ketamine in a minimally invasive method of administration, intra-muscularly ("IM"), not intravenously ("IV") and all patients undergoing courses of ketamine treatment will be receiving regular supportive psychotherapy, which provides an extra level of safety and monitoring of response and effects. The proposed Awakn Ketamine-Assisted Psychotherapy protocol will comprise pre-assessment, referral and triage (including review of patient medical notes), face to face initial medical assessment, up to four ketamine-assisted psychotherapy sessions, non-drug integration psychotherapy sessions and a final outcome review session. It is expected that the Awakn clinics will offer 11 sessions of psychotherapy, spread over a 9-week course, which will include four ketamine-administrations delivered over 6-weeks alongside non-drug therapy sessions, and a final post-course evaluation session on week-9, three weeks after the end of the therapeutic course. Over the therapeutic 6-week course, the ketamine dose will be titrated according to individual response. This will allow the therapeutic relationship to be well established before the patient considers opting for higher doses which facilitates a transformational state with increasing opportunity for dissociative experiences. After the initial 6-week course, patients will be seen for a final follow-up session, 3-weeks later. If clinical judgment suggests value, they may then be offered a repeat of the full course again, the option of a shorter 4-week course, or further single booster sessions of ketamine, with accompanying single sessions of preparation and post-drug psychotherapy at less frequent intervals (e.g. monthly).

Specialized Skill and Knowledge

Awakn has established a scientific advisory board. The members of the scientific advisory board are Prof. David Nutt, Chair, Dr. Benjamin Sessa, Prof. Celia Morgan, Prof. Matthew Johnson, Dr. Michael Mithoefer and Ann Mithoefer. The biographies of each member of the scientific advisory board are set out below:

Prof. David Nutt, Chair

Mr. Nutt is a psychiatrist and the Edmund J. Safra Professor of Neuropsychopharmacology in the Division of Brain Science, Dept of Medicine, Imperial College London where he uses a range of brain imaging techniques to explore the causes of addiction and other psychiatric disorders and to search for new treatments. Mr. Nutt has published over 400 original research papers, a similar number of reviews and books chapters, eight government reports on drugs and 28 books, including one for the general public entitled "*Drugs: Without The Hot Air*", that won the Transmission Prize in 2014.

Mr. Nutt is currently the President of the European Brain Council and Founding Chair of Drug Science. Previously he held the position of President of the British Association of Psychopharmacology, the British Neuroscience Association, and the European College of Neuropsychopharmacology. He broadcasts widely to the general public both on radio and television. In 2010, The Times Eureka science magazine voted him one of the 100 most important figures in British Science, and the only psychiatrist on the list. In 2013, Mr. Nutt was awarded the John Maddox Prize from Nature/Sense about Science for standing up for science.

Dr. Benjamin Sessa

For Dr. Sessa's biography, see section entitled "*Directors and Officers*" below in this schedule C.

Prof. Celia Morgan

Prof. Morgan is a Professor of Psychopharmacology at the University of Exeter in the United Kingdom. Prof. Morgan completed her undergraduate degree and Ph.D at University College London (UCL) and completed a scholarship

programme at Yale University. After completing her Ph.D, Prof. Morgan worked at University of Melbourne as a visiting research fellow, returning to UCL for a fellowship and then Lectureship. She joined University of Exeter as a Senior Lecturer in 2013 and was awarded a Chair in Psychopharmacology position in 2015.

Prof. Morgan also holds an Honorary Readership at University College London. Prof. Morgan is academic lead for both Exeter Translational Addiction Partnership and Ketamine for Reduction of Alcoholic Relapse (KARE).

Prof. Matthew W. Johnson, Ph.D.

Prof. Johnson is Professor of Psychiatry and Behavioral Sciences at Johns Hopkins. He is one of the world's most published scientists on the human effects of psychedelics, and has conducted seminal research in the behavioural economics of drug use, addiction, and risk behavior. Prof. Johnson earned his Ph.D. in experimental psychology at the University of Vermont in 2004.

Working with psychedelics since 2004, Prof. Johnson published psychedelic safety guidelines in 2008, helping to resurrect psychedelic research. As Principle Investigator he developed and published the first research on psychedelic treatment of tobacco addiction in 2014. Prof. Johnson and colleagues published the largest study of psilocybin in treating cancer distress in 2016. His 2018 psilocybin abuse liability review recommended placement in Schedule-IV upon potential medical approval.

Dr. Michael Mithoefer, M.D.

Dr. Mithoefer began collaborating with MAPS in 2000 on the first U.S. Phase 2 clinical trial of MDMA-assisted psychotherapy. He has since conducted two of the six MAPS-sponsored Phase 2 clinical trials testing MDMA-Assisted Psychotherapy for PTSD, as well a study providing MDMA-assisted sessions for therapists who have completed the MAPS-sponsored MDMA Therapy Training Program, and a pilot study treating couples with MDMA-Assisted Psychotherapy combined with Cognitive-Behavioural Conjoint Therapy.

Dr. Mithoefer is now Senior Medical Director for Medical Affairs, Training and Supervision at MAPS Public Benefit Corporation (MAPS PBC). He is a Grof-certified Holotropic Breathwork Facilitator, is trained in EMDR and Internal Family Systems Therapy and has nearly 30 years of experience treating trauma patients.

Ann Mithoefer, B.S.N.

Mrs. Mithoefer is a registered nurse focused primarily on training and supervising therapists conducting MAPS-sponsored clinical trials, as well as continuing to conduct some MAPS research sessions. Between 2004 and 2018, Mrs. Mithoefer and her husband, Dr. Michael Mithoefer, M.D., completed two of the six MAPS-sponsored Phase II clinical trials testing MDMA-Assisted Psychotherapy for PTSD, as well a study providing MDMA-assisted sessions for therapists who have completed the MAPS Therapist Training, and a pilot study treating couples with MDMA-Assisted Psychotherapy combined with Cognitive-Behavioural Conjoint Therapy.

Mrs. Mithoefer is a Grof-certified Holotropic Breathwork Practitioner, is trained in Hakomi Therapy, and has 25 years of experience working with trauma patients, with an emphasis on experiential approaches to psychotherapy.

Regulatory Framework in the United Kingdom

Awakn operates in the UK through its subsidiaries Awakn Bristol, Awakn Life Sciences UK and Awakn London.

Regulation of Drugs in the UK

(a) Controlled drugs

Ketamine is controlled under the misuse of drugs legislation in the UK. It is classified as a Class B drug under the Misuse of Drugs Act 1971 and as a Schedule 2 drug under the Misuse of Drugs Regulations 2001 ("**MDR**"), and it is

unlawful to possess, supply, produce, import or export these in the UK except under a controlled drugs licence from the Home Office of Her Majesty's Government of the United Kingdom (the "**Home Office**").

At present there is no national registry in the UK to monitor the use of ketamine in treating depression.

MDMA and psilocybin are controlled substances, classified as Schedule 1 substances under the MDR in the UK.

A Home Office licence is required by a healthcare service provider for the production, possession and/or supply of these drugs. These drugs can be used in clinical trials in the UK, subject to a Home Office licence having been obtained.

The Controlled Drugs (Supervision of Management and Use) Regulations 2013 (as amended by the Controlled Drugs (Supervision of Management and Use) (Amendment) Regulations 2020) promote good governance concerning safe management and use of controlled drugs in England and Scotland. With certain exceptions, healthcare providers must appoint a Controlled Drug Accountable Officer ("**CDAO**"). Systems must be put in place to ensure compliance with the Misuse of Drugs legislation, for recording and reporting concerns or untoward incidents about controlled drug use, and to ensure a range of up to date standard operating procedures to support those governance arrangements. Awakn is exempt from appointing a CDAO as it currently falls within one of the exemptions (i.e. it currently has less than 10 employees in the UK).

The 2017 Drug Misuse and Dependence: UK Guidelines on Clinical Management (sometimes referred to as the 'Orange Guidelines' or 'Orange Book') must be followed by clinicians in the UK providing drug treatment for people who use or are dependent on drugs. Clinicians in this context include psychiatrists and other workers providing drug treatment, as well as health and social care professionals who provide limited periods of support for the treatment of drug misuse and dependence (such as during hospitalizations).

(b) Regulation of medicines in the UK – licensing

The regulation of medicines in the UK is undertaken by the UK Medicines and Healthcare products Regulatory Agency ("**MHRA**") in accordance with the UK Human Medicines Regulations 2012.

The marketing authorisation process, and marketing authorisation licences, which are required to place a medicinal product on the market in the UK, is managed by the MHRA.

Clinical trials for applications for marketing authorization of medicines in the UK are also managed by the MHRA. The MHRA manages eligibility for clinical trials and phases of the trial (including reporting safety issues).

Before a medicine can be placed on the market and promoted in the UK, it must first be granted a licence which is known as a marketing authorization. While no medicine is completely safe, a licence indicates that proper checks regarding its quality, safety and efficacy have been carried out and the benefits of a medicine are believed by the licensing authority (the MHRA in the UK) to outweigh the risks. The licence will include strict parameters as to the conditions (indications) the medicine has been approved to treat. It will also detail as to whether it can only be supplied through an authorized pharmacy, over the counter, or subject to a prescription issued by a healthcare professional registered with the General Medical Council ("**GMC**").

An unlicensed medicine is one that does not have a marketing authorization licence in the UK, and which cannot be promoted on the market in the UK. However, a GMC registered healthcare professional does have freedom to administer such unlicensed products under the guise of a clinical trial, or at its discretion for a specific patient, where it is believed by the clinician that the treatment may offer benefits to the patient which outweigh the risks, and whilst in the UK it is not an absolute pre-requisite, where there is not an alternative licensed product available to treat that condition.

Ketamine is licensed as an anaesthetic and for analgesia in the UK. It is not a licensed treatment for depression.

In order to use Ketamine to treat depression as an 'off-label' treatment (i.e. outside the licensed indications), a healthcare professional would require a Schedule 2 controlled drugs licence to possess and supply this drug, which would be granted by the Home Office, Drugs Licensing & Compliance Unit.

Awakn clinicians intend to use their prescribing discretion to deliver Ketamine-assisted psychotherapy 'off-label' in an un-solicited manner in the short term to treat depression (subject to holding a Schedule 2 Home Office licence to possess and supply ketamine). Awakn has accordingly applied for a Schedule 2 controlled drugs licence to possess and supply ketamine at the Bristol Clinic.

The Bristol Clinic is not yet operational, as Awakn is awaiting CQC certification as well as the above-mentioned Schedule 2 controlled drugs licence to possess and supply ketamine at the Bristol Clinic.

Awakn has not applied for a Schedule 2 controlled drugs licence to possess and supply Ketamine at any premises other than the Bristol Clinic.

MHRA guidance states that although the MHRA does not recommend "off-label" (outside the licensed indications) use of medicinal products, if a healthcare professional believes a UK licensed product can meet the clinical need, even off-label, it should be used instead of an unlicensed product. This is an MHRA recommendation, but it is not a legal requirement under the UK Medicines Act 1968.

At present, a new marketing authorization application for Northern Ireland may either be included with an application for a UK marketing authorization application, or a separate application may be made under the EMA decentralized and mutual recognition procedures as a concerned EU member state. Any marketing authorization applications submitted following the latter procedure will be effective in Northern Ireland only.

Regulatory oversight – mental health services

Healthcare providers carrying on certain regulated activities in England are required to register with the CQC. Regulated activities are listed in Schedule 1 of the Health and Social Care Act 2008 (Regulated Activities) Regulations 2014, and include treatment of disease, disorder or injury by a healthcare professional (including mental health services). The CQC monitors, inspects and regulates independent doctors and clinics providing mental health services.

CQC approval is required in order for Awakn to provide psychotherapy services at the Bristol Clinic. Awakn Bristol Limited has submitted an application for both manager and provider registrations at the Bristol Clinic with the CQC and an interview took place with the CQC inspector in March 2021 (including a virtual tour as a site visit was not permitted under COVID restrictions).

Awakn Bristol has applied for its CQC license for its proposed Bristol Clinic, and is corresponding with the CQC as it continues to work through the review process.

Awakn has not applied for CQC approval for any premises other than the Bristol Clinic.

Corporate Responsibilities

All UK companies have a statutory obligation under the UK Companies Act 2006 to keep certain registers and records.

UK private companies limited by shares must also produce, keep and maintain a separate register of persons with significant control over the company.

Under the UK Companies Act 2006, the directors of a private company limited by shares have seven general duties. These are: (a) to act within their powers; (b) to promote the success of the company; (c) to exercise independent judgment; (d) to exercise reasonable care, skill and diligence; (e) to avoid conflicts of interest; (f) not to accept benefits from third parties; and (g) to declare an interest in a proposed transaction or arrangement. These general duties apply to all directors of the company.

All UK companies are required to file various forms, returns and documents with the Registrar of Companies under a range of provisions in the UK Companies Act 2006. Some of these filing requirements arise on annual basis, while others are event driven. Breach of statutory obligations imposed upon directors could result in criminal sanctions, including a fine, penalty, disqualification or imprisonment.

Anti Bribery and Corruption

All businesses operating in the UK are subject to the provisions of the Bribery Act 2010. The Act contains four offences: (a) a general offence covering offering, promising or giving a bribe; (b) a general offence covering requesting, agreeing to receive or accepting a bribe; (c) a distinct offence of bribing a foreign public official to obtain or retain business; and (d) a strict liability offence for commercial organizations where they fail to prevent bribery by those acting on their behalf.

An organization commits an offence if a person associated with it bribes another person for that organization's benefit. An organization has a defence it can show it had "adequate procedures" in place to prevent bribery. "Adequate procedures" are not defined in the Bribery Act, but the Ministry of Justice has published guidance on what adequate procedures might involve. The guidance sets out the following six principles for companies to follow: (a) proportionate procedures; (b) top level commitment; (c) risk assessment; (d) due diligence; (e) communication; and (f) monitoring and review.

The potential consequences of being convicted of a bribery offence include criminal penalties for both individuals and companies. Individuals can be jailed for up to ten years and could also receive an unlimited fine. Organizations can receive unlimited fines. Fines for organizations are likely to be substantial. No guidance has been given yet, but a judgment in the Crown Court in 2010 against a company that had bribed foreign public officials stated that fines for corruption should be in the tens of millions or more.

"Senior officers" can also be convicted of an offence where they are deemed to have given their consent or connivance to giving or receiving a bribe or bribing a foreign public official. It is possible that omitting to act might be regarded as consent or connivance and lead to prosecutions, fines and imprisonment. A director convicted of a bribery offence is also likely to be disqualified from holding a director position for up to 15 years.

Anti Modern Slavery

The Modern Slavery Act 2015 is aimed at increasing transparency in supply chains. Specifically, large businesses are required to disclose the steps they have taken to ensure their business and supply chains are free from modern slavery (that is, slavery, servitude, forced and compulsory labour and human trafficking). "Commercial organizations" (body corporates or partnerships carrying on any part of their business in the UK) that supply goods or services and have a minimum turnover of £36 million (including turnover of subsidiaries) are required to produce a slavery and human trafficking statement each financial year. This is a statement of the steps taken (if any) to ensure modern slavery is not taking place in its' business or supply chains (this does not mean an organization must guarantee the entire supply chain is slavery free). The statement must be approved by the board, signed by a director and be published on the company website.

The UK government has released statutory guidance providing advice on what should be included in a statement. Although there are no penalties under the Modern Slavery Act for failing to comply with the disclosure requirement (except that the Secretary of State can apply for an injunction to compel compliance), a failure to publish an accurate and robust slavery and human trafficking statement may attract criticism and negative publicity from key stakeholders and others in the community. Tougher legislation in this area is expected to come into force in the medium term.

Data Protection

The UK left the European Union ("EU") on January 31, 2020. The transition period under the terms of the UK-EU withdrawal agreement ended on December 31, 2020 (the "**Transition Period**").

The trade and co-operation *agreement* between the UK and the EU, implemented by the European Union (Future Relationship) Act 2020, addresses the arrangements following the end of the Brexit transition period on December 31, 2020.

This agreement contains a mechanism for data transfers from the EU to the UK which applies for four months from the agreement entering into force, extended by two months unless one of the parties objects, or, if earlier, until there is an adequacy finding for the UK. During this time, personal data transfers from the EU to the UK can continue without additional safeguards provided that the UK's applicable data protection regime continues to apply.

From the end of the Transition Period, the retained EU law version of the General Data Protection Regulation ((EU) 2016/679) ("**UK GDPR**") applies in the UK, along with the *Data Protection Act 2018* ("**DPA 2018**").

GDPR Compliance obligations

All organizations in the UK are subject to the following laws:

1. the Data Protection Act 2018,
2. the Retained EU law version of the General Data Protection Regulation ((EU) 2016/679) ("**UK GDPR**"), and
3. the GDPR in the context of its extraterritorial reach where Awakn processes data relating to EEA data subjects

(the "**Data Protection Legislation**").

As currently drafted, the Data Protection Act 2018 and the UK GDPR contain analogous definitions and obligations.

It is essential to inform employees, patients, vendors, research partners, regulators and the courts of Awakn's commitment to compliance with Data Protection Legislation. It is also vital that Awakn demonstrates that it understands its obligations as a controller of personal data and has in place all measures to achieve compliance. The majority of personal data processed relates to Awakn's patients or its employees. The patient data will include "special category" data which carries additional compliance obligations.

Awakn will act as a Data Controller in respect of most personal data it processes.

Almost anything done with data counts as *processing*, including collecting, recording, storing, using, analysing, combining, disclosing or deleting it. Processing is defined in Art 4.2 UK GDPR as: 'any operation or set of operations which is performed on personal data or on sets of personal data, whether or not by automated means, such as collection, recording, organisation, structuring, storage, adaptation or alteration, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available, alignment or combination, restriction, erasure or destruction.

A *controller* is a person that decides how and why to collect and use the data. The controller must make sure that the processing of such data complies with data protection law. Awakn is a controller concerning data of a) its' employees and b) contact details of its supplier's workers, and c) its' patients.

A *processor* is a separate person or organization (not an employee) who processes data on behalf of the controller and in accordance with their instructions. Processors have some direct legal obligations, but these are more limited than the controller's obligations. The obligations when appointing a data processor are as set out in Article 28 of UK GDPR and include amongst other things: (a) having in place a written contract under which the processor agrees only to act on the instruction of the controller; and (b) ensuring adequate security safeguards in place.

The board of directors has a duty to understand its' obligations under the Data Protection Legislation, including the GDPR where it processes EEA data subject data. The UK Information Commissioner has determined that the EEA provides adequate safeguards for the protection of UK data subject data. Therefore, no additional steps are required for UK compliance before transferring personal data to the EEA. The position is not yet the same for EEA data subject data. The European Commission has published a draft adequacy finding for the UK. Should this adequacy finding not be finalised before June 2021, additional measures must be put in place between Awakn and any EEA receiving entity.

When it processes EEA data subjects' data in the UK, a company must appoint an EU Data Representative in the location where the majority of its EEA data subjects are based.

Data exported outside of the UK and EEA is subject to additional safeguards, for example, putting in place EU approved standard contractual clauses when exporting data, to ensure such transfers are lawful.

The Data Protection Legislation's new accountability principle requires controllers to be able to demonstrate compliance with the Data Protection Legislation by showing the supervisory authority (the Information Commissioner's Office in the UK, or the relevant regulator in an EEA country where data subject data is processed such as Ireland) and individuals how the controller complies, on an ongoing basis. Elements that a company should be able to demonstrate include internal policies and processes that comply with the requirements of the Data Protection Legislation, the implementation of the policies and processes into the company's activities, effective internal compliance measures and external controls. Failure to comply with the Data Protection Legislation may result in fines of up to €20 million or 4% of total annual group turnover. Recent fines have been larger where the company involved could not demonstrate that it had a suitable program to manage compliance and demonstrate the accountability principle.

Intellectual Property

In the UK, intellectual property rights ("**IPR**") that are (or may be) protected include, in particular:

- confidential information;
- copyright;
- trademarks (both registered and unregistered); and
- patents.

However, other UK IPR may be registered by (or otherwise accrue to) Awakn in the course of its business. For example, .uk domain names, UK database rights, UK design rights.

There may be overlap in these IPRs. For example:

- a logo may (in principle) be protected as a registered trademark, an unregistered trademark, a registered design and by copyright;
- a database may be protected by database rights, copyright and the law of confidence.

Confidential Information

The law of confidence in the UK may be used to restrict the dissemination and unauthorised use of confidential information. To be protected, the information must have a 'necessary quality of confidence'. Broadly speaking, the information must actually be confidential and not merely unavailable to the public in its current form. For example, in respect of information compiled from public sources, thought and effort must have gone into compiling the public information and producing something that deserves protection.

To prevent the actual/threatened unauthorised dissemination/use of the confidential information in the UK, the information must have been disclosed in circumstances importing an obligation of confidence on the recipient. For example, pursuant to a non-disclosure agreement or where the confidential information was shared with an employee in the course of their employment.

The Trade Secrets (Enforcement, etc) Regulations 2018 (SI 2018/597) in the UK provides statutory protection for trade secrets (a subset of confidential information), which are confidential information that:

- are secret;
- are commercially valuable because of their secrecy; and
- have been subject to reasonable steps to keep them secret.

These Regulations allow the owners of trade secrets to restrict the dissemination and unauthorised use of those secrets.

Copyright

The law relating to copyright in the UK is primarily set out in the Copyright, Designs and Patents Act 1988 ("CDPA").

Copyright law in the UK protects (among others) original artistic and literary works (e.g. photographs, computer programs, text) and audio-visual works. The owner (and, in certain circumstances, licensees) of a copyright work is entitled to prevent others from making unauthorised use of that work (e.g. copying or broadcasting it).

In the UK, copyright protects the expression of an idea, not the idea itself and provides no protection should an idea be independently developed (i.e. where it is not copied).

In the UK, copyright protection for a work will arise automatically, provided that the work qualifies for protection under the CDPA. Qualification is determined by reference to:

- the author's citizenship or jurisdiction of residence; or
- the jurisdiction of first publication/broadcast of the work.

In the UK, the author of a copyright work will be the first owner of that work, provided that – where an employee creates a work in the course of their employment (subject to any agreement to the contrary) – the employer will be the first owner of copyright in the work. Any subsequent assignment of a copyright work must be signed and in writing.

In the UK, the duration of protection will depend on the type of work. In the case of artistic and literary works, the duration of protection is for 70 years from the death of the author.

There is no requirement to register (and there is no process for registration of) copyright in the UK.

Trademarks

The law in the UK relating to registered trademarks is primarily set out in the Trade Marks Act 1994. Trademarks (and other indicia) may, in principle, also be protected in the UK by the common law of passing-off.

A wide variety of trademarks can, in principle, be registered in the UK. This includes word marks, device marks and combination word and device marks as well as non-traditional trademarks (e.g. sound and colour marks). However, certain types of marks may not be registered. For example, those that are descriptive, non-distinctive, contrary to accepted principles of morality or feature (without consent) the Royal arms.

Applicants must declare that they (or a third party, with their consent) have used the mark in the UK for all of the goods and/or services covered by the application or that they have *bona fide* that it will be so used.

Trademark applications are not subject to *ex officio* examination on relative grounds. In other words, assuming that a trademark is registrable in principle (i.e. is not descriptive etc.) – unless a third party opposes an application – the mark will normally be registered.

Once registered, a trademark must be renewed every 10 years and may be renewed indefinitely.

The owner of a registered trademark (and, in certain circumstances, licensees) is entitled to prevent others from making unauthorised use of:

- an identical mark in relation to goods/services identical to those for which the owner's mark is registered;
- an identical/similar mark in relation to goods/services identical/similar to those for which the owner's mark is registered, where this would result in a likelihood of confusion on the part of the public;
- an identical/similar mark, where the owner's trademark has a reputation in the UK and the use of the mark is without due cause and takes unfair advantage of (or is detrimental to) the distinctive character or the repute of the owner's trademark.

There is no requirement in the UK for the proprietor to file a declaration of use of a registered mark. However, to the extent that a registered UK trademark has not been used within the five years following registration – unless there are proper reasons for the lack of use – the mark may be revoked on application.

Patents

The law in the UK relating to patents is primarily set out in the Patents Act 1977.

An invention may be protected (on application for registration) by patent if it:

- is new;
- involves an inventive step;
- is capable of industrial application; and
- is not specifically excluded from protection as a patent.

The owner of an invention is the only person entitled to prosecute an application to patent that invention. The inventor is usually the first owner of an invention, provided that (subject to any agreement to the contrary) where an employee develops an invention in the course of:

- their normal duties or specifically assigned duties (falling outside of their normal duties); or
- the duties of the employee and the employee had a special obligation to further the employer's interests.

Once registered, from the fourth anniversary of filing, a patent must be renewed annually. Subject to renewal, patents have a duration of 20 years from filing of the fuller application. (Where the patent protects the active ingredients used in a pharmaceutical product, a Supplementary Protection Certificates may be obtained which provide up to five years' further protection.)

A patent allows the owner to restrain any unauthorised use of the invention covered by the patent.

Licensing IPR in the UK

While there are common law and statutory restrictions on commercial parties' ability to freely contract (e.g. liability for death and personal injury caused by negligence cannot be excluded or restricted) and there are regulatory restrictions that will apply to the parties' activities (and their ability to freely contract) generally (e.g. the use and sale of controlled substances, the practising of medicine), in respect of IPR licensing specifically, there are only limited restrictions in the UK on parties' freedom to contract. The primary consideration would be whether any aspect of an IPR licence might have an anti-competitive aim/effect (i.e. contrary to the UK's Competition Act 1998).

Otherwise, the primary UK-specific licensing consideration would be the terms on which a licensee was entitled to sue for infringement (or not); in respect of certain IPR, licensees are granted the right (unless excluded in the licence) under statute to sue in respect of infringements of those IPR.

To be effective, licences of certain IPR must be signed and in writing. Licences of registered IPR may be recorded with the UK Intellectual Property Office.

Regulatory and Clinical Activities

Awakn intends to undertake all regulatory and clinical activities guided and supported by expert regulatory consultants, provided by PRAH or a similar organization and possessing extensive experience of current regulatory guidelines, policies and regulations. Clinical trials will only be initiated post clearance by the appropriate regulatory body (MHRA for the United Kingdom, EMA for the European Union and the FDA for the United States) to do so. All appropriate local and national ethical clearance will be obtained before patients are recruited and trials begin.

Awakn's strategy will be to sequentially progress from phase 1 clinical verification of safety and tolerability for a particular compound/treatment paradigm towards efficacy and finally marketing authorization enabling studies.

Employees

As of the date of this Circular, Awakn has 18 employees, including contractors and part-time employees of affiliates (the Bristol Clinic, where company-owned), distributed among the following departments:

Department	Number of Employees
Executive	5
Finance	2
Clinical	6
Operations	3
Research	2

Selected Financial Information

Annual Information

The following tables set forth selected historical information for Awakn for the period from April 27, 2020 (incorporation) to January 31, 2021. Such information is derived from Awakn's financial statements, which have been prepared in accordance with IFRS and should be read in conjunction with such statements attached as schedule E attached to the Circular.

	Selected Financial Information January 31, 2021 (audited)
Total Revenues	Nil
Income (Loss) From Operations	(1,106,395)
Total Comprehensive Income (Loss)	(1,105,785)

	Selected Financial Information January 31, 2021 (audited)
Total Assets	825,488
Total Long-Term Liabilities	118,434
Total Liabilities	360,446
Cash Dividends Declared	Nil

Management's Discussion and Analysis

Management's discussion and analysis of the financial conditions and results of operations of Awakn for the period from April 27, 2020 (incorporation) to January 31, 2021 is attached as schedule F to the Circular and should be read in conjunction with the consolidated financial statements of Awakn for the period from April 27, 2020 (incorporation) to January 31, 2021 which is attached as schedule E to the Circular.

Description of the Securities

The authorized share capital of Awakn consists of an unlimited number of Awakn Shares and an unlimited number of special shares issuable in series ("**Awakn Special Shares**"). As of the date of this Circular there are a total of 17,483,334 Awakn Shares issued and outstanding, each carrying the right to one vote at all meetings of shareholders of Awakn. No Awakn Special Shares are issued and outstanding.

Awakn Shares

Each holder of an Awakn Share is entitled to receive notice of and to attend all meetings of Awakn Shareholders, except meetings at which only holders of other classes or series of shares are entitled to attend, and at all such meetings are entitled to one vote in respect of each Awakn Share held by such Awakn Shareholder. The Awakn Shareholders are entitled to receive dividends if and when declared by the Awakn Board. In the event of any liquidation, dissolution or winding-up of Awakn or other distribution of the assets of Awakn among Awakn Shareholders for the purpose of winding-up its affairs, the Awakn Shareholders entitled, subject to the rights of holders of shares of any class ranking prior to the Awakn Shares, to receive the remaining property or assets of Awakn.

Awakn Special Shares

The Awakn Special Shares may from time to time be issued in one or more series and subject to the following provisions, and subject to the sending of articles of amendment in prescribed form, and the endorsement thereon of a certificate of amendment in respect thereof, the directors may fix from time to time before such issue the number of Awakn Special Shares that is to comprise each series and the designation, rights, privileges, restrictions and conditions attaching to each series of special shares including, without limiting the generality of the foregoing, the rate or amount of dividends or the method of calculating dividends, the dates of payment thereof, the redemption, purchase and/or conversion prices and terms and conditions of redemption, purchase and/or conversion, and any sinking fund or other provisions.

The Awakn Special Shares of each series, with respect to the payment of dividends and the distribution of assets or return of capital in the event of liquidation, dissolution or winding up of Awakn, whether voluntary or involuntary, or any other return of capital or distribution of the assets of Awakn among Awakn Shareholders for the purpose of winding up its affairs, rank on a parity with the Awakn Special Shares of every other series and be entitled to preference over the Awakn Shares and over any other shares of Awakn ranking junior to the Awakn Special Shares. The Awakn Special Shares of any series may also be given such other preferences, not inconsistent with the articles of incorporation of Awakn, over the special shares and any other shares of Awakn ranking junior to the Awakn Special Shares as may be fixed as provided in the articles of incorporation of Awakn.

If any cumulative dividends or amounts payable on the return of capital in respect of a series of Awakn Special Shares are not paid in full, all series of Awakn Special Shares participate rateably in respect of such dividends and return of capital. The Awakn Special Shares of any series may be made convertible into Awakn Special Shares of any other series or Awakn Shares at such rate and upon such basis as the directors in their discretion may determine. Unless the directors otherwise determine in the articles of amendment designating a series, the holder of each share of a series of Awakn Special Shares is entitled to one vote at a meeting of shareholders.

Awakn Options

The Awakn Board is authorized to grant Awakn Options to directors, senior officers, employees, consultants, consultant company or management company employees of Awakn and its subsidiaries not to exceed 10% of the issued and outstanding Awakn Shares from time to time. Awakn Options granted are exercisable over a period not exceeding 10 years from the date granted. Exercise prices may not be less than the market price of the Awakn Shares at the time of the grant. An Awakn Option vests in the manner imposed by the Awakn Board as a condition at the grant date.

The following table sets forth details for all Awakn Options outstanding at the date of the Circular, with each Awakn Option exercisable to acquire one Awakn Share. Following completion of the Transaction, it is expected that the Awakn Options will be subject to the provisions of the Resulting Issuer Stock Option Plan.

Date of Issue	Number of Awakn Options Issued	Exercise Price	Expiry Date
May 6, 2020	80,000	\$0.075	May 6, 2025
July 6, 2020	60,000	\$0.075	July 6, 2023
August 31, 2020	50,000	\$0.075	August 31, 2023
September 21, 2020	30,000	\$0.30	September 21, 2023
September 22, 2020	60,000	\$0.30	September 22, 2023
October 23, 2020	115,000	\$0.30	October 23, 2023
December 15, 2020	150,000	\$0.30	December 31, 2023
January 31, 2021	30,000	\$0.30	January 31, 2026
March 8, 2021	610,000	\$1.20	March 8, 2026
April 12, 2021	400,000	\$1.20	April 12, 2026

Awakn Debentures

Pursuant to the Awakn Debenture Financing, Awakn issued 4,000 Awakn Debenture Units at a price of \$1,000 per Awakn Debenture Unit with each Awakn Debenture Unit being comprised of one \$1,000 Awakn Debenture and one-half of one Awakn Debenture Warrant.

The Awakn Debentures are convertible into Awakn Shares at the option of the holder at the Conversion Price (as hereinafter defined) at any time prior to the close of business on the last business day immediately preceding the date that is 24 months after the date of the closing of the Awakn Debenture Financing (the "**Maturity Date**"). The "**Conversion Price**" is equal to the lesser of: (i) the price that is a 20% discount to the Liquidity Event Price (as defined in the certificate representing the Awakn Debentures) and (ii) \$1.20 per Awakn Share.

The Awakn Debentures bear interest at a rate of 6% per annum from the date of the closing of the Awakn Debenture Financing, calculated and paid-in-kind on an annual basis. The Awakn Debentures automatically convert into Awakn Shares at the Conversion Price upon completion of a Liquidity Event (as defined in the certificate representing the Awakn Debentures). The Transaction qualifies as a Liquidity Event for the purposes of the Awakn Debentures.

Awakn Warrants

Pursuant to the Awakn Debenture Financing, Awakn issued 4,000 Awakn Debenture Units at a price of \$1,000 per Awakn Debenture Unit with each Awakn Debenture Unit being comprised of one \$1,000 Awakn Debenture and one-half of one Awakn Debenture Warrant.

Each whole Awakn Debenture Warrant is exercisable into Awakn Shares at a 50% premium to the Conversion Price. The 2,000 Awakn Debenture Warrants issued pursuant to the Awakn Debenture Financing are exercisable to acquire Awakn Shares for a period of 24 months commencing on the earlier of (i) the completion of a Liquidity Event and (ii) the Maturity Date. The Transaction qualifies as a Liquidity Event for the purposes of the Awakn Debenture Warrants.

The following table sets forth details for all warrants to purchase Awakn Shares outstanding as at the date of the Circular, with each warrant exercisable to acquire one Awakn Share.

Date of Issue	Description	Number of Warrants Issued	Exercise Price	Expiry Date
March 19, 2021	Awakn Debenture Warrants	2,000 ⁽¹⁾	\$1.80	The earlier of March 19, 2025, or two years after a Liquidity Event.
March 19, 2021	Finder Warrants ⁽²⁾	105,625	\$1.20	March 19, 2023
Financing Closing Date	Broker Warrants ⁽³⁾	224,000	\$2.50	24 months after the Escrow Release Conditions are satisfied

Notes:

- (1) *The 2,000 Awakn Debenture Warrants issued pursuant to the Awakn Debenture Financing are exercisable for an aggregate of 1,666,667 Awakn Shares assuming that the Financing is completed at \$2.50 per share.*
- (2) *Issued in connection with the Awakn Debenture Financing.*
- (3) *Expected to be issued in connection with the Financing, assuming that the Financing is completed in full, other than the exercise of the Financing Agents Option.*

Subscription Receipts

Pursuant to the Financing, Awakn is expected to issue 3,200,000 Subscription Receipts at a price of \$2.50 per Subscription Receipt, or 3,680,000 Subscription Receipts at a price of \$2.50 per Subscription Receipt if the Financing Agents Option is exercised in full. Each Subscription Receipt entitles the holder thereof to receive, without any further action on the part of the holder or payment of any additional consideration, one Awakn Share, subject to the satisfaction or waiver of the Escrow Release Conditions prior to Escrow Release Deadline, and provided that the Transaction has not otherwise been terminated.

For more information, see section entitled "*Information Concerning the Transaction – Financing*" in the Circular.

Consolidated Capitalization

The following table sets forth the capitalization of Awakn on a consolidated basis at the dates indicated below:

Designation of Security	Amount Authorized or to be Authorized	Amount Outstanding as at January 31, 2021	Amount Outstanding as of the date of the Circular
Awakn Shares	Unlimited	16,883,334	17,483,334
Awakn Preferred Shares	Unlimited	nil	nil
Awakn Debentures ⁽¹⁾	n/a	nil	\$4,000,000
Awakn Debenture Warrants ⁽¹⁾	n/a	nil	2,000 ⁽⁴⁾
Subscription Receipts ⁽²⁾	n/a	nil	3,200,000

Designation of Security	Amount Authorized or to be Authorized	Amount Outstanding as at January 31, 2021	Amount Outstanding as of the date of the Circular
Broker/Finder Warrants ⁽³⁾	n/a	nil	327,125
Awakn Options	n/a	1,375,000	1,585,000

Notes:

- (1) Issued pursuant to the Awakn Debenture Financing.
- (2) To be issued pursuant to the Financing, assuming completion of the Financing in full, other than the exercise of the Financing Agents Option.
- (3) 105,625 finder warrants issued in connection with the Awakn Debenture Financing and 224,000 broker warrants to be issued in connection with to the Financing, assuming completion of the Financing in full, other than the exercise of the Financing Agents Option.
- (4) The 2,000 Awakn Debenture Warrants issued pursuant to the Awakn Debenture Financing are exercisable for an aggregate of 1,666,667 Awakn Shares assuming that the Financing is completed at \$2.50 per share.

Prior Sales

There is no public market for the Awakn Shares. The following table sets forth the number and price at which securities of Awakn have been sold within the 12 months period prior to the date of this Circular.

Designation of Security	Amount Sold	Price Per Share	Date of Sale
Awakn Shares	5,000,000	\$0.005	May 21, 2020
	5,550,000	\$0.02	June 5, 2020
	3,000,000 ⁽¹⁾	\$0.02	July 6, 2020
	472,233	\$0.30	September 10, 2020
	109,979	\$0.30	September 30, 2020
	332,327	\$0.30	October 20, 2020
	2,418,795	\$0.30	November 20, 2020
Awakn Debentures ⁽²⁾	\$4,000,000	n/a	March 19, 2021
Awakn Debenture Warrants ⁽²⁾	2,000 ⁽³⁾	n/a	March 19, 2021
Subscription Receipts ⁽⁴⁾	3,200,000	\$2.50	Financing Closing Date

Notes:

- (1) Issued in connection with the Awakn Bristol Acquisition.
- (2) Issued in connection with the Awakn Debenture Financing.
- (3) The 2,000 Awakn Debenture Warrants issued pursuant to the Awakn Debenture Financing are exercisable for an aggregate of 1,666,667 Awakn Shares assuming that the Financing is completed at \$2.50 per share.
- (4) To be issued pursuant to the Financing, assuming completion of the Financing in full, other than the exercise of the Financing Agents Option.

Stock Exchange

None of the securities of Awakn are listed on a stock exchange.

Directors and Officers

Directors and Officers

Other than otherwise indicated, the following table is as of the date of this Circular and sets out the name, municipality of residence, positions and/or offices held with Awakn, and principal occupations for the last five years of each person who is a director or officer of Awakn, as well as the period during which each person has been a director of Awakn, if applicable.

Name, Province, Country of Residence and Position(s) with Awakn	Principal Occupation for Last Five Years ⁽¹⁾	Director Since	Number of Awakn Shares Owned ⁽²⁾
Anthony Tennyson President, Chief Executive Officer and a Director Dublin, Ireland	CEO of Awakn.	May 21, 2020	1,510,706 ⁽⁴⁾⁽⁵⁾
Jonathan Held ⁽³⁾ Chief Financial Officer, Secretary and a Former Director Ontario, Canada	CFO of Awakn; Partner at ALOE Finance Inc., a consulting firm.	April 27, 2020	500,000
Dr. Benjamin Sessa Chief Medical Officer and a Director Bristol, United Kingdom	Chief Medical Officer of Awakn.	July 6, 2020	2,230,000
George Scorsis ⁽⁴⁾ Chair of the Awakn Board and Director Ontario, Canada	Executive Chairman of WeedMD, a cannabis company.	May 21, 2020	1,100,000 ⁽⁵⁾
Stephen Page ⁽⁴⁾ Director London, United Kingdom	Health, social care and education industry consultant	April 12, 2021	nil
John Papastergiou ⁽⁴⁾ Director Ontario, Canada	Research Scientist and Pharmacist	April 12, 2021	nil
James Collins Chief Operating Officer London, United Kingdom	Managing Director of Accenture Strategy	n/a	200,000
Shaun McNulty Chief Science Officer Essex, United Kingdom	Chief Scientific Officer of Inflection Biosciences Ltd., a biotech company; Chief Scientific Officer of Biosceptre International Limited, a biotech company.	n/a	nil

Notes:

- (1) A more detailed biography of each director and officer of Awakn is set out below.
- (2) The information as to voting securities beneficially owned, controlled or directed, not being within the knowledge of Awakn, has been furnished by the respective director or officer individually.
- (3) Mr. Held resigned as a director of Awakn on April 12, 2021.
- (4) Member of the Audit Committee.
- (5) 1,510,706 Awakn Shares owned by Alpha Tango Ltd., a company controlled by Mr. Tennyson.
- (6) 600,000 Awakn Shares owned by Buyup Holdco Inc., a company controlled by Mr. Scorsis.

Biographies

Anthony Tennyson, Co-founder, President, Chief Executive Officer and a director

Mr. Tennyson is an experienced professional and financial services industry executive, with over 15 years Risk Consulting and Capital Markets experience. Prior to co-founding Awakn Life Sciences, Anthony worked at Aon plc, a leading global professional services firm providing a range of risk, reinsurance, and health solutions, for 10 years holding a range of senior strategy and commercial roles. Anthony was global head of operations and strategy for Aon's risk consulting division and Anthony also led Aon's Energy and Financial Institutions risk consulting practice groups globally. Prior to Aon, Anthony worked in capital markets for five years with both Merrill Lynch and Bank of Ireland. Anthony holds an MBA in specializing in Strategy and Finance and an MSc in Technology both from University College Dublin's Smurfit Graduate School of Business, Ireland's top ranked business school.

Jonathan Held, Co-founder, Chief Financial Officer, Secretary and a former director

Mr. Held, CPA, CA, is a seasoned financial executive with CFO level experience for private / public companies. Mr. Held is a partner at ALOE Finance, a boutique firm specializing in transaction advisory and senior level finance solutions. Mr. Held has worked in a number of sectors including technology, biotech and natural resources, both domestic and international, and has been involved in numerous successful public market transactions including initial public offerings, reverse takeovers and financings. Mr. Held was previously a Director and Chief Financial Officer of Tassili Life Sciences Corp. which focussed on mTBI and PTSD research. Mr. Held holds a Bachelor of Mathematics and Masters of Accounting from the University of Waterloo.

Dr. Benjamin Sessa, Co-founder, Chief Medical Officer and a director

Dr. Sessa MBBS (MD) BSc MRCPsych is a consultant child and adolescent psychiatrist who has worked with young people and adults in the field of addictions and trauma-related psychiatry for over 20 years. For the last 15 years Ben has been at the forefront of psychedelic research in the UK through his affiliations with Bristol University and Imperial College London, alongside of Professor David Nutt. He has taken part as a study doctor and as a healthy subject both receiving and administering MDMA, psilocybin, LSD, DMT and ketamine in multiple UK research studies. He ran one of the first UK-based medical cannabis prescribing clinics, having written over 500 prescriptions for medical cannabis. Ben is the Chief Medical Officer at Awakn Life Sciences, a company opening Europe's first psychedelic medical clinic, providing psychedelic psychotherapy with ketamine for a wide range of psychiatric indications. Ben is an approved and registered MDMA and psilocybin therapist. He has led research into MDMA-assisted therapy for Alcohol Use Disorder and continues to carry out research in this area. Ben has been delivering keynote talks at international conferences in the psychedelic community for over 15 years and is also developing psychedelic therapist training courses as part of his role at Awakn Life Sciences. Ben is the co-founder and former president of Europe's largest psychedelic conference, Breaking Convention.

George Scorsis, Co-founder, Chair of the Awakn Board and a director

Mr. Scorsis has over 25 years of experience leading companies in highly regulated industries to rapid growth, including alcohol, energy drinks and, most recently, medical cannabis. While attending York University, completing his Bachelor in Administrative Studies, Mr. Scorsis worked as a University Ambassador for Bacardi Canada and held several executive roles. Following York University, Mr. Scorsis obtained an MBA at Queens University. Mr. Scorsis, formerly President of Red Bull Canada, was instrumental in restructuring the organization from a geographical and operational perspective, growing the business to \$150 million in revenue. He also worked closely with Health Canada on guidelines regulating the energy drink category. Mr. Scorsis also brings agricultural and technological experience from his time as President at Mettrum Health Corp., which was acquired for \$473 million by Canopy Growth Corporation. Mr. Scorsis was also the CEO and Director of Liberty Health Sciences Inc., which was one of the first Canadian cannabis companies to expand into the United States. He also served as Chairman of the Board of Directors of Scythian Biosciences Corp., a research and development company committed to advancing treatment efforts for traumatic brain injury with its proprietary cannabinoid-based combination drug therapy and additional cannabis-related activities across the globe as well as the former Chairman of Tassili Life Sciences Corp. which focusses on PTSD research. Mr. Scorsis is currently the Executive Chairman of WeedMD Inc.

Stephen Page, director

Mr. Page is an experienced healthcare executive and board member, having significant experience working with both the National Health Service ("NHS"), and private enterprises in the United Kingdom. Mr. Page worked in the NHS for fifteen years and was the first CEO of Oxleas NHS Trust from 1993 through 1998, which focused on mental health and learning difficulties. From 1998 to 2005, Mr. Page worked on the board of directors of a number of private sector companies, including Priory Healthcare and Nestor plc. In 2005, Mr. Page was the CEO of Acorn Care and Education, which he grew through acquisitions and organic growth to become a leading national provider of special needs education and foster care resulting in the eventual sale to the Ontario Teachers' Pension Plan in 2010. Mr. Page currently consults within the health, social care and education industry and acts as an executive coach seeking to promote high quality leadership and management in the sector. Mr. Page also acts as the Chair of

Sequence Care, New Reflections and Brain in Hand. Mr. Page holds an MBA from London Business School and a Business Studies Degree from Sheffield University.

John Papastergiou, director

Professor Papastergiou is an experienced clinical research scientist and pharmacist. He has served as an advisor to many large pharmaceutical organizations including Bayer, Pfizer, GSK, and Astra Zeneca and he owns and operates four large community pharmacies in Canada. Prof. Papastergiou's innovative research in the area of point-of-care diagnostic testing and pharmacogenomics has led to the development and advancement of a number of tech start-up companies of which he has sat on the board of directors. Prof. Papastergiou holds Faculty appointments at the schools of Pharmacy at each of the University of Toronto and the University of Waterloo. Prof. Papastergiou has won a number of awards including Canadian Pharmacist of the Year. In 2019, he was named by the International Forum on Advancement of Healthcare as one of the top 100 healthcare leaders globally and was also presented with the Ontario Pharmacists' Association Award for Excellence in Research and Academia. Prof. Papastergiou holds multiple degrees including a PhD from Rhabdoud University, Netherlands. He is a sought after speaker, author, and media personality participating at events in over 30 countries.

James Collins, Chief Operating Officer

Mr. Collins is a senior business leader and mental health champion with 17 years of experience with Accenture Strategy, 7 years as Managing Director, designing and delivering corporate, digital and operating model strategies. James is an industry thought leader with several publications on digital innovation and the transformation of industries, including major studies in collaboration with the World Economic Forum. While at Accenture James was a champion for Inclusion, Diversity & Mental Health driving awareness and structural change to address inequity in the workplace. James holds a BSc and MPhil in Psychology from University College London (UCL), and a Foundation Certificate in Psychotherapy, Counselling & Coaching from the New School of Psychotherapy and Counselling (NSPC).

Shaun McNulty, Chief Science Officer

Dr. McNulty is an experienced drug development expert who has worked in and consulted for pharmaceutical and biotechnology companies for over 25 years. After obtaining a D.Phil. in CNS cell signalling from the University of York, he undertook post-doctoral studies at the University of Cambridge, researching neuronal cell signalling and molecular regulation of circadian physiology. Dr McNulty's industrial career began managing research and drug development teams and projects first for Pfizer and then for GSK Neuroscience departments. Dr McNulty then moved into the biotechnology sector, managing portfolios and product development activities for both Syntaxin and ImmBio. Shaun went on to lead all research and drug development activities for Biosceptre and Inflection Biosciences as CSO. His career has focused on the identification, development and translation of innovative therapeutics, from target identification and characterization, to obtaining regulatory clearance for and managing clinical trials.

Each of the directors of Awakn is appointed for a one-year term expiring at each annual meeting of shareholders or until their successors are elected or appointed.

As at the date of this Circular, the current directors and senior executive officers of Awakn as a group beneficially own, directly or indirectly, or exercise control or direction over, approximately 5,540,706 Awakn Shares representing 31.69% of the outstanding number of Awakn Shares. The information as to Awakn Shares beneficially owned or over which control or direction is exercised, not being within the knowledge of Awakn, has been furnished by the directors and executive officers directly.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Corporate Cease Trade Orders or Bankruptcies

No director or executive officer of Awakn is, as at the date of this Circular, or was within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company that:

- (a) was subject to: (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days (collectively an "**Order**") and that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to an Order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

No director or executive officer of Awakn is, as at the date of this Circular, or was within 10 years before the date of this Circular, a director or executive officer of any company that, while the director or executive officer was acting in that capacity, or within a year of the director or executive officer ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Personal Bankruptcies

None of the directors or executive officers of Awakn have, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such person.

Penalties and Sanctions

None of the directors or executive officers of Awakn have been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Executive Compensation

The following information is presented in accordance with Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers*, and provides details of all compensation for each of the directors and NEOs of Awakn for the period from April 27, 2020 (incorporation) to January 31, 2021.

Director and Named Executive Officer Compensation

The following table sets out all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by Awakn to each current and former NEO or director, in any capacity, for the period from April 27, 2020 (incorporation) to January 31, 2021.

TABLE OF COMPENSATION EXCLUDING COMPENSATION SECURITIES ⁽¹⁾							
Name and position	Year or Period ended	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Anthony Tennyson ⁽¹⁾ President, Chief Executive Officer and a Director	2021	51,828	n/a	n/a	n/a	n/a	51,828
Jonathan Held ⁽¹⁾⁽²⁾ Chief Financial Officer, Secretary and a Former Director	2021	n/a	n/a	n/a	n/a	n/a	n/a
Dr. Benjamin Sessa ⁽³⁾ Chief Medical Officer and a Director	2021	80,253	n/a	n/a	n/a	n/a	80,253
George Scorsis ⁽⁴⁾ Director	2021	n/a	n/a	n/a	n/a	n/a	n/a
James Collins ⁽⁵⁾ Chief Operating Officer	2021	\$7,350	n/a	n/a	n/a	n/a	\$7,350
Shaun McNulty ⁽⁶⁾ Chief Science Officer	2021	\$10,852	n/a	n/a	n/a	n/a	\$10,852

Notes:

- (1) Mr. Held ceased to be the President and Chief Executive Officer of Awakn on June 1, 2020 and Mr. Tennyson was appointed in his stead.
(2) Mr. Held was appointed as the Chief Financial Officer of Awakn on June 1, 2020 and resigned as a director of Awakn on April 12, 2021.
(3) Dr. Sessa was appointed as the Chief Medical Officer and a Director of Awakn on July 6, 2020.
(4) Mr. Scorsis was appointed as the Chair of the Awakn Board and a director of Awakn on May 21, 2020.
(5) Mr. Collins was appointed as the Chief Operating Officer of Awakn effective as of January 1, 2021.
(6) Mr. McNulty was appointed as the Chief Science Officer of Awakn effective January 11, 2021.

Stock Options and Other Compensation Securities

The following table provides a summary of all compensation securities granted or issued to each NEO and to each director of Awakn during the period from April 27, 2020 (incorporation) to January 31, 2021 and thereafter until the date of the Circular for services provided or to be provided, directly or indirectly, to Awakn or any of its subsidiaries:

Name and position	Type of compensation security ⁽¹⁾	Number of compensation securities, number of underlying securities, and % of class ⁽³⁾	Date of issue or grant	Issue, conversion or exercise price (\$)	Expiry date
Anthony Tennyson President, Chief Executive Officer and a Director	Awakn Options ⁽¹⁾	400,000 exercisable for 400,000 Awakn Shares representing 2.72% of the outstanding number of Awakn Shares ⁽²⁾	June 1, 2020	0.075	May 31, 2022

Name and position	Type of compensation security ⁽¹⁾	Number of compensation securities, number of underlying securities, and % of class ⁽³⁾	Date of issue or grant	Issue, conversion or exercise price (\$)	Expiry date
	Awakn Options ⁽³⁾	200,000 exercisable for 200,000 Awakn Shares representing 1.14% of the outstanding number of Awakn Shares	March 8, 2021	\$1.20	March 8, 2026
Jonathan Held Chief Financial Officer	Awakn Options ⁽³⁾	150,000 exercisable for 150,000 Awakn Shares representing 0.86% of the outstanding number of Awakn Shares	March 8, 2021	\$1.20	March 8, 2026
Dr. Benjamin Sessa Chief Medical Officer and a Director	Awakn Options ⁽³⁾	100,000 exercisable for 100,000 Awakn Shares representing 0.57% of the outstanding number of Awakn Shares	March 8, 2021	\$1.20	March 8, 2026
George Scorsis Chairman of the Awakn Board	Awakn Options ⁽³⁾	100,000 exercisable for 100,000 Awakn Shares representing 0.57% of the outstanding number of Awakn Shares	March 8, 2021	\$1.20	March 8, 2026
James Collins Chief Operating Officer	Awakn Options ⁽⁴⁾	150,000 exercisable for 150,000 Awakn Shares representing 0.89% of the outstanding number of Awakn Shares	December 15, 2020	\$0.30	December 31, 2023
Stephen Page Director	Awakn Options ⁽⁸⁾	60,000 exercisable for 60,000 Awakn Shares representing 0.34% of the outstanding number of Awakn Shares	April 12, 2021	\$1.20	April 12, 2026
John Papastergiou Director	Awakn Options ⁽⁸⁾	60,000 exercisable for 60,000 Awakn Shares representing 0.34% of the outstanding number of Awakn Shares	April 12, 2021	\$1.20	April 12, 2026

Notes:

- (1) The fair value of these Awakn Options, at the date of grant, was estimated using the Black-Scholes option pricing model with the following weighted average assumptions: share price - \$0.02, exercise price - \$0.075, expected life - 2 years, volatility - 150%, discount rate - 0.29%, and annual dividend rate - 0%.
- (2) Mr. Tennyson exercised these Awakn Options on March 31, 2021.
- (3) The fair value of these Awakn Options, at the date of grant, was estimated using the Black-Scholes option pricing model with the following weighted average assumptions: share price - \$1.20, exercise price - \$1.20, expected life - 5 years, volatility - 150%, discount rate - 0.25%, and annual dividend rate - 0%
- (4) The fair value of these Awakn Options, at the date of grant, was estimated using the Black-Scholes option pricing model with the following weighted average assumptions: share price - \$0.30, exercise price - \$0.30, expected life - 3 years, volatility - 150%, discount rate - 0.25%, and annual dividend rate - 0%.
- (5) Calculated on a partially diluted basis as at January 31, 2021.
- (6) Mr. Tennyson was appointed as the President, Chief Executive Officer and a director of Awakn on June 1, 2020.
- (7) Mr. Collins was appointed as the Chief Operating Officer of Awakn effective as of January 1, 2021.
- (8) The fair value of these Awakn Options, at the date of grant, was estimated using the Black-Scholes option pricing model with

the following weighted average assumptions: share price – \$1.20, exercise price – \$1.20, expected life – 5 years, volatility – 150%, discount rate – 0.25%, and annual dividend rate – 0% .

External Management Companies

Other than as described with respect to Anthony Tennyson and James Collins in the section entitled "*Executive Compensation – Employment, Consulting and Management Agreements*" below, none of the NEOs or directors of Awakn have been retained or employed by an external management company which has entered into an understanding, arrangement or agreement with Awakn to provide executive management services to Awakn, directly or indirectly.

Employment, Consulting and Management Agreements

Awakn has in place the following employment, consulting or management agreements between Awakn or any subsidiary or affiliate thereof and its NEOs and directors:

Anthony Tennyson, Co-founder, President, Chief Executive Officer and Director

Pursuant to a consultant services agreement between Awakn and Alpha Tango Ltd., a company incorporated under the laws of Ireland ("**Alpha Tango**") and controlled by Mr. Tennyson, effective as of June 16, 2020 (the "**Tennyson Commencement Date**"), as amended effective as of December 31, 2020 (the "**Tennyson Agreement**"), Alpha Tango will provide to Awakn the services of Mr. Tennyson as Chief Executive Officer of Awakn for a monthly management fee of €4,166.66 commencing July 1, 2020, increased to €6,250 commencing January 1, 2021 (the "**Tennyson Monthly Fee**") for a term which ends on December 31, 2021, as may be extended from time to time (the "**Tennyson Term**"). The Tennyson Monthly Fee will be automatically increased as follows: (i) to €10,416.66 upon successful completion of a financing of an amount of US\$5,000,000 or such other amount as is acceptable to the Awakn Board (the "**Financing Event**"), and (ii) to €14,583.33 upon successful completion of a public listing of the Awakn Shares or another liquidity event. The Financing Event was considered by the Awakn Board to have been completed upon the closing of the Awakn Debenture Financing on March 19, 2021. Accordingly, the Tennyson Monthly Fee was increased to €10,416.66 effective on March 19, 2021.

Upon entering into the Tennyson Agreement, Awakn granted Mr. Tennyson on June 1, 2020, 400,000 stock options exercisable to acquire one Awakn Share per stock option at a price of \$0.075 until May 31, 2022.

Awakn may terminate the Tennyson Agreement at any time for just cause upon providing Alpha Tango one business day's prior notice. Awakn may also terminate the Tennyson Agreement for convenience at any time prior to the expiry of the Tennyson Term upon providing Alpha Tango 60 business days' prior notice plus an additional five business days' prior notice for each 12-month period elapsed since the Tennyson Commencement Date. Alpha Tango may not terminate the Tennyson Agreement for convenience prior to the expiry of the Tennyson Term. Upon completion of the Tennyson Term, Alpha Tango may terminate the Tennyson Agreement for convenience by providing 60 days' prior notice to Awakn.

Jonathan Held, Co-founder, Chief Financial Officer

Pursuant to a consulting agreement between ALOE Finance Inc., a company incorporated under the OBCA ("**ALOE**") where Mr. Held is a Partner, effective as of March 24, 2021 (the "**Held Agreement**"), ALOE will provide to Awakn the services of Mr. Held as Chief Financial Officer of Awakn for an annual fee of \$150,000 (the "**Held Base Fee**"), reviewable on an annual basis, provided that the Held Base Fee may not be reduced upon review, for an initial term which ends on March 24, 2022 (the "**Held Initial Term**"). Unless earlier terminated, the Held Agreement is automatically extended for a period of one year (each such period, an "**Held Additional Term**") upon the expiration of the Held Initial Term or any Held Additional Term, unless 60 days prior to the end of the Held Initial Term or applicable Held Additional Term, Awakn or ALOE give written notice to the other party stating that the term of the Held Agreement may not be extended.

Under the terms of the Held Agreement, ALOE will provide to Awakn the services of Mr. Held as chief financial officer of Awakn for an annual fee of \$150,000 (the "**Held Base Fee**"), reviewable on an annual basis, provided that the Held Base Fee may not be reduced upon review.

The Held Agreement may be terminated by either party upon 60 days' written notice. Upon termination, or if Awakn elects not to renew the Held Agreement for a Held Additional Term, Awakn will pay ALOE a settlement amount equal to three months of Held Base Fee in effect at the time of termination plus an average of any bonuses awarded during the two financial years preceding the termination date (the "**Held Termination Pay**"). In the event of a change of control of Awakn, Awakn must pay ALOE an amount calculated in the same manner as the Held Termination Pay. The Held Termination Pay must be paid within 60 days of the termination event.

Dr. Benjamin Sessa, Co-founder, Chief Medical Officer and a Director

Awakn

Pursuant to a consultant services agreement between Awakn and Dr. Ben Sessa dated July 6, 2020 (the "**Sessa Awakn Agreement**") and effective as of July 1, 2020 (the "**Sessa Commencement Date**"), Mr. Sessa was retained by Awakn as the Chief Medical Officer of Awakn for a term beginning on the Sessa Commencement Date and ending 24 months after the Sessa Commencement Date (the "**Sessa Initial Term**"), which may be extended subsequent to the expiry of the Sessa Initial Term (together with the Sessa Initial Term, the "**Sessa Term**"). Under the terms of the Sessa Awakn Agreement, Awakn will pay Mr. Sessa an annual fee of \$1.00.

Awakn may terminate the Sessa Awakn Agreement at any time for just cause upon providing Dr. Sessa one business day's prior notice. Awakn may also terminate the Sessa Awakn Agreement for convenience at any time prior to the expiry of the Sessa Term upon providing Dr. Sessa 60 business days' prior notice plus an additional five business days' prior notice for each 12-month period elapsed since the Sessa Commencement Date. Dr. Sessa may not terminate the Sessa Awakn Agreement for convenience prior to the expiry of the Sessa Term unless Dr. Sessa is no longer employed at Awakn Bristol or any other subsidiary of Awakn. Upon completion of the Sessa Term, Dr. Sessa may terminate the Sessa Awakn Agreement for convenience by providing 60 days' prior notice to Awakn.

Awakn Bristol

Pursuant to an employment agreement between Awakn Bristol and Dr. Ben Sessa dated June 25, 2020 (the "**Sessa Bristol Agreement**") and effective as of July 1, 2020 (the "**Sessa Bristol Commencement Date**"), Mr. Sessa was retained by Awakn Bristol as the Chief Medical Officer of Awakn Bristol. Under the terms of the Sessa Bristol Agreement, Awakn Bristol is required to pay Mr. Sessa an annual fee of £80,000, for a two-day working week, for a period (the "**Initial Sessa Bristol Term**") until, subject to available cash flow, Awakn Bristol may increase the annual fee payable to Dr. Sessa to £160,000, for a four-day working week.

Awakn Bristol may terminate the Sessa Bristol Agreement at any time by giving Dr. Sessa, and Dr. Sessa may terminate the Sessa Bristol Agreement at any time by giving Awakn Bristol, a three month prior notice during the Initial Sessa Bristol Term and a six month prior notice thereafter.

James Collins, Chief Operating Officer

Pursuant to a consultant services agreement between Awakn and James Collins dated December 15, 2020 (the "**Collins Initial Agreement**") and effective as of January 1, 2021, Mr. Collins was retained by Awakn as the Chief Operating Officer of Awakn for a term ending on December 31, 2021. Under the terms of the Collins Initial Agreement, Awakn is required to pay Mr. Collins a daily fee of £300.

The Collins Initial Agreement will be replaced effective July 1, 2021 (the "**Collins Commencement Date**") by an employment agreement between Awakn Life Sciences UK Ltd., a wholly owned subsidiary of Awakn, and James Collins dated May 10, 2021 (the "**Collins Agreement**"). Pursuant to the Collins Agreement, Mr. Collins will continue as the Chief Operating Officer of Awakn for a term beginning on the Collins Commencement Date until terminated by either party giving the other party not less than six months' prior written notice (the "**Collins Term**"). Under the

terms of the Collins Agreement, Awakn will pay Mr. Collins an initial annual salary of £125,000 (the "**Collins Salary**"). The Collins Salary will be reviewed annually, provided that for the period from February 2022 to January 2023 the Collins Salary will be open market benchmarked against Awakn's publicly traded psychedelic industry peers for upward only adjustment.

Awakn may terminate the Collins Agreement at any time for just cause. Awakn may also terminate the Collins Agreement at any time prior to the expiry of the Collins Term by, in lieu of notice, making a payment to Mr. Collins equal to the Collins Salary payable for a period of six months.

Shaun McNulty, Chief Science Officer

Pursuant to a consultant services agreement (the "**McNulty Initial Agreement**") between Awakn and BPCL Ltd., a company incorporated under the laws of the United Kingdom ("**BPCL**") and controlled by Mr. McNulty, effective as of January 11, 2021, BPCL is providing Awakn the services of Mr. McNulty as Chief Science Officer of Awakn for an hourly fee of €150.00 until July 11, 2021.

The McNulty Initial Agreement will be replaced effective July 1, 2021 (the "**McNulty Commencement Date**") by an employment agreement between Awakn Life Sciences UK Ltd., a wholly owned subsidiary of Awakn, and James McNulty dated May 10, 2021 (the "**McNulty Agreement**"). Pursuant to the McNulty Agreement, Mr. McNulty will continue as the Chief Science Officer of Awakn for a term beginning on the McNulty Commencement Date until terminated by either party giving the other party not less than six months' prior written notice (the "**McNulty Term**"). Under the terms of the McNulty Agreement, Awakn will pay Mr. McNulty an initial annual salary of £135,000 (the "**McNulty Salary**"). The McNulty Salary will be reviewed annually, provided that for the period from February 2022 to January 2023 the McNulty Salary will be open market benchmarked against Awakn's publicly traded psychedelic industry peers for upward only adjustment.

Awakn may terminate the McNulty Agreement at any time for just cause. Awakn may also terminate the McNulty Agreement at any time prior to the expiry of the McNulty Term by, in lieu of notice, making a payment to Mr. McNulty equal to the McNulty Salary payable for a period of six months.

Oversight and description of director and named executive officer compensation

Compensation of Directors

The directors of Awakn are not entitled to any fees for attending meetings of the Awakn Board, committees of the Awakn Board and meetings of the shareholders of Awakn. The directors are reimbursed for any out-of-pocket travel expenses incurred in order to attend meetings. From time to time, members of the Awakn Board may receive compensation in connection with their position as directors of Awakn. The directors of Awakn may also participate in the share compensation arrangements of Awakn adopted by Awakn at the relevant time.

Compensation of Named Executive Officers

Principles of Executive Compensation

When determining the compensation of executive officers, the Awakn Board considers the current resources of Awakn and the objectives of: (i) recruiting and retaining the executives critical to the success of Awakn and the enhancement of shareholder value; (ii) providing fair and competitive compensation; (iii) balancing the interests of management and Awakn Shareholders; and (iv) rewarding performance, both on an individual basis and with respect to the business in general. In order to achieve these objectives, the compensation paid to the executive officers consists of the following three components:

- (a) base fee or salary;
- (b) annual bonus and other incentives; and

- (c) long-term incentive in the form of share compensation arrangements.

Base Salary

The base fee or salary of each particular executive officer is determined by an assessment by the Awakn Board of such executive's performance, a consideration of competitive compensation levels in companies similar to Awakn and a review of the performance of Awakn as a whole and the role such executive officer played in such corporate performance. For a description of the base salary for the president and chief executive officer of Awakn, the chief financial officer of Awakn and the chief operating officer of Awakn see the section entitled "*Executive Compensation – Employment, Consulting and Management Agreements*" in this schedule C.

Bonuses and Annual Incentives

Awakn, in its discretion, may award annual bonuses or incentives in order to motivate executives to achieve short-term corporate goals. The Awakn Board approves annual bonuses and incentives.

The success of executive officers in achieving their individual objectives and their contribution to Awakn in reaching its overall goals are factors in the determination of their annual bonus or incentives. The Awakn Board assesses each executive officer's performance on the basis of his or her respective contribution to the achievement of the predetermined corporate objectives, as well as to needs of Awakn that arise on a day to day basis.

Compensation and Measurements of Performance

It is the intention of the Awakn Board to approve targeted amounts of annual bonuses or incentives for each executive officer at the beginning of each financial year. The targeted amounts will be determined by the Awakn Board based on a number of factors, including comparable compensation of similar companies.

Achieving predetermined individual and/or corporate targets and objectives, as well as general performance in day to day corporate activities, will trigger the award of a bonus payment to the executive officer. The executive officer will receive a partial or full incentive payment depending on the number of the predetermined targets met and the Awakn Board's assessment of overall performance. The determination as to whether a target has been met is ultimately made by the Awakn Board and the Awakn Board reserves the right to make positive or negative adjustments to any bonus payment if they consider them to be appropriate.

Long Term Compensation

Awakn currently has no long-term incentive plans in place. The Awakn Board may grant stock options from time to time at the discretion of the Awakn Board.

Pension Disclosure

There are no pension plan benefits in place for the executive officers or the directors of Awakn.

Non-Arm's Length Party Transactions

Other than as otherwise disclosed in the Circular, there are no non-arm's length transactions involving Awakn pursuant to which Awakn has acquired assets or provided services, and no such transactions are contemplated or proposed.

Legal Proceedings

Management of Awakn is not aware of any existing or contemplated legal proceedings material to Awakn to which Awakn is a party or to which any of its properties are subject.

Material Contracts

Except for contracts entered into in the ordinary course of business, the only contracts entered into by Awakn since its incorporation to the date hereof which can reasonable be regarded as presently material to Awakn are:

- Amalgamation Agreement

SCHEDULE D

INFORMATION CONCERNING THE RESULTING ISSUER

The following information is presented on a post-Transaction and Financing basis and is reflective of the projected business, financial and share capital position of the Resulting Issuer, after giving effect to the Transaction and the Financing. This section only includes information respecting the Resulting Issuer after the Transaction and the Financing that is materially different from information provided earlier in this Circular under "Information Concerning 116 BC" and "Information Concerning Awakn". All capitalized terms not otherwise defined herein have the meaning ascribed thereto in the Circular to which this schedule D is attached.

The following information is presented on a post-Transaction basis and is reflective of the projected *pro forma* business, financial and share capital position of the Resulting Issuer assuming completion of the Transaction. It should be read in conjunction with the information concerning the Transaction appearing elsewhere in the Circular to which this schedule D is attached.

As the Resulting Issuer will be the same corporate entity as 116 BC, this section only includes information respecting 116 BC (and Awakn, as applicable) after the Transaction that is materially different from information provided elsewhere in the Circular, including the schedules attached thereto, regarding Awakn and 116 BC pre-Closing. See schedule B entitled "*Information Concerning 116 BC*" and schedule C entitled "*Information Concerning Awakn*" attached to the Circular for additional information regarding 116 BC and Awakn, respectively. See also the *pro forma* financial statements of the Resulting Issuer attached as schedule K to the Circular.

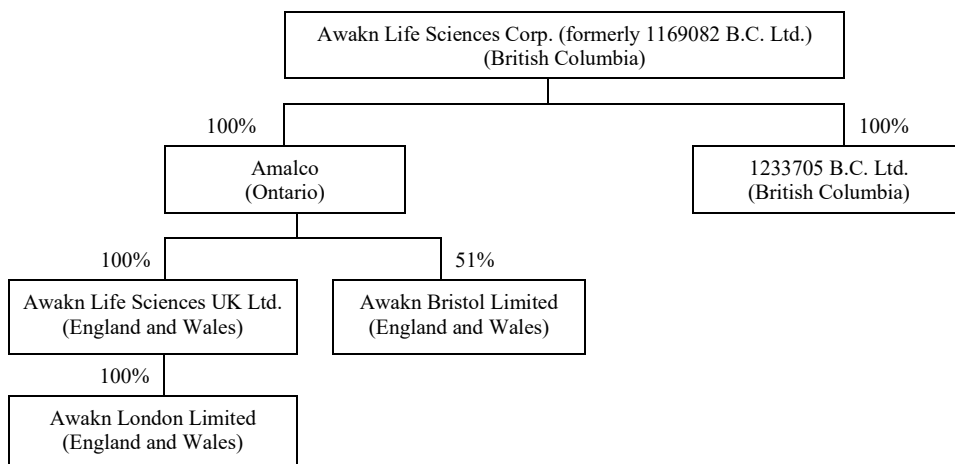
Name and Incorporation

The Resulting Issuer intends to change its name to "Awakn Life Sciences Corp." or such other name as Resulting Issuer Board may determine, immediately following the Closing. The Resulting Issuer will continue to be a corporation governed by the provisions of the BCBCA. It is expected that the head office of the Resulting Issuer will be located at Suite 200, 366 Bay St., Toronto, Ontario M5H 4B2 and the registered and records office will be located at Suite 600, 890 West Pender Street, Vancouver, British Columbia, V6C 1J9

In connection with the Transaction, Subco will amalgamate with Awakn pursuant to the provisions of the OBCA and Amalco will become a wholly-owned subsidiary of the Resulting Issuer.

Intercorporate Relationships

The following organizational chart reflects the proposed structure of the Resulting Issuer after completion of the Transaction:



Risks Related to the Business of the Resulting Issuer

The securities of the Resulting Issuer should be considered highly speculative due to the nature of the Resulting Issuer's proposed business and the current stage of Awakn's development. An investment in the Resulting Issuer is highly speculative. Such investment will be subject to certain material risks and investors should not invest in securities of the Resulting Issuer unless they can afford to lose their entire investment. **For a description of certain risks and uncertainties that may affect the business of the Resulting Issuer, see the section entitled "Risk Factors" in the accompanying Circular.** Readers should note that such list is not a definitive list of all risk factors associated with an investment in the Resulting Issuer or in connection with the Resulting Issuer's proposed operations upon completion of the Transaction, and other events could arise that have a material adverse effect on the business of the Resulting Issuer.

Description of the Business

Upon completion of the Transaction, the Resulting Issuer's business will be the businesses carried on by Awakn (see schedule C entitled "*Information Concerning Awakn*" attached to the Circular).

Stated Business Objectives

In addition to having the same stated business objectives as Awakn, the Resulting Issuer intends to utilize the funds over the next 24 months after the completion of the Transaction as described in the section entitled "*Estimated Available Funds and Principal Purposes*" below in this schedule D.

Milestones

Within 12 months following the completion of the Transaction, the Resulting Issuer anticipates working towards several milestones, including:

Milestone	Target Date
Initiate 'Detecting identity shifts in addiction treatment with KARE therapy' advanced data analytics project	Q3 2021
MDMA-Assisted Psychotherapy Phase IIb: Clinical Trial Application (CTA) submitted to UK MHRA	Q3 2021
New Chemical Entity drug development: predict potential novel structures and identify new molecular series.	Q3 2021
MDMA-Assisted Psychotherapy Phase IIb: MHRA ethics committee approval	Q3 2021
Open first Awakn Medical Psychedelic-Assisted Psychotherapy Clinic in London, United Kingdom	Q4 2021
MDMA-Assisted Psychotherapy Phase IIb: First Time In Human (FTIH)	Q4 2021
New Chemical Entity drug development: Synthesize compounds and assess candidate pharmacological profile	Q4 2021
Open Awakn Medical Psychedelic-Assisted Psychotherapy Clinic in Manchester, United Kingdom	Q4 2021
New Chemical Entity drug development: Identify candidate for in vivo proof of concept study, via screening against proprietary target	Q1 2022
MDMA-Assisted Psychotherapy Phase IIb: establish clinical pathway to marketing authorization	Q2 2022
Open Awakn Medical Psychedelic-Assisted Psychotherapy Clinic in Dublin, Ireland, European Union	Q2 2022
Open second Awakn Medical Psychedelic-Assisted Psychotherapy Clinic in London, United Kingdom	Q2 2022

Description of the Securities

The authorized capital of the Resulting Issuer will consist of an unlimited number of Resulting Issuer Shares without par value. Following completion of the Transaction, and after giving effect to the Consolidation and the conversion of the Subscription Receipts, it is expected that there will be approximately 24,312,667 Resulting Issuer Shares issued and outstanding. The rights and restrictions attached to the Resulting Issuer Shares are expected to be identical to

those of 116 BC Shares, as described in schedule B entitled "*Information Concerning 116 BC – Description of Securities*" attached to the Circular.

Resulting Issuer Shares

Following completion of the Transaction and the Financing, assuming completion of the Financing in full, other than the exercise of the Financing Agents Option, the following Resulting Issuer Shares are expected to be outstanding:

Resulting Issuer Shares	Number
Held by 116 BC Shareholders ⁽¹⁾	200,000
To be issued to Awakn Shareholders ⁽²⁾	20,816,667
Resulting Issuer Shares issuable on exercise of Subscription Receipts	3,296,000
Total	24,312,667

Notes:

- (1) Assuming completion of the Consolidation and subject to adjustment to account for rounding in connection with the Consolidation.
(2) Calculated on a post-Exchange Ratio basis and subject to adjustment to account for rounding in connection with the Transaction, including the 96,000 common shares issued to the Lead Agents as a corporate finance fee assuming successful completion of the Financing.

Resulting Issuer Options

Following completion of the Transaction, the Stock Option Plan will become the Resulting Issuer Stock Option Plan and each Awakn Option will become one Resulting Issuer Option and will be subject to the Resulting Issuer Option Plan. Accordingly, an aggregate of 1,585,000 Resulting Issuer Options are expected to be outstanding under the Resulting Issuer Stock Option Plan upon completion of the Transaction. For more details see section entitled "*Description of the Securities – Awakn Options*" in schedule C entitled "*Information Concerning Awakn*" attached to the Circular.

Resulting Issuer Warrants

Following completion of the Transaction, each outstanding warrant to acquire one Awakn Shares will become one warrant to acquire one Resulting Issuer Shares. Accordingly, an aggregate of 1,993,792 Resulting Issuer Warrants are expected to be outstanding upon completion of the Transaction. For more details see section entitled "*Description of the Securities – Awakn Warrants*" in schedule C entitled "*Information Concerning Awakn*" attached to the Circular.

Pro Forma Consolidated Capitalization

The following table sets out the *pro forma* share and loan capitalization of the Resulting Issuer, on a consolidated basis, after giving effect to the Transaction, including the completion of the Consolidation and the conversion of the Subscription Receipts. The information is based on, and should be read in conjunction with, the *pro forma* consolidated financial statements of the Resulting Issuer attached as schedule K to the Circular.

Description	Amount Authorized or to be Authorized	Amount Outstanding as at February 28, 2021 after giving effect to the Transaction
Resulting Issuer Shares	unlimited	24,312,667 ⁽¹⁾
Resulting Issuer Warrants	n/a	1,666,667 ⁽²⁾
Resulting Issuer Options	10% of outstanding Resulting Issuer Shares ⁽³⁾	1,585,000
Resulting Issuer Broker/Finder Warrants	n/a	327,125

Notes:

- (1) Certain of the securities of the Resulting Issuer will be subject to escrow. See section entitled "Escrowed Securities" below in this schedule D.
- (2) After giving effect to the Transaction, all of the 3,200,000 Subscription Receipts to be issued pursuant to the Financing, assuming completion of the Financing in full, other than the exercise of the Financing Agents Option, will be converted into Resulting Issuer Shares in accordance with the terms of the Subscription Receipt Agreement. See section entitled "Information Concerning the Transaction – Financing" in the Circular.
- (3) The 2,000 Awakn Debenture Warrants issued pursuant to the Awakn Debenture Financing are exercisable for an aggregate of 1,666,667 Awakn Shares assuming that the Financing is completed at \$2.50 per share.
- (4) In accordance with the Resulting Issuer Stock Option Plan.

Fully Diluted Share Capital

The following table sets out the fully diluted share capital of the Resulting Issuer after giving effect to the Transaction and the Financing, assuming completion of the Financing in full, other than the exercise of the Financing Agents Option:

	Number of Shares	Percentage
Held by existing 116 BC Shareholders	200,000 ⁽¹⁾	0.72%
Resulting Issuer Shares to be issued to Awakn Shareholders	17,483,334 ⁽²⁾	62.69%
Resulting Issuer Shares to be issued on conversion of the Awakn Debentures	3,333,333	11.95%
Resulting Issuer Shares issuable upon the exercise of the Awakn Debenture Warrants	1,666,667 ⁽³⁾	5.98%
Resulting Issuer Shares issuable upon exercise of finders warrants issued in connection with the Debenture Financing	103,125	0.37%
Resulting Issuer Shares to be issued on conversion of Subscription Receipts	3,200,000 ⁽⁴⁾	11.47%
Resulting Issuer Shares to be issued as corporate finance fee issued in connection with the Financing	96,000 ⁽⁴⁾	0.34%
Resulting Issuer Shares issuable on exercise of the Broker Warrants issued in connection with the Financing	224,000 ⁽⁴⁾	0.80%
Resulting Issuer Shares issuable on exercise of Resulting Issuer Options	1,585,000	5.68%
Total	27,891,459	100%

Notes:

- (1) After giving effect to the Consolidation.
- (2) Calculated on a post-Exchange Ratio basis.
- (3) The 2,000 Awakn Debenture Warrants issued pursuant to the Awakn Debenture Financing are exercisable for an aggregate of 1,666,667 Awakn Shares assuming that the Financing is completed at \$2.50 per share.
- (4) To be issued in connection with the Financing, assuming completion of the Financing in full, other than the exercise of the Financing Agents Option.

Estimated Available Funds and Principal Purposes

Funds Available

Upon completion of the Transaction and the Financing and based on 116 BC having an estimated working capital deficit of \$20,000 as at March 31, 2021 and Awakn having an estimated working capital of \$3,585,000 as at March 31, 2021 including receipt of additional gross proceeds of \$8,000,000 upon completion of the Financing, assuming completion of the Financing in full, other than the exercise of the Financing Agents Option, the Resulting Issuer anticipates that it will have estimated working capital of \$11,565,000.

Principal Purposes of Funds

The following table sets out information respecting the Resulting Issuer's intended principal uses of funds for the 12 months following the completion of the Transaction. The intended use of funds may vary based upon a number of facts and variances may be material. The amounts shown in the table are estimates only and are based upon the information available to Awakn and 116 BC as of the date hereof:

Principal Purpose	Budgeted Expenditures
Estimated Transaction Costs	\$250,000
Agents' Commission and Agents' Expenses ⁽¹⁾	\$710,000
Estimated general and administrative costs over the 12 months following the Closing Date	\$3,980,000
Research and development	\$4,270,000
Technology platform development	\$210,000
Clinic openings	\$1,690,000
Unallocated working capital ⁽²⁾	\$455,000
Total	\$11,565,000

Notes:

- (1) Including commissions, fees and expenses expected to be paid pursuant to the Financing. See section entitled "Information Concerning the Transaction – Financing" in the Circular.
- (2) Unallocated funds will be added to the working capital of the Resulting Issuer and invested in short-term interest bearing obligations.

The above sources and uses of funds are estimates only. Notwithstanding the proposed uses of available funds as discussed above, there may be circumstances where a reallocation of funds may be necessary. It is difficult at this time to definitively project the total funds necessary to execute the planned undertakings of the Resulting Issuer. For these reasons, management considers it to be in the best interests of the Resulting Issuer and its shareholders to permit a reasonable degree of flexibility as to how the Resulting Issuer's funds are employed among the above uses or for other purposes, as the need may arise.

Dividends or Distributions

The Resulting Issuer does not currently intend to declare any dividends payable to the holders of the Resulting Issuer Shares. The Resulting Issuer has no restrictions on paying dividends, but if the Resulting Issuer generates earnings in the foreseeable future, it expects that they will be retained to finance growth, if any. The Resulting Issuer Board will determine if and when dividends should be declared and paid in future based upon the Resulting Issuer's financial position at the relevant time. All of the Resulting Issuer Shares will be entitled to an equal share in any dividends declared and paid.

Principal Securityholders

No Person is anticipated to own, of record or beneficially, directly or indirectly, or to exercise control or direction over, more than 10% of any class of voting securities of the Resulting Issuer after giving effect to the Transaction.

Directors, Officers and Promoters

The following information lists the names, municipalities of residence of the proposed directors and officers of the Resulting Issuer upon completion of the Transaction, their proposed positions and offices to be held with the Resulting Issuer and the number of securities of the Resulting Issuer which will be beneficially owned, directly or indirectly, or over which control or direction will be exercised by each upon completion of the Transaction.

Name and Municipality of Residence	Proposed Position with the Resulting Issuer	Period or periods during which each director or officer has served as a director or officer of 116 BC or Awakn	Number of Resulting Issuer Shares Owned
Anthony Tennyson Dublin, Ireland	President, Chief Executive Officer and a Director	May 21, 2020	1,510,706
Jonathan Held Ontario, Canada	Chief Financial Officer and Secretary	April 27, 2020	515,795 ⁽²⁾
Dr. Benjamin Sessa Bristol, United Kingdom	Chief Medical Officer and a Director	July 6, 2020	2,230,000
George Scorsis ⁽¹⁾ Ontario, Canada	Chair of the Resulting Issuer Board and Director	May 21, 2020	1,100,000
Stephen Page ⁽¹⁾ London, United Kingdom	Director	April 12, 2021	nil
John Papastergiou ⁽¹⁾ Ontario, Canada	Director	April 12, 2021	nil
James Collins London, United Kingdom	Chief Operating Officer	n/a	200,000
Shaun McNulty Essex, United Kingdom	Chief Science Officer	n/a	nil

Notes:

- (1) *Expected to be a member of the Audit Committee of the Resulting Issuer.*
- (2) *Includes 15,795 Resulting Issuer Shares received in exchange for 116 BC Shares held by Mr. Held prior to the completion of the Transaction.*

See schedule C entitled "*Information Concerning Awakn*" attached to the Circular for a brief description of each of the proposed members of the Resulting Issuer Board and management (including details with regard to their principal occupations for the last five years).

Promoter Consideration

Other than Anthony Tennyson, CEO of Awakn and Jonathan Held, CFO of Awakn (collectively, the "**Promoters**"), no person or company has been, within the two most recently completed financial years or during the current financial year, a promoter of Awakn or 116 BC. Information regarding the Promoters, their compensation and their security holdings in Awakn is set forth above under the headings "*Directors and Officers*" and "*Executive Compensation*" in schedule C entitled "*Information Concerning Awakn*" attached to the Circular.

Corporate Cease Trade Orders or Bankruptcies

No proposed director or officer of the Resulting Issuer has, within the last 10 years, been a director, officer, Insider or promoter of any reporting issuer that, while such person was acting in that capacity, was the subject of a cease trade or similar order or an order that denied the Resulting Issuer access to any statutory exemption for a period of more than 30 consecutive days or was declared a bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or been subject to or instituted any proceedings, arrangements or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of that person.

Penalties or Sanctions

No proposed director or officer of the Resulting Issuer, or a securityholder anticipated to hold a sufficient number of securities of the Resulting Issuer to affect materially the control of the Resulting Issuer, has

- (a) been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) been subject to any other penalties or sanctions imposed by a court or regulatory body, including a self-regulatory body, that would be likely to be considered important to a reasonable securityholder making a decision about the Transaction.

Personal Bankruptcies

No proposed director or officer of the Resulting Issuer, or a securityholder anticipated to hold sufficient securities of the Resulting Issuer to affect materially the control of the Resulting Issuer, or a personal holding company of any such persons, has, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, officer or promoter.

Conflicts of Interest

Directors and officers of the Resulting Issuer may also serve as directors and/or officers of other companies and may be presented from time to time with situations or opportunities which give rise to apparent conflicts of interest which cannot be resolved by arm's length negotiations but only through exercise by the officers and directors of such judgment as is consistent with their fiduciary duties to the Resulting Issuer which arise under applicable corporate law, especially insofar as taking advantage, directly or indirectly, of information or opportunities acquired in their capacities as directors or officers of the Resulting Issuer. It is expected that all conflicts of interest will be resolved in accordance with the BCBCA. It is expected that any transactions with officers and directors will be on terms consistent with industry standards and sound business practice in accordance with the fiduciary duties of those persons to the Resulting Issuer, and, depending upon the magnitude of the transactions and the absence of any disinterested board members, may be submitted to the shareholders for their approval.

Other Reporting Issuer Experience

The following table sets out the proposed directors, officers and promoters of the Resulting Issuer that are, or have been within the last five years, directors, officers or promoters of other reporting issuers:

Name	Name and Jurisdiction of Reporting Issuer	Exchange	Position	Period
Jonathan Held	Signature Resources Ltd.	TSXV	Director, CFO and Secretary	December 2012 to present
	Goldstream Minerals Inc. (now Bluma Wellness Inc.)	TSXV/CSE	Director	December 2015 to June 2020
	1169071 B.C. Ltd.	n/a	Director, CEO	December 2018 to present
	Scythian Biosciences Corp.	TSXV/CSE	CFO	August 2017 to September 2018
	AF2 Capital Corp.	TSXV	CFO	March 2021 to present
George Scorsis	Liberty Health Sciences Inc.	CSE	Director and CEO	July 2017 to February 2018
	Scythian Biosciences Corp.	TSXV	Director	January 2018 to January 2019
	WeedMD Inc.	TSXV	Director/Executive Chairman	December 2019 to present

Executive Compensation

Disclosure of the executive compensation practices for Awakn is set forth in schedule C entitled "*Information Concerning Awakn*". It is anticipated that the Resulting Issuer will continue the executive compensation practices of

Awakn upon the closing of the Transaction. Following the closing of the Transaction, the Resulting Issuer expects to begin the development and adoption of compensation policies commensurate with compensation policies for NEO Exchange-listed peer companies.

Summary Compensation Table

The Resulting Issuer is expected to have four executive officers following the Closing. The following information outlines the anticipated compensation to be paid by the Resulting Issuer to each of such executive officers, which include the proposed CEO and CFO. It is anticipated that the following compensation will be reviewed by the Resulting Issuer Board.

TABLE OF COMPENSATION EXCLUDING COMPENSATION SECURITIES⁽¹⁾							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Anthony Tennyson President and Chief Executive Officer	2021	€175,000	tbd	n/a	n/a	n/a	€175,000
Jonathan Held Chief Financial Officer	2021	\$150,000 ⁽¹⁾	tbd	n/a	n/a	n/a	\$150,000
James Collins Chief Operating Officer	2021	£125,000	tbd	n/a	n/a	n/a	£125,000
Shaun McNulty Chief Science Officer	2021	£135,000	tbd	n/a	n/a	n/a	£135,000

Notes:

- (1) In addition, Awakn will pay ALOE Finance Inc., a company where Mr. Held is a Partner, an annual fee of \$60,000 for accounting services provided by ALOE Finance Inc. to Awakn and a monthly administration fee.

In addition to the above, it is expected that all directors and officers of the Resulting Issuer will be entitled to participate in the Resulting Issuer Stock Option Plan, at the discretion of the Resulting Issuer Board. The Resulting Issuer may also pay directors' fees to its directors in amounts to be determined.

External Management Companies

Other than as already disclosed in section entitled "*Executive Compensation – External Management Companies*" in schedule C entitled "*Information Concerning Awakn*" attached to the Circular, none of the NEOs or directors of the Resulting Issuer are intended to be retained or employed by an external management company which has entered into an understanding, arrangement or agreement with the Resulting Issuer to provide executive management services to the Resulting Issuer, directly or indirectly.

Employment, Consulting and Management Agreements

It is expected that the employment, consulting and management agreements set out in section entitled "*Executive Compensation – Employment, Consulting and Management Agreements*" in schedule C entitled "*Information Concerning Awakn*" attached to the Circular will remain in full force and effect as valid and enforceable agreements of the Resulting Issuer.

Indebtedness of Directors and Officers

No director or officer of Awakn or 116 BC nor any proposed director or officer of the Resulting Issuer, is indebted to Awakn, 116 BC or will be indebted to the Resulting Issuer on the date of this Circular.

Investor Relations Arrangements

Other than as provided herein, no written or oral agreement or understanding has yet been reached with any Person to provide any promotional or investor relations services for the Resulting Issuer. On November 6, 2020, Awakn entered into an agreement with KCSA Strategic Communications ("**KCSA**") effective as at December 1, 2020 (the "**KCSA Agreement**") pursuant to which KCSA was retained to provide Awakn with public relations services for an initial term of four months (the "**Initial Term**") for a monthly fee of USD\$8,000. Unless the KCSA Agreement is terminated prior to the end of the Initial Term as provided for in the KCSA Agreement, the KCSA Agreement will continue after the end of the Initial Term. Thereafter each party may terminate the KCSA Agreement upon at least 30 days' prior written notice to the other party of such termination. It is expected that the KCSA Agreement will continue to be in full force and effect after completion of the Transaction and KCSA will provide the Resulting Issuer with public relations services on the same terms and conditions as set out in the KCSA Agreement.

Options to Purchase Securities

The table below sets out the number of Resulting Issuer Options expected to be held by directors and officers of the Resulting Issuer following the Closing.

Persons who will hold Resulting Issuer Options upon completion of the Transaction	Number of Resulting Issuer Shares under Option	Exercise Price of Resulting Issuer Shares under Option	Expiry Date	Market Value of Resulting Issuer Shares under Option ⁽¹⁾
Anthony Tennyson	200,000	\$1.20	March 8, 2026	\$260,000
Jonathan Held	150,000	\$1.20	March 8, 2026	\$195,000
Dr. Benjamin Sessa	100,000	\$1.20	March 8, 2026	\$130,000
George Scorsis	100,000	\$1.20	March 8, 2026	\$130,000
James Collins	150,000	\$0.30	December 31, 2023	\$330,000
Stephen Page	60,000	\$1.20	April 12, 2026	\$78,000
John Papastergiou	60,000	\$1.20	April 12, 2026	\$78,000

Notes:

(1) Assumes a \$2.50 price per Resulting Issuer Share.

Stock Option Plan of the Resulting Issuer

The Stock Option Plan will become the Resulting Issuer Stock Option Plan following the completion of the Transaction. For a detailed description of the Stock Option Plan see section entitled "*Particulars of the Matters to be Acted Upon at the Awakn Meeting*" in the Circular and for a copy of the Stock Option Plan see schedule L attached to the Circular.

Corporate Governance

It is expected that the Resulting Issuer will adopt and maintain appropriate governance practices for a well-run company, to the execution of its chosen strategies and to its successful business and financial performance. National Instrument 58-101 – *Disclosure of Corporate Governance Practices* and National Policy 58-201 – *Corporate Governance Guidelines* (collectively the "**Governance Guidelines**") of the Canadian Securities Administrators set out a list of non-binding corporate governance guidelines that issuers are encouraged to follow in developing their

own corporate governance guidelines. In certain cases, it is expected that the Resulting Issuer's practices will comply with the guidelines, however, some of the guidelines are not suitable for the Resulting Issuer at the stage of development and therefore certain guidelines will not be adopted. The Resulting issuer will continuously review and implement corporate governance guidelines as the business of the Resulting issuer progresses and becomes more active in operations.

The following disclosure is required by the Governance Guidelines and describes what it is expected that the Resulting Issuer's approach to governance will be and outlines the various procedures, policies and practices that the Resulting Issuer Board is expected to implement.

Board of Directors

The Resulting Issuer Board is will be composed of five directors. Form 58-101F2 – *Corporate Governance Disclosure (Venture Issuers)* ("**Form 58-101F2**") requires disclosure regarding how the board of directors facilitates its exercise of independent supervision over management of the issuer by providing the identity of directors who are independent and the identity of directors who are not independent and the basis for that determination. NI 52-110 provides that a director is independent if he or she has no direct or indirect "material relationship" with the company. "Material relationship" is defined as a relationship which could, in the view of the board of directors, be reasonably expected to interfere with the exercise of a director's independent judgment. In addition, under NI 52-110, an individual who is, or has been within the last three years, an employee or executive officer of an issuer, is deemed to have a "material relationship" with the issuer. Accordingly, of the proposed nominees, Mr. Tennyson, the President and Chief Executive Officer of the Resulting Issuer and Dr. Sessa, the Chief Medical Officer of the Resulting Issuer, are considered not to be "independent". The remaining three proposed directors are considered to be "independent" within the meaning of NI 52-110.

Directorships

For information setting out the proposed directors of the Resulting Issuer who currently hold directorships with other reporting issuers see schedule C entitled "*Information concerning Awakn*" attached to the Circular.

Orientation and Continuing Education

It is not expected that the Awakn Board will initially have a formal orientation or education program for its members. The Resulting Issuer Board's continuing education will typically be derived from correspondence with Awakn's legal counsel to remain up to date with developments in relevant corporate and securities law matters. Additionally, board members who are familiar with Awakn and the nature of its business will be nominated at the recommendation of the Resulting Issuer Nominating and Corporate Governance Committee as set out below.

Ethical Business Conduct

It is not expected that the Awakn Board will initially adopt guidelines or attempt to quantify or stipulate steps to encourage and promote a culture of ethical business conduct, but will promote ethical business conduct through the nomination of Resulting Issuer Board members it considers ethical, through avoiding or minimizing conflicts of interest, and by having at least two of its Resulting issuer Board members independent of corporate matters.

Nomination of Directors

It is expected that the recruitment of new directors will generally result from recommendations made by Resulting Issuer Nominating and Corporate Governance Committee. The assessment of the contributions of individual directors will principally be the responsibility of the Resulting Issuer Board. Prior to standing for election, new nominees to the Resulting Issuer Board will be reviewed by the entire Resulting Issuer Board at the recommendation of the Resulting Issuer Nominating and Corporate Governance Committee.

Compensation

For a description of the expected compensation of the executive officers and the directors of the Resulting Issuer see section entitled "*Executive Compensation*" in this schedule D.

Board Committees

It is expected that the Resulting Issuer Board will establish an audit committee, a compensation committee and a nominating and corporate governance committee.

Audit Committee

It is expected that the Resulting Issuer Audit Committee upon completion of the Transaction, the Resulting Issuer Audit Committee members of the Resulting Issuer will be George Scorsis, Stephen Page and John Papastergiou, each of whom is a director, financially literate and independent in accordance with NI 52-110 and it will adopt the 116 BC Audit Committee Charter attached as schedule M to the Circular.

The following is a description of the education and experience of each proposed member of the Resulting Issuer Audit Committee that is relevant to the performance of his responsibilities as a Resulting Issuer Audit Committee member and, in particular, any education or experience that would provide the member with:

1. an understanding of the accounting principles used by the Resulting Issuer to prepare its consolidated financial statements;
2. the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves;
3. experience preparing, auditing, analyzing or evaluating consolidated financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Resulting Issuer's consolidated financial statements, or experience actively supervising one or more persons engaged in such activities; and
4. an understanding of internal controls and procedures for financial reporting.

George Scorsis, Chair of the Resulting Issuer Board and Director – Mr. Scorsis has over 25 years of experience leading companies in highly regulated industries to rapid growth, including alcohol, energy drinks and, most recently, medical cannabis. While attending York University, completing his Bachelor in Administrative Studies, Mr. Scorsis worked as a University Ambassador for Bacardi Canada and held several executive roles. Following York University, Mr. Scorsis obtained an MBA at Queens University. Mr. Scorsis, formerly President of Red Bull Canada, was instrumental in restructuring the organization from a geographical and operational perspective, growing the business to \$150 million in revenue. He also worked closely with Health Canada on guidelines regulating the energy drink category. Mr. Scorsis also brings agricultural and technological experience from his time as President at Mettrum Health Corp., which was acquired for \$473 million by Canopy Growth Corporation. Mr. Scorsis was also the CEO and Director of Liberty Health Sciences Inc., which was one of the first Canadian cannabis companies to expand into the United States. He also served as Chairman of the Board of Directors of Scythian Biosciences Corp., a research and development company committed to advancing treatment efforts for traumatic brain injury with its proprietary cannabinoid-based combination drug therapy and additional cannabis-related activities across the globe as well as the former Chairman of Tassili Life Sciences Corp. which focusses on PTSD research. Mr. Scorsis is currently the Executive Chairman of WeedMD Inc.

Stephen Page, Director – Mr. Page is an experienced healthcare executive and board member, having significant experience working with both the National Health Service ("NHS"), and private enterprises in the United Kingdom. Mr. Page worked in the NHS for fifteen years and was the first CEO of Oxleas NHS Trust from 1993 through 1998, which focused on mental health and learning difficulties. From 1998 to 2005, Mr. Page worked on the board of directors of a number of private sector companies, including Priory Healthcare and Nestor plc. In 2005, Mr. Page was the CEO of Acorn Care and Education, which he grew through acquisitions and organic growth to become a leading

national provider of special needs education and foster care resulting in the eventual sale to the Ontario Teachers' Pension Plan in 2010. Mr. Page currently consults within the health, social care and education industry and acts as an executive coach seeking to promote high quality leadership and management in the sector. Mr. Page also acts as the Chair of Sequence Care, New Reflections and Brain in Hand. Mr. Page holds an MBA from London Business School and a Business Studies Degree from Sheffield University.

John Papastergiou, Director – Professor Papastergiou is an experienced clinical research scientist and pharmacist. He has served as an advisor to many large pharmaceutical organizations including Bayer, Pfizer, GSK, and Astra Zeneca and he owns and operates four large community pharmacies in Canada. Prof. Papastergiou's innovative research in the area of point-of-care diagnostic testing and pharmacogenomics has led to the development and advancement of a number of tech start-up companies of which he has sat on the board of directors. Prof. Papastergiou holds Faculty appointments at the schools of Pharmacy at each of the University of Toronto and the University of Waterloo. Prof. Papastergiou has won a number of awards including Canadian Pharmacist of the Year. In 2019, he was named by the International Forum on Advancement of Healthcare as one of the top 100 healthcare leaders globally and was also presented with the Ontario Pharmacists' Association Award for Excellence in Research and Academia. Prof. Papastergiou holds multiple degrees including a PhD from Rhabdoud University, Netherlands. He is a sought after speaker, author, and media personality participating at events in over 30 countries.

Compensation Committee

The composition of the Resulting Issuer Compensation Committee will be determined by the Resulting Issuer Board upon completion of the Transaction and will be composed of a majority of independent directors. The Resulting Issuer Compensation Committee will, among others, (i) review and approve goals and objectives relevant to the CEO's compensation; (ii) evaluate the CEO's performance with respect to goals and objectives; (iii) determine the CEO's compensation (both cash-based and equity-based); (iv) review and approve incentive compensation plans and equity-based plans and determine whether security holder approval should be obtained; and (v) make recommendations to the Resulting Issuer Board with respect to compensation of other senior officers and directors.

Nominating and Corporate Governance Committee

The composition of the Resulting Issuer Nominating and Corporate Governance Committee will be determined by the Resulting Issuer Board upon completion of the Transaction and will be composed of a majority of independent directors. The Resulting Issuer Nominating and Corporate Governance Committee will be responsible for identifying individuals qualified to become new board members and recommend to the Resulting Issuer Board the new director nominees for the following annual meeting of shareholders. In making its recommendations, the Resulting Issuer Nominating and Corporate Governance Committee will consider, among other things: (i) the competencies and skills that the Resulting Issuer Board considers to be necessary for the Resulting Issuer Board, as a whole, to possess; (ii) the diversity of the board composition, including whether targets have been adopted for women, visible minorities, Aboriginal people and people with disabilities on the board or in executive officer positions; (iii) the competencies and skills that the Resulting Issuer Board considers each existing director to possess; (vi) the competencies and skills each new nominee will bring to the boardroom; and (v) whether or not each new nominee can devote sufficient time and resources to his or her duties as a board member.

Legal Proceedings

To the best of management's knowledge, there are no material pending legal proceedings to which 116 BC, Awakn or the Resulting Issuer is or is likely to be a party, or of which any of its property is the subject matter.

Escrowed Securities

As of the date of this Circular, none of the securities of 116 BC or Awakn are held in escrow. In connection with the Transaction, all securities of the Resulting Issuer owned or controlled by its Principals are required to be placed in escrow at the time of the closing of the Transaction, unless the securities held by the Principal or issuable to the Principal upon conversion of convertible securities held by the Principal collectively represent less than 1% of the voting rights attaching to the total issued and outstanding securities of the Resulting Issuer after giving effect to the Transaction ("**Escrowed Securities**"). All such Escrowed Securities held by Principals of the Resulting Issuer

following completion of the Transaction are required to be subject to an escrow agreement pursuant to NP 46-201 to be entered into between the Resulting Issuer, the Transfer Agent (as escrow agent) and each Principal (the "**Escrow Agreement**").

The following table sets out, as of the date of this Circular and to the knowledge of 116 BC and Awakn, assuming completion of the Transaction, the name, municipality of residence and proposed position with the Resulting Issuer of the Principal whose securities will be Escrowed Securities (on a non-diluted basis):

Name, municipality of residence and position with the Resulting Issuer	Designation of Class of Escrowed Securities	Number of Escrowed Securities	Percentage of Class
Anthony Tennyson President, Chief Executive Officer and a Director Dublin, Ireland	Resulting Issuer Shares	1,510,706	6.21%
	Resulting Issuer Options	200,000	12.20%
Jonathan Held Chief Financial Officer and Secretary Ontario, Canada	Resulting Issuer Shares	515,795	2.13%
	Resulting Issuer Options	150,000	9.46%
Dr. Benjamin Sessa Chief Medical Officer and a Director Bristol, United Kingdom	Resulting Issuer Shares	2,230,000	9.17%
	Resulting Issuer Options	100,000	6.31%
George Scorsis Chair of the Resulting Issuer Board and Director Ontario, Canada	Resulting Issuer Shares	1,100,000	4.52%
	Resulting Issuer Options	100,000	6.31%
James Collins Chief Operating Officer London, United Kingdom	Resulting Issuer Shares	200,000	0.82%
	Resulting Issuer Options	150,000	9.46%

Pursuant to the Exchange Listing Manual, the Resulting Issuer must have an Escrow Agreement with its Principals that fully comply with the requirements of NP 46-201 respecting "established issuers". Accordingly, the Escrowed Securities will be subject to an 18-month escrow schedule. The time release provisions under NP 46-201 pertaining to "established issuers" provide that 25% of each Principal's Escrowed Securities are released on the date of the Final Exchange Bulletin, with an additional 25% being released in equal tranches at six-month intervals over a period of 18 months.

Under the terms of the Escrow Agreement, Escrowed Securities cannot be transferred by the holder unless permitted under the Escrow Agreement. Notwithstanding this restriction on transfer, a holder of Escrowed Securities may:

- (a) pledge, mortgage or charge the Escrowed Securities to a financial institution as collateral for a loan provided that no Escrowed Securities will be delivered by the Transfer Agent (as escrow agent) to the financial institution;
- (b) exercise any voting rights attached to the Escrowed Securities;
- (c) receive dividends or other distributions on the Escrowed Securities; and
- (d) exercise any rights to exchange or convert the Escrowed Securities in accordance with the Escrow Agreement.

The Escrowed Securities may be transferred within escrow to:

- (a) subject to approval of the Resulting Issuer Board, an individual who is an existing or newly appointed director or senior officer of the Resulting Issuer or of a material operating subsidiary of the Resulting Issuer;

- (b) a person or company that before the proposed transfer holds more than 20% of the voting rights attached to the Resulting Issuer's outstanding securities;
- (c) a person or company that (i) after the proposed transfer will hold more than 10% of the voting rights attached to the Resulting Issuer's outstanding securities and (ii) has the right to elect or appoint one or more directors or senior officers of the Resulting Issuer or any of its material operating subsidiaries;
- (d) upon the bankruptcy of a holder of Escrowed Securities, the trustee in bankruptcy or another person or company legally entitled to such securities;
- (e) a financial institution on the realization of Escrowed Securities pledged, mortgaged or charged by the holder to the financial institution as collateral for a loan; and
- (f) a registered retirement savings plan ("**RRSP**"), registered retirement income fund ("**RRIF**") or other similar registered plan or fund with a trustee, where the annuitant of the RRSP or RRIF, or the beneficiaries of another plan or fund are limited to the holder, the holder's spouse, children or parents, or if the holder is the trustee of such registered plan or fund, to the annuitant of the RRSP or RRIF, or a beneficiary of the other registered plan or fund or, as applicable, his or her spouse, children or parents.

Upon the death of a holder of Escrowed Securities, all of the Escrowed Securities of the deceased holder will be released from escrow.

In addition, tenders of Escrowed Securities pursuant to a business combination, which includes a take-over bid, issuer bid, statutory arrangement, amalgamation, merger or other reorganization similar to an amalgamation or merger, are permitted. Escrowed Securities subject to a business combination will continue to be escrowed if the successor entity is not an "exempt issuer" pursuant to Ni 46-201, the holder is a principal of the successor entity, and the holder holds more than 1% of the voting rights of the successor entities' outstanding securities.

Auditor

It is expected that MNP LLP will serve as the Resulting Issuer's auditors. The address of MNP LLP is 6th Floor, 1122 International Blvd, Burlington, Ontario L7L 6Z8.

Transfer Agent and Registrar

It is expected that National Securities Administrators Ltd. will serve as the Resulting Issuer's registrar and transfer agent. It is expected that transfers of the securities of the Resulting Issuer may be recorded at registers maintained by National Securities Administrators Ltd. at its Vancouver office, located at 702-777 Hornby Street, Vancouver, B.C. V6Z 1S4.

Material Contracts

The only material contracts to which the Resulting Issuer will be a party are described under section entitled "*Material Contracts*" in schedule B entitled "*Information Concerning I16 BC*" and under section entitled "*Material Contracts*" in schedule C entitled "*Information Concerning Awakn*" attached to the Circular.

SCHEDULE E

Audited Financial Statements of Awakn

for the period from April 27, 2020 (incorporation) to January 31, 2021

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AWAKN LIFE SCIENCES INC.

CONSOLIDATED FINANCIAL STATEMENTS

**FOR THE PERIOD FROM APRIL 27, 2020 (DATE OF INCORPORATION) TO JANUARY 31, 2021
(In Canadian Dollars)**

To the Shareholders of Awakn Life Sciences Inc.:

Opinion

We have audited the consolidated financial statements of Awakn Life Sciences Inc. and its subsidiaries (the "Company"), which comprise the consolidated statement of financial position as at January 31, 2021, and the consolidated statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the period from April 27, 2020 (date of incorporation) to January 31, 2021, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at January 31, 2021, and its consolidated financial performance and its consolidated cash flows for the period from April 27, 2020 to January 31, 2021 in accordance with International Financial Reporting Standards.

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that as of January 31, 2021, the Company had not yet achieved profitable operations, has accumulated losses since its inception and expects to incur further losses in the development of its business. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the

going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

Burlington, Ontario

May 7, 2021

MNP LLP

Chartered Professional Accountants

Licensed Public Accountants

AWAKN LIFE SCIENCE INC.
Consolidated Statement of Financial Position
(Expressed in Canadian dollars)

	Note	January 31, 2021
		\$
Assets		
Current assets		
Cash		366,065
Prepayments		93,272
Other receivables	9	17,620
Total current assets		476,957
Non-current assets		
Property and equipment	5	204,286
Right-of-use assets	6	144,245
Total assets		825,488
Liabilities		
Accounts payable and accrued liabilities		
Lease liabilities	6	228,335
Total current liabilities		13,677
Non-current liabilities		
Long-term lease liabilities	6	118,434
Total Liabilities		360,446
Shareholders' Equity		
Share capital	7	1,152,346
Share-based payment reserve	7	39,870
Accumulated other comprehensive income		610
Accumulated deficit		(865,186)
Total equity attributable to equity holders of the parent		327,640
Non-controlling interest		137,402
Total Shareholders' Equity		465,042
Total Liabilities and Shareholders' Equity		825,488

The accompanying notes are an integral part of these consolidated financial statements.

Nature of business (note 1)
Subsequent events (note 14)

Approved and authorized for issue by the Board of Directors on May 7, 2021.

"George Scorsis"
Director

"Anthony Tennyson"
Director

AWAKN LIFE SCIENCES INC.

Consolidated Statement of Loss and Comprehensive Loss

For the period from April 27, 2020 (date of incorporation) to January 31, 2021

(Expressed in Canadian dollars)

	Note	Period from incorporation to January 31, 2021 \$
Operating expenses:		
Sales and marketing		77,382
General and administration	9	500,050
Share-based compensation	7	39,870
Depreciation	5, 6	12,924
Total operating expenses		630,226
Other expense (income)		
Finance costs	6	9,824
Transaction costs	4	470,726
Foreign exchange gain		(4,381)
Loss from operations before income taxes		(1,106,395)
Income tax expense - current	11	-
Income tax expense - deferred	11	-
Net loss		(1,106,395)
Other comprehensive income		
<i>Amounts that may be reclassified subsequently to profit or loss:</i>		
Foreign exchange translation adjustment		610
Comprehensive loss		(1,105,785)
Attributable to:		
Equity holders of the parent		(944,314)
Non-controlling interests		(161,471)
		(1,105,785)
Net loss per share attributable to equity holders of the parent – basic and diluted		(0.09)
Weighted average number of shares outstanding – basic and diluted		12,628,816

The accompanying notes are an integral part of these consolidated financial statements.

AWAKN LIFE SCIENCES INC.

Consolidated Statement of Changes in Shareholders' Equity

For the period from April 27, 2020 (date of incorporation) to January 31, 2021

(Expressed in Canadian dollars)

	Note	Number of Shares	Share Capital \$	Share-Based Payment Reserve \$	Accumulated Other Comprehensive Income \$	Accumulated Deficit \$	Total \$	Non- Controlling Interest \$	Total \$
Balance, April 27, 2020		-	-	-	-	-	-	-	-
Net loss attributable to the Company		-	-	-	-	(944,924)	(944,924)	(161,471)	(1,106,395)
Other comprehensive income		-	-	-	610	-	610	-	610
Acquisition of subsidiary	4	3,000,000	60,000	-	-	-	60,000	378,611	438,611
Acquisition of non-controlling interest	4	-	-	-	-	79,738	79,738	(79,738)	-
Issuance of common shares, net of issuance costs	7	13,883,334	1,092,346	-	-	-	1,092,346	-	1,092,346
Share-based compensation	7	-	-	39,870	-	-	39,870	-	39,870
Balance, January 31, 2021		16,883,334	1,152,346	39,870	610	(865,186)	327,640	137,402	465,042

The accompanying notes are an integral part of these consolidated financial statements.

AWAKN LIFE SCIENCES INC.**Consolidated Statement of Cash Flows**

For the period from April 27, 2020 (date of incorporation) to January 31, 2021

(Expressed in Canadian dollars)

	Note	Period from incorporation to January 31, 2021 \$
Cash flow used in operating activities		
Net loss for the period		(1,106,395)
Items not affecting cash:		
Share-based compensation	7	39,870
Depreciation	5, 6	12,924
Accretion on lease liabilities	6	9,824
Transaction costs	4	438,611
Changes in non-cash working capital items:		
Increase in prepayments		(93,272)
Increase in other receivables		(2,786)
Increase in accounts payable and accrued liabilities		228,335
Cash flow used in operating activities		(472,889)
CASH FLOW USED IN INVESTING ACTIVITIES		
Purchase of property and equipment	5	(201,346)
Acquisition, net of cash acquired	4	(14,834)
Cash flow used in investing activities		(216,180)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issuance of common shares, net	7	1,092,346
Payment of lease liabilities		(34,729)
Cash flow from financing activities		1,057,617
Effect of exchange rate changes on cash		(2,483)
Increase in cash		368,548
Cash, beginning of period		-
Cash, end of period		366,065

The accompanying notes are an integral part of these consolidated financial statements.

AWAKN LIFE SCIENCES INC.

Notes to the Consolidated Financial Statements

For the period from April 27, 2020 (date of incorporation) to January 31, 2021

(Expressed in Canadian dollars, unless otherwise noted)

1. Nature of the business

Awakn Life Sciences Inc. (the “Company”) was incorporated under the *Business Corporations Act (Ontario)* on April 27, 2020. The Company’s head office and registered office is located at 200-366 Bay Street, Toronto, Ontario, M5H 4B2. The Company is a clinical-biotech company researching, developing, and delivering evidenced-based psychedelic medicine to treat Addiction and other mental health conditions.

At January 31, 2021, the Company had not yet achieved profitable operations, has accumulated losses of \$865,186 since its inception and expects to incur further losses in the development of its business, all of which indicate that a material uncertainty exists that may cast significant doubt about the Company’s ability to continue as a going concern. The Company’s ability to continue as a going concern is dependent upon its ability to generate future profitable operations and/or to obtain the necessary financing to conduct its planned business, meet its on-going levels of corporate overhead and discharge its liabilities as they come due. The Company has been successful in raising funds from the issuance of shares (note 7). Therefore, the Company’s ability to obtain additional financing is enough to assume that the Company will continue as a going concern, however there is no certainty this will occur in the future at terms acceptable to the Company.

Since March 2020, several measures have been implemented in Canada and the rest of the world in response to the increased impact from novel coronavirus (COVID-19). The Company continues to operate its business at this time. While the impact of COVID-19 is expected to be temporary, the current circumstances are dynamic and the impacts of COVID-19 on business operations cannot be reasonably estimated at this time.

2. Basis of Presentation

(a) Statement of compliance

These consolidated financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standard Board (“IASB”).

These consolidated financial statements was approved and authorized for issue by the Board of Directors on May 7, 2021.

(b) Basis of presentation

These consolidated financial statements have been prepared on the historical cost basis.

(c) Principles of consolidation

The Company consolidates its interest in entities which it controls. Control is defined by the power to govern an entity’s financial and operating policies so as to be able to obtain benefits from its activities. All intercompany balances and transactions have been eliminated on consolidation. The subsidiaries (the “Subsidiaries”) of the Company that have been consolidated are as follows:

Name of entity	Principal place of business	%
Awakn Bristol Limited	United Kingdom	51%
Awakn Life Sciences UK Ltd	United Kingdom	100%

AWAKN LIFE SCIENCES INC.

Notes to the Consolidated Financial Statements

For the period from April 27, 2020 (date of incorporation) to January 31, 2021

(Expressed in Canadian dollars, unless otherwise noted)

2. Basis of Presentation (Continued)

(d) Functional and presentation currency

The Company's functional currency, as determined by management, is the Canadian dollar. The functional currency for the Subsidiaries is British Pounds. For financial reporting purposes, the consolidated financial statements of the Company have been presented in the Canadian dollar, the presentation currency. Then, the financial statements of the entities are translated from their functional currency into the reporting currency as follows: assets and liabilities are translated at the exchange rates at the statement of financial position dates, expenses and other income (expense), net are translated at the average exchange rate and shareholders' equity is translated based on historical exchange rates. Translation adjustments are not included in determining net loss but are included as a foreign exchange adjustment to other comprehensive (loss) income, a component of shareholders' equity.

(e) Use of estimates and judgements

The preparation of consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and revenue and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Management has applied significant estimates and assumptions related to the following:

Leases – Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

Fair value of stock options and warrants

Management uses the Black-Scholes option-pricing model to calculate the fair value of stock options and warrants. Use of this method requires management to make assumptions and estimates about the expected life of options, the risk free rate, and the expected volatility of the Company's share price. In making these assumptions and estimates, management relies on historical market data.

AWAKN LIFE SCIENCES INC.

Notes to the Consolidated Financial Statements

For the period from April 27, 2020 (date of incorporation) to January 31, 2021

(Expressed in Canadian dollars, unless otherwise noted)

3. Significant Accounting Policies

A summary of the significant accounting policies, which have been applied consistently to all periods presented in the accompanying consolidated financial statements are set out below:

Cash

Cash in the consolidated statement of financial position is comprised of cash held at a major financial institution.

Financial instruments

Classification

On initial recognition, the Company determines the classification of financial instruments based on the following categories:

1. Measured at amortized cost
2. Measured at fair value through profit or loss (FVTPL)
3. Measured at fair value through other comprehensive income (FVOCI)

The classification under IFRS 9 is based on the business model under which a financial asset is managed and on its contractual cash flow characteristics. Assets held for the collection of contractual cashflows and for which those cashflows correspond solely to principal repayments and interest payments are measured at amortized cost. Contracts with embedded derivatives where the host is a financial instrument in the scope of the standard will be assessed as a whole for classification.

A financial asset is measured at amortized cost if both of the following criteria are met:

- held within a business model whose objective is to hold assets to collect contractual cash flows; and
- contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Equity investments held for trading are classified as FVTPL. For all other equity investments that are not held for trading, the Company may irrevocably elect, on initial recognition, to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis.

Financial liabilities are measured at amortized cost unless they must be measured at FVTPL (such as derivatives), or if the Company has chosen to evaluate them at FVTPL.

The classification of financial instruments under IFRS 9 is as follows:

Financial Instrument	Classification under IFRS 9
Cash	Amortized cost
Other receivables	Amortized cost
Accounts payable and accrued liabilities	Amortized cost

3. Significant Accounting Policies (continued)

Financial instruments (continued)

Measurement

Initial recognition – A financial asset or financial liability is initially recorded at its fair value, which is typically the transaction price, plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. In the event that fair value is determined to be different from the transaction price, and that fair value is evidenced by a quoted price in an active market for an identical asset or liability or is based on a valuation technique that uses only data from observable markets, then the difference between fair value and transaction price is recognized as a gain or loss at the time of initial recognition.

Amortized cost – The amount at which a financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any expected credit losses. The effective interest method is a method of calculating the amortized cost of a financial asset or liability and of allocating interest and any transaction costs over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or liability to the net carrying amount on initial recognition.

Fair value through profit or loss – Changes in fair value after initial recognition, whether realized or not, are recognized through the consolidated statement of loss and comprehensive loss. Income arising in the form of interest, dividends, or similar, is recognized through the consolidated statement of loss and comprehensive loss when the right to receive payment is established, the economic benefits will flow to the Company, and the amount can be measured reliably.

Fair value through other comprehensive income – Changes in fair value after initial recognition, whether realized or not, are recognized through other comprehensive income. Income arising in the form of interest, dividends, or similar, is recognized through the consolidated statement of loss and comprehensive loss when the right to receive payment is established, the economic benefits will flow to the Company, and the amount can be measured reliably.

Impairment

In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition.

The Company has applied the simplified approach to recognise lifetime expected credit losses for its other receivable.

Derecognition

Financial assets – The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset have expired or when contractual rights to the cash flows have been transferred. Gains and losses from the derecognition are recognized in the consolidated statement of loss and comprehensive loss.

AWAKN LIFE SCIENCES INC.

Notes to the Consolidated Financial Statements

For the period from April 27, 2020 (date of incorporation) to January 31, 2021

(Expressed in Canadian dollars, unless otherwise noted)

3. Significant Accounting Policies (continued)

Research and development

Research costs are expensed in the period incurred. Third-party research and developments costs are expensed when the contracted work has been performed or as milestone results have been achieved.

Development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditures are capitalized only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. Other development expenditures will be expensed as incurred. No development costs have been capitalized to date.

Property and equipment

Property and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing parts of the property and equipment. Likewise, when a major inspection is performed, its cost is recognized in the carrying value of the equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the consolidated statement of loss and comprehensive loss as incurred.

Depreciation is calculated on a straight line basis over the expected useful life of the asset as follows:

Furniture and fixtures	5 years
Leasehold improvement	Shorter of useful life or remaining lease term

An item of equipment is derecognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying value of the asset) is included in the consolidated statements of loss and comprehensive loss in the period the asset is derecognized.

Impairment of non-financial assets

Intangible assets with a finite useful life are tested for impairment when events or changes in circumstances indicate the carrying amount may not be recoverable. Events relating to recoverability may include significant unfavorable changes in business conditions, recurring losses, or a forecasted inability to achieve break-even operating results over an extended period. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The Company evaluates impairment losses for potential reversals when events or circumstances warrant such consideration.

For the purpose of testing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating unit, or "CGU"). An impairment loss is recognized for the amount, if any, by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less cost to sell and the value in use (being the present value of expected future cash flows of the asset or CGU). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the lesser of the revised estimate of recoverable amount and the carrying amount that would have been recorded had no impairment loss been previously recognized, with the exception of goodwill.

AWAKN LIFE SCIENCES INC.

Notes to the Consolidated Financial Statements

For the period from April 27, 2020 (date of incorporation) to January 31, 2021

(Expressed in Canadian dollars, unless otherwise noted)

3. Significant Accounting Policies (continued)

Leases

The Company determines if an arrangement is a lease at contract inception. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Office	5 years
--------	---------

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies of impairment of non-financial assets.

Right-of-use liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

In calculating the present value of lease payments, the Company uses its IBR at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

AWAKN LIFE SCIENCES INC.

Notes to the Consolidated Financial Statements

For the period from April 27, 2020 (date of incorporation) to January 31, 2021

(Expressed in Canadian dollars, unless otherwise noted)

3. Significant Accounting Policies (continued)

Loss per common share, basic and diluted

Basic loss per share is calculated by dividing the net loss for the period attributable to equity owners of the Company by the weighted average number of common shares outstanding during the period.

Diluted loss per share is calculated by adjusting the weighted average number of common shares outstanding for dilutive instruments. The number of shares included with respect to options, warrants and similar instruments is computed using the treasury stock method, except where the effect of including such securities would be antidilutive. Because the Company has reported net loss since inception, these potential securities have been antidilutive and basic and diluted loss per share were the same for the period presented.

Income taxes

Income taxes are comprised of current and deferred tax. Income tax is recognized in the consolidated statement of loss and comprehensive loss except to the extent that it relates to items recognized directly in shareholders' equity, in which case the income tax is also recognized directly in shareholders' equity.

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted at the end of the reporting period, and any adjustments to tax payable in respect of previous years.

In general, deferred tax is recognized in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined on a non-discounted basis using the tax rates and laws that have been enacted or substantively enacted at the consolidated statement of financial position dates and are expected to apply when the deferred tax asset or liability is settled. Deferred tax assets are recognized to the extent that it is probable the assets can be recovered.

Deferred income tax assets and liabilities are presented as non-current.

Share-based compensation and issuance of stock for non-cash consideration

The Company records share-based compensation related to employee stock options granted using the estimated fair value of the options at the date of grant. The estimated fair value is expensed as employee benefits over the period in which employees unconditionally become entitled to the award. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service conditions are expected to be met, such that the amount ultimately recognized as an expense is based on the number of awards that do meet the related services and non-market performance conditions at the vesting date. The corresponding charge is to share-based payment reserve. Any consideration paid on the exercise of stock options is credited to share capital.

The Company estimates the fair value of stock options granted using the Black-Scholes valuation model. This model requires the Company to make estimates and assumptions including, among other things, estimates regarding the length of time an employee will retain vested stock options before exercising them, the estimated volatility of the Company's common share price and the number of options that will be forfeited prior to vesting. Changes in these estimates and assumptions can materially affect the determination of the fair value of share-based compensation and consequently, the related amount recognized in the Company's consolidated statement of loss and comprehensive loss.

AWAKN LIFE SCIENCES INC.

Notes to the Consolidated Financial Statements

For the period from April 27, 2020 (date of incorporation) to January 31, 2021

(Expressed in Canadian dollars, unless otherwise noted)

3. Significant Accounting Policies (continued)

Share-based compensation and issuance of stock for non-cash consideration (continued)

For equity-settled share-based payment transactions, the Company measures the goods and services received, and the corresponding increase in equity, directly, at the fair value of goods and services received, unless that fair value cannot be estimated reliably. If the Company cannot estimate reliably the fair value of the goods or services received, it measures their value by reference to the fair value of the equity instrument granted. Transactions measured by reference to the fair value of the equity instrument granted have their fair values re-measured each vesting and reporting date until fully vested.

Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the consolidated financial statements are disclosed below. The Company intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

Reference to the Conceptual Framework – Amendments to IFRS 3

In May 2020, the IASB issued Amendments to IFRS 3 Business Combinations - Reference to the Conceptual Framework. The amendments are intended to replace a reference to the Framework for the Preparation and Presentation of Financial Statements, issued in 1989, with a reference to the Conceptual Framework for Financial Reporting issued in March 2018 without significantly changing its requirements. The Board also added an exception to the recognition principle of IFRS 3 to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 or IFRIC 21 Levies, if incurred separately. At the same time, the Board decided to clarify existing guidance in IFRS 3 for contingent assets that would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements. The amendments are effective for annual reporting periods beginning on or after 1 January 2022 and apply prospectively. Management expects that the amendment may have an impact on future business combinations.

AWAKN LIFE SCIENCES INC.

Notes to the Consolidated Financial Statements

For the period from April 27, 2020 (date of incorporation) to January 31, 2021

(Expressed in Canadian dollars, unless otherwise noted)

4. Asset acquisition

On June 16, 2020, the Company entered into a binding investment agreement to acquire 51% of the equity interest in Mandala Therapy Limited (“Bristol”), a UK based psychedelic clinical practice run by acclaimed author, researcher and consultant psychiatrist, Dr. Ben Sessa. Pursuant to the terms of the acquisition, the considerations include (i) cash consideration of £325,000 (equivalent to \$561,687) invested in Bristol; and (ii) 3,000,000 common shares of the Company with a fair value of \$60,000 at \$0.02 per share. On July 9, 2020, the Company acquired 33% of Bristol by transferring £74,670 (equivalent to \$126,480) of the cash consideration and the issuance of 3,000,000 common shares of the Company (“First Closing”). On November 30, 2020, the Company transferred the remaining cash consideration of £250,330 (equivalent to \$435,207) (“Second Closing”) and completed the acquisition of 51% of Bristol. Although the Company had only obtained a minority economic interest of 33% in Bristol on July 9, 2020, the Company gained control over the management and operations of Bristol on that date and as such, Bristol is fully consolidated in the Company’s consolidated financial statements starting from July 9, 2020. Mandala Therapy Limited changed its name to Awakn Bristol Limited on October 23, 2020.

Bristol was determined not to meet the definition of a business as per IFRS 3. Accordingly, the acquisition was treated as an asset acquisition.

Put Option

In connection to the asset acquisition of Bristol, the Company entered into a shareholder agreement with Bristol and Dr. Sessa. Pursuant to the shareholder agreement, Dr Sessa has the option (“Put Option”) to require the Company to purchase all of Dr. Sessa’s shares, being equivalent to 49% of the issued shares in Bristol for a total consideration of \$2,000,000. The Put Option may only be exercised in conjunction with a liquidity event, being an event which would result in the Company’s securities being traded on a recognized stock exchange or the acquisition of all or substantially all of the outstanding common shares of the Company for cash consideration. The consideration shall be satisfied by the issue of such number of the Company’s common shares to Dr. Sessa as is equivalent to \$2,000,000. Given that the option is only settled in shares of the Company and not cash, the option is therefore not a liability but rather an equity instrument issued as part of the acquisition of Bristol.

At the time of the acquisition and the entering of the shareholder agreement, management determined the value of the instrument to be Nil. This valuation was determined because it was deemed amongst other factors, that it was only possible, but not probable, that a liquidity event which would allow the Put Option to be exercisable will take place. Furthermore, for the option to have value, it would need to have the ability to acquire the shares at below fair value, which management does not believe will occur. Accordingly, no value has been recognized in these consolidated financial statements.

Call Option

In the same shareholder agreement, the Company also has an option (“Call Option”) to require Dr. Sessa to sell to the Company all of Dr. Sessa’s shares for a total consideration of the greater of (i) \$2,000,000; or (ii) the fair value of Dr. Sessa’s shares (“Call Option Consideration”), being equivalent to approximately 49% of the issued shares in Bristol. The Call Option may only be exercised any time after completing of a liquidity event as described above and the consideration shall be satisfied by the issue of such number of the Company’s common shares to Dr Sessa as is equivalent to the Call Option Consideration.

Since the exercise of the Call Option is within the Company’s control as the Company can avoid the payments, the Call Option is not a contingent consideration. Therefore, no value has been assigned to the Call Option.

AWAKN LIFE SCIENCES INC.**Notes to the Consolidated Financial Statements****For the period from April 27, 2020 (date of incorporation) to January 31, 2021***(Expressed in Canadian dollars, unless otherwise noted)***4. Asset acquisition (continued)**

The purchase price allocation is as follows:

Cash consideration	\$	126,480
Share consideration (3,000,000 common shares at \$0.02 per share)		60,000
Total Consideration Paid (33%)		186,480
Non-controlling interest measured at fair value (67%)		378,611
Total		565,091

Net assets of Mandala Therapy Limited:

Cash	111,646
Other receivables	14,834
Total identifiable net assets at fair value	126,480
Transaction costs	438,611
	565,091
Non-controlling interest	378,611
Total attributable to the Company	186,480

Additionally, transaction costs of \$32,115 was incurred in connection to the acquisition of Bristol.

On November 30, 2020, the Company's ownership increased from 33% to 51% the adjustment to the carrying amount of the non-controlling interest is as follows:

Net assets of Mandala Therapy Limited	\$	431,563
Net assets attributable to non-controlling interest (49%)		211,466
Carrying amount of non-controlling interest		(291,204)
Difference recognized in accumulated deficit		(79,738)

5. Property and Equipment

Property and equipment as at January 31, 2021 consists of the following:

	Furniture and fixtures \$	Leasehold improvements \$	Total \$
Cost			
Balance, April 27, 2020	-	-	-
Additions	24,223	177,123	201,346
Exchange realignment	291	2,713	3,004
Balance, January 31, 2021	24,514	179,836	204,350
Accumulated depreciation			
Balance, April 27, 2020	-	-	-
Depreciation	-	63	63
Exchange realignment	-	1	1
Balance, January 31, 2021	-	64	64
Net book value			
At April 27, 2020	-	-	-
At January 31, 2021	24,514	179,772	204,286

Depreciation expense related to property and equipment was \$63 for the period ended January 31, 2021. Depreciation has not begun for furniture and fixtures and leasehold improvements as the Company's office was still under renovation as at January 31, 2021 and therefore these assets were not yet available for use.

AWAKN LIFE SCIENCES INC.**Notes to the Consolidated Financial Statements****For the period from April 27, 2020 (date of incorporation) to January 31, 2021***(Expressed in Canadian dollars, unless otherwise noted)***6. Right-of-use assets and lease liabilities***Right-of-use assets*

As at January 31, 2021, the Company had a lease for its office space. The lease will expire in September 2025, with an option of early termination by the Company in September 2023.

	Right of use building
	\$
Cost	
Balance, April 27, 2020	-
Additions	157,170
Exchange realignment	188
Balance, January 31, 2021	157,358
Accumulated depreciation	
Balance, April 27, 2020	-
Depreciation	12,861
Exchange realignment	252
Balance, January 31, 2021	13,113
Net book value	
At April 27, 2020	-
At January 31, 2021	144,245

Lease liabilities

The following table sets out the movement of lease liabilities during the period ended January 31, 2021:

Balance, April 27, 2020	\$	-
Additions		149,268
Payments and interest		(17,003)
Exchange realignment		(154)
Balance, January 31, 2021		132,111

An IBR of 20.14% was used to determine the present value of the lease liabilities. Interest expense on lease liabilities for the period ended January 31, 2021 was \$9,824.

The minimum lease payments for the next five years is expected to be as follows:

Minimum payments under finance lease		
Within 1 year	\$	13,677
2 to 3 years		107,309
4 to 5 years		95,621
		216,607
Effect of discounting		(84,496)
Present value of minimum lease payments		132,111
Less: current portion		(13,677)
Non-current portion of obligations under finance lease	\$	118,434

AWAKN LIFE SCIENCES INC.**Notes to the Consolidated Financial Statements****For the period from April 27, 2020 (date of incorporation) to January 31, 2021***(Expressed in Canadian dollars, unless otherwise noted)***7. Shareholders' Equity**Authorized share capital

The Company is authorized to issue an unlimited number of common shares with no par value.

Outstanding share capital

As at January 31, 2021, there were no shares issued and outstanding other than common shares.

		Number of shares	Amount \$
Balance, April 27, 2020		-	-
Issuance of common shares	(1)	13,883,334	1,136,000
Issuance of common shares for acquisition	(2)	3,000,000	60,000
Less share issuance cost	(1)	-	(43,654)
Balance, January 31, 2021		16,883,334	1,152,346

- 1) During the period ended January 31, 2021, the Company issued 13,883,334 common shares over a series of private placement financings raising gross proceeds of \$1,136,000. The Company incurred share issuance costs totalling \$43,654 in connection with the non-brokered private placements.
- 2) During the period ended January 31, 2021, the Company acquired Bristol (as further discussed in Note 4). As part of the consideration paid pursuant to the asset acquisition, the Company issued 3,000,000 common shares at \$0.02 per share to the vendor, having a fair value of \$60,000, with reference to the per share value of the most recent private placement.

Stock options

The Company's Board of Directors is authorized to grant stock options to directors, senior officers, employees, consultants, consultant company or management company employees of the Company and its subsidiaries not to exceed 10% of the issued and outstanding common shares of the Company from time to time. Stock options granted are exercisable over a period not exceeding 10 years from the date granted. Exercise prices may not be less than the market price of the common shares at the time of the grant. An option shall vest in the manner imposed by the Board of Directors as a condition at the grant date.

	Number of options	Weighted average exercise price \$
Balance, April 27, 2020	-	-
Granted	1,375,000	0.14
Balance, January 31, 2021	1,375,000	0.14

AWAKN LIFE SCIENCES INC.**Notes to the Consolidated Financial Statements****For the period from April 27, 2020 (date of incorporation) to January 31, 2021***(Expressed in Canadian dollars, unless otherwise noted)***7. Shareholders' Equity (continued)**Stock options (continued)

Grant date	Exercise price (\$)	Weighted average remaining life (yrs)	Number of options outstanding	Number of options exercisable
May 6, 2020	0.075	4.26	80,000	60,000
June 1, 2020	0.075	1.33	800,000	800,000
July 6, 2020	0.075	2.43	60,000	60,000
August 31, 2020	0.075	2.58	50,000	12,500
September 21, 2020	0.300	2.64	30,000	7,500
September 22, 2020	0.300	2.64	60,000	15,000
October 23, 2020	0.300	2.73	115,000	57,500
December 15, 2020	0.300	2.92	150,000	-
January 31, 2021	0.300	5.00	30,000	6,000
		2.05	1,375,000	1,018,500

The fair value of the Company's stock options was estimated using the Black-Scholes option pricing model using the following assumption:

Volatility	151.02% to 162.43%
Risk-free interest rate	0.26% to 0.43%
Expected life (years)	2 to 5 years
Dividend yield	Nil
Forfeiture rate	Nil
Weighted average fair value per common share	\$0.10

Volatility is calculated by using the historical volatility of other public companies that the Company considers comparable that have trading and volatility history. The total fair value of options granted during the period was \$107,077. The share-based compensation and charge to share-based payment reserve relating to the vesting of stock options for the period ended January 31, 2021 was \$39,870.

8. Loss Per Share

Basic and diluted net loss per share attributable to common shareholders was calculated as follows:

	Period from incorporation to January 31, 2021 \$
Numerator:	
Net loss attributable to equity holders of the parent - basic and diluted	(1,106,395)
Denominator:	
Weighted-average number of common shares	12,628,816

The Company's potentially dilutive securities which include stock options granted have been excluded from the computation of diluted net loss per share as the effect would be to reduce the net loss per share. Therefore, the weighted-average number of common share outstanding used to calculate both basic and diluted net loss per share attributable to common shareholders is the same. For the period ended January 31, 2021, the Company excluded 1,375,000 common shares issuable upon exercise of the Company's stock options as the effect was anti-dilutive.

AWAKN LIFE SCIENCES INC.

Notes to the Consolidated Financial Statements

For the period from April 27, 2020 (date of incorporation) to January 31, 2021

(Expressed in Canadian dollars, unless otherwise noted)

9. Related Party Transactions

- (a) On July 9, 2020, the Company acquired a controlling interest in Bristol from Dr. Sessa, a director and officer of the Company for cash investment of £325,000 (equivalent to \$561,687) and issuance of 3,000,000 common shares of the Company with a fair value of \$60,000 at \$0.02 per share to Dr. Sessa. See Note 4 for further details on the transaction.
- (b) Key management includes directors and officers of the Company. Compensation awarded to key management was comprised of the following for the period ended January 31, 2021:

	Period from incorporation to January 31, 2021	
Short-term compensations	\$	150,283
Share-based payments		7,606
Total	\$	157,889

- (c) As at January 31, 2021, a balance of \$11,080 was due from related parties, which was included in other receivables on the consolidated statement of financial position. A portion of the balance was an unsecured, interest-free loan made to a director of the Company on July 9, 2020 and it is repayable in 20 monthly installments of \$500 per month. The remaining balance is non-interest bearing, unsecured and repayable on demand.

10. Financial Instruments and Risk Management

Fair Value of Financial Instruments

Financial instruments that are measured at fair value use inputs which are classified within a hierarchy that prioritizes their significance. The three levels of the fair value hierarchy are:

- Level One includes quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level Two includes inputs that are observable other than quoted prices included in Level One; and
- Level Three includes inputs that are not based on observable market data.

As at January 31, 2021, both the carrying and fair value amounts of all the Company's financial instruments are approximately equivalent due to their short-term nature.

Risk Management

A summary of the Company's risk exposures as it relates to financial instruments are reflected below:

Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to its cash and other receivables. Management believes credit risk with respect to its financial instruments is minimal. The Company's maximum exposure to credit risk as at January 31, 2021 is the carrying value of cash and other receivables. Credit risk on cash is mitigated as it is held in a Tier 1 financial institution.

AWAKN LIFE SCIENCES INC.

Notes to the Consolidated Financial Statements

For the period from April 27, 2020 (date of incorporation) to January 31, 2021

(Expressed in Canadian dollars, unless otherwise noted)

10. Financial Instruments and Risk Management (continued)

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying its financial obligations. The Company manages its liquidity risk by forecasting its operations and anticipating its operating and investing activities. All amounts in current liabilities as at January 31, 2021 are due within 12 months. Lease payments maturities are disclosed in note 6.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices and specifically to foreign currency risk.

Foreign currency risk

The Company holds cash denominated in multiple currencies. The Company is exposed to foreign currency risk from fluctuations in foreign exchange rates and the degree of volatility in these rates due to the timing of settlement of their trade and other liability balances. This risk is mitigated by timely payment of creditors and monitoring of foreign exchange fluctuations by management. The Company does not use derivative instruments to reduce its exposure to foreign currency risk.

Below is a list of all financial instruments in their base currency:

	January 31, 2021
	\$
Cash - British Pounds	92,127
Cash - Euro	37
Cash - US Dollars	110,556
Other receivables - British Pounds	6,319
Accounts payable - British Pounds	(48,347)
Accounts payable - Euro	(31,075)
Accounts payable - US Dollars	(22,450)

An increase or decrease of 10% change in the exchange rates would impact net loss by approximately \$15,229 for the period ended January 31, 2021.

AWAKN LIFE SCIENCES INC.**Notes to the Consolidated Financial Statements****For the period from April 27, 2020 (date of incorporation) to January 31, 2021***(Expressed in Canadian dollars, unless otherwise noted)***11. Income taxes**

The income tax expense shown in the consolidated statement of loss and comprehensive loss differs from the amounts obtained by applying statutory rates due to the following:

	2021
Net loss before income taxes	<u>(1,106,395)</u>
Expected income tax recovery at statutory rate - 26.5%	(293,195)
Impact of non-deductible expenses	136,553
Impact of temporary differences and losses not recognized	135,308
Impact of foreign income tax rate differential	<u>21,334</u>
Total income tax expense (recovery)	<u>-</u>
Current Tax Expense	-
Deferred Tax Expense (recovery)	<u>-</u>

Deferred tax

Deferred tax assets and liabilities have been offset where they relate to income taxes levied by the same taxation authority and the Company has the legal right and intent to offset. A deferred tax asset is recognized for deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilized.

The effect of temporary differences and loss carry forwards that give rise to significant portions of the deferred tax liability, which has been recognized during the year are as follows:

	Opening April 27, 2020	Recognized in profit and loss	January 31, 2021
Deferred tax asset			
Loss carry forwards	-	6,874.01	6,874.01
	-	6,874.01	6,874.01
Deferred tax liability			
Property and equipment	-	6,874.01	6,874.01
	-	6,874.01	6,874.01
Net deferred tax liability	\$ -	\$ -	\$ -

Gross temporary differences and loss carry forwards that give rise to significant portions of the deferred tax asset, which have not been recognized, are approximately as follows:

	2021
Non capital losses	<u>604,530</u>
Share issuance costs	<u>34,923</u>
Benefits not recognized	<u>639,453</u>

AWAKN LIFE SCIENCES INC.**Notes to the Consolidated Financial Statements****For the period from April 27, 2020 (date of incorporation) to January 31, 2021***(Expressed in Canadian dollars, unless otherwise noted)*

11. Income taxes (continued)

The company has the following Canadian non-capital losses available to reduce future years' federal and provincial taxable income, which expire as follows:

Year of Expiry	Amount
2041	320,084
	<u>320,084</u>

The Company has UK non-capital loss carry forwards that do not expire and can be carried forward indefinitely:

Year of Origination	Amount
2021	320,625
	<u>320,625</u>

12. Commitments and contingencies*Put Option Liability*

Dr. Sessa, the non-controlling interest of the Company, has a Put Option to require the Company to purchase all of Dr Sessa's shares for a total consideration of \$2,000,000 (see note 4 for details). As at January 31, 2021, management assessed that the probability of a liquidity event taking place which would allow the Put Option to be exercisable remained only possible but not probable. Accordingly, no provision for any liability has been made as at January 31, 2021.

13. Capital Management

The Company's objective in managing capital is to ensure a sufficient liquidity position to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders. The Company defines capital as net equity and debt, comprised of issued common shares, share-based payment reserve, accumulated other comprehensive income and accumulated deficit. The Company seeks to ensure that it has sufficient cash resources to maintain its ongoing operations and finance its research and development activities, corporate and administrative expenses, working capital and overall capital expenditures. Since inception, the Company has primarily financed its liquidity needs through private placements of common shares. There have been no changes to the Company's objectives and what it manages as capital since inception. The Company is not subject to externally imposed capital requirements.

AWAKN LIFE SCIENCES INC.

Notes to the Consolidated Financial Statements

For the period from April 27, 2020 (date of incorporation) to January 31, 2021

(Expressed in Canadian dollars, unless otherwise noted)

14. Subsequent events

The Company has evaluated subsequent events through May 7, 2021, the date the consolidated financial statements were available to be issued and identified the following subsequent event:

On March 3, 2021, the Company entered into a letter of intent with 1169082 BC Ltd. to complete a going public transaction by way of a reverse take-over ("RTO"). Pursuant to the RTO, the securities of the Company will be exchanged for the equivalent securities of the resulting issuer ("Resulting Issuer") on an economically equivalent basis. In connection with the completion of the RTO, it is intended that the Resulting Issuer will change its name to "Awakn Life Sciences Corp."

On March 8, 2021, the Company completed the acquisition of significant proprietary research data on next generation candidate MDMA and Ketamine molecules ("IP Assets") from Prof. David Nutt's Equasy Enterprises Ltd. for an aggregate purchase price of \$60,000, payable by the issuance of 50,000 common shares of the Company at a deemed price of \$1.20 per share. In the event that a patent is filed in the name of the Company for a next generation molecule that is created using the IP Assets, the Company shall issue the vendor an additional 50,000 common shares at a deemed price of \$1.20 per share. Subsequently, Awakn signed an amendment to the agreement with Equasy Enterprises Ltd., under which it agreed to issue Equasy Enterprises Ltd. up to an additional 280,000 shares upon the successful completion of certain milestones.

On March 19, 2021, the Company completed a non-brokered private placement raising gross proceeds of \$4,000,000 of convertible debenture units ("Unit"). Each Unit consisted of one \$1,000 principal amount unsecured convertible debenture, which shall be forced to convert upon a liquidity event ("Convertible Debenture"), and one half of one common share purchase warrant ("Warrant"). Each Convertible Debenture converts at the lesser of at 20% discount to a liquidity price event or \$1.20 per common share (the "Conversion Price"). Each Warrant shall be exercisable at a 50% premium to the Conversion Price for a period of twenty-four months commencing on the earlier of (i) the completion of the liquidity event; and (ii) twenty-four months from the date of issuance and ending, in any event, no more than four years from the date of issuance.

On April 20, 2021, in connection with the RTO, the Company entered into an engagement letter ("Engagement Letter") with Canaccord Genuity Corp. and Eight Capital (collectively, "Agents"), pursuant to which the Agents agreed to assist the Company to raise up to \$8,000,000 through the sale of up to 3,200,000 subscription receipts ("Subscription Receipt") at a price of \$2.50 per Subscription Receipt, or to raise up to \$9,200,000 if the financing agents option ("Financing Agents Option) is exercised in full ("Financing"). The Financing Agents Option is the option of the Agents, exercisable at any time prior to the closing of the Financing, to increase the size of the Financing by up to an additional 480,000 Subscription Receipts at a price of \$2.50 per Subscription Receipt, for additional gross proceeds of up to \$1,200,000. Each Subscription Receipt entitles the holder to receive one common share of the Resulting Issuer. The Company has agreed to pay the Agents a cash commission equal to 7% of the gross proceeds of the Financing. In addition, the Company will issue to the Agents such number of broker warrants ("Broker Warrant") as is equal to 7% of the aggregate Subscription Receipts sold under the Financing. Each Broker Warrant shall be exercisable at an exercise price of \$2.50 for a period of twenty-four months after the escrow release conditions contemplated in the Engagement Letter are satisfied. The Company has also agreed to pay the Agents an additional corporate finance fee equal to 3% of the gross proceeds of the Financing, payable in the common shares of the Resulting Issuer.

SCHEDULE F

MD&A of Awakn

for the period from April 27, 2020 (incorporation) to January 31, 2021

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AWAKN LIFE SCIENCES INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

**FOR THE PERIOD FROM APRIL 27, 2020 (DATE OF INCORPORATION)
TO JANUARY 31, 2021**

(Express in Canadian Dollars, unless otherwise noted)



Management's Discussion and Analysis

General

The following Management's Discussion and Analysis (the "**MD&A**") of the consolidated financial position and results of operations for Awakn Life Sciences Inc. ("Awakn", the "Company", "we" or "us") is prepared as at May 7, 2021, and is for the for the for the period from April 27, 2020 (date of incorporation) to January 31, 2021. It is supplemental to, and should be read in conjunction with the Company's consolidated financial statements and the accompanying notes for the period from April 27, 2020 (date of incorporation) to January 31, 2021 (the "**Financial Statements**"). This section may contain forward-looking information that involve numerous risks and uncertainties. The forward-looking information is not historical fact, but rather is based on the Company's current plans, objectives, goals, strategies, estimates, assumptions and projections about its industry, business and future financial results. Actual results could differ materially from those discussed in such forward-looking information. See "Forward-Looking Statements". All dollar figures included therein and in the following MD&A are expressed in Canadian dollars unless stated otherwise.

The Company's consolidated financial statements and the financial information contained in this MD&A are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the IFRS Interpretations Committee.

Forward-looking statements

Certain statements in this MD&A constitute forward-looking statements or information (collectively, "**Forward-Looking Information**"), which means disclosure regarding possible events, conditions, acquisitions, or results of operations that is based on assumptions about future conditions and courses of action and include future-oriented financial information with respect to prospective results of operations, financial position or cash flows that is presented either as a forecast or a projection, and also includes, but is not limited to, statements with respect to the future financial and operating performance of the Company. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "proposes", "expects", "is expected", "budget", "scheduled", "estimates", "potential", "strategies", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words or phrases, or statements that certain actions, events or results "could", "would", "might" or "will" be taken, occur or be achieved.

Forward-looking statements included or incorporated by reference in this MD&A include, but are not limited to, statements with respect to: (i) continued development of Company's business; (ii) the Company's growth strategy; (iii) regulatory and related approvals; and (iv) liquidity, working capital, and capital expenditures.

Forward-Looking Information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the Forward-Looking Information. As a result, actual actions, events or results may differ materially from those described in Forward-Looking Information, and there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended including, without limitation, those referred to elsewhere in the Prospectus under the heading "Risk Factors" and elsewhere. Although Forward-Looking Information contained in this MD&A is based upon what management of the Company believes are reasonable assumptions, the Company cannot assure investors that actual results will be consistent with the Forward-Looking Information.

Forward-Looking Information contained herein is as of the date of this MD&A, and the Company disclaims any obligation to update any Forward-Looking Information, whether as a result of new information, future events or results or otherwise, except as required by law. There can be no assurance that Forward-Looking Information will prove to be accurate, as actual results and future events could differ materially from those anticipated. Accordingly, readers should not place undue reliance on Forward-Looking Information due to the inherent uncertainty therein. Material risk factors that could cause actual results to differ materially from the Forward-Looking Information are contained under the heading "Risk Factors".

The discussion and analysis in this MD&A is based on information available to management as of May 7, 2021.



Description of Business

Awakn is a biotech company with clinics researching, developing, and delivering psychedelic medicine to treat addiction and other mental health conditions. Awakn's vision is to create a paradigm shift in mental health treatment, Awakn's mission is to integrate psychedelics into mainstream mental healthcare through research, digital, clinics and ecosystems, with a core focus on addiction, and Awakn's purpose is better mental health for more people.

Awakn has three strategic objectives: be a global leader in the research of psychedelic therapies and New Molecular Entity ("NME") drugs to treat Addiction; build the UK and EU's leading chain of medical psychedelic clinics; and scale its reach through its Partnership Ecosystem outside its core territories of the United Kingdom and the European Union.

Awakn is executing this strategy across two core workstreams of Research and Development ("R&D") and Delivery. Awakn's R&D activity is focused on Research, Digital, and Intellectual Property ("IP"), while Awakn's Delivery activity is focused on Clinics and a Partnerships Ecosystem.

The Company was incorporated under the Business Corporations Act (Ontario) on April 27, 2020. On June 1, 2020 the legal name of the Company changed its name from "Kaleido Life Sciences Inc." to "Awakn Life Sciences Inc." The Company's head and registered office is located at 200-366 Bay St., Toronto, ON, M5H 4B2.

COVID-19

COVID-19 is an infectious disease caused by severe acute respiratory syndrome coronavirus 2. Since December 31, 2019, the outbreak of COVID-19 has resulted in governments worldwide, including United Kingdom, the European Union, Canada and the United States, enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally, resulting in an economic slowdown. Such events may result in a period of business disruption, and in reduced operations, any of which could have a material adverse impact on the Company's profitability, results of operations, financial condition and the trading price of the Company's securities. Governments and central banks have reacted to the COVID-19 pandemic with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 pandemic is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company.

To date, a number of businesses have suspended or scaled back their operations and development as cases of COVID-19 have been confirmed, for precautionary purposes or as governments have declared a state of emergency or taken other actions. If the operation or development of one or more of the Company's clinics is suspended or scaled back, or if its supply chains are disrupted, it may have a material adverse impact on the Company's profitability, results of operations, financial condition and the trading price of the Company's securities. To the extent that the Company's management or other personnel are unavailable to work due to the COVID-19 pandemic, whether due to illness, government action or otherwise, it may have a material adverse impact on the Company's profitability, results of operations, financial condition and the trading price of the Company's securities. The breadth of the impact of the COVID-19 pandemic on investors, businesses, the global economy and financial and commodity markets may also have a material adverse impact on the Company's profitability, results of operations, financial conditions and the trading price of the Company's securities.

The Company continues to monitor the current operating environment imposed by the pandemic and will take a proactive approach to addressing challenges and restrictions.



Operational Highlights and Business Developments

On June 16, 2020, Awakn, Dr. Ben Sessa and Awakn Bristol entered into an investment agreement (the "Awakn Bristol Investment Agreement") to acquire from Dr. Sessa an interest in Awakn Bristol (the "Awakn Bristol Acquisition"). In connection with the Awakn Bristol Acquisition, the parties to the Awakn Bristol Agreement entered into a shareholders' agreement (together with the Awakn Bristol Investment Agreement, collectively the "Awakn Bristol Acquisition Arrangements"). Pursuant to the Awakn Bristol Acquisition Arrangements, effective November 30, 2020, Awakn acquired a 51% interest in Awakn Bristol for (i) cash consideration of £325,000 paid in two installments (as to £74,000 paid on July 9, 2020 and as to £250,330 paid on November 30, 2020); and (ii) the issue of 3,000,000 Awakn Shares with a fair value of \$60,000 at \$0.02 per Awakn Share (issued on July 6, 2020). Pursuant to the Awakn Bristol Acquisition Arrangements, Awakn has the option to acquire Dr. Sessa's remaining 49% ownership interest in Awakn Bristol by paying Dr. Sessa the greater of \$2,000,000 and the fair value, determined in accordance with the terms of the Awakn Bristol Acquisition Arrangements (the "Awakn Bristol Option"). Awakn may only exercise the Awakn Bristol Option upon completion of a liquidity event. Under the Awakn Bristol Acquisition Arrangements, Dr. Sessa has a put option to force Awakn to acquire his 49% ownership interest in Awakn Bristol which may only be exercised in conjunction with a liquidity event. The Transaction qualifies as a liquidity event for the purposes of the Awakn Bristol Acquisition Arrangements. All Awakn Bristol Option payments are payable in Awakn Shares. At the time of the entering into of the Awakn Bristol Investment Agreement, Dr. Sessa, now the Chief Medical Officer, a director of Awakn and a member of the scientific advisory board of Awakn, was at arm's length with Awakn.

During the period from July through September, the Company formed a scientific advisory board, with Professor David Nutt as the chair. The Company also had Professor Matthew Johnson, Professor Celia Morgan, Dr. Michael Mithoefer and Ann Mithoefer join as members of its scientific advisory board.

On September 2, 2020, the Company signed a lease for its first clinic, which is located at 1 Regent Street, Bristol, BS8 4HW, United Kingdom.

On November 30, 2020, Awakn completed its seed round financing, raising gross proceeds of \$1,000,000.

On December 18, 2020, Awakn appointed Professor Celia Morgan as Ketamine-Assisted Psychotherapy for Alcohol Use Disorder Leader.

In January, 2021, Awakn appointed James Collins as Chief Operating Officer and also appointed Dr. Shaun McNulty as Chief Science Officer.

On February 1, 2021, Awakn signed a consulting agreement with PRAH a clinical research organization, to co-deliver its Phase IIb clinical trial using MDMA to treat AUD. On February 18, 2021, the Journal of Psychopharmacology published the first safety and tolerability of MDMA assisted psychotherapy in patients with alcohol use disorder.

On March 1, 2021, Awakn acquired from the University of Exeter an exclusive licence to use and deliver the Ketamine in the Reduction of Alcoholic Relapse psychotherapy intervention, as validated in a Phase II clinical trial led by the University of Exeter. The research will allow Awakn to treat patients with a research backed treatment for AUD.

On March 3, 2021, the Company entered into a letter of intent with 1169082 BC Ltd. to complete a going public transaction by way of a reverse take-over ("RTO"). Pursuant to the RTO, the securities of the Company will be exchanged for the equivalent securities of the resulting issuer ("Resulting Issuer") on an economically equivalent basis. In connection with the completion of the RTO, it is intended that the Resulting Issuer will change its name to "Awakn Life Sciences Corp."

On March 8, 2021, Awakn acquired from Equasy Enterprises, a company established and controlled by Professor David Nutt, proprietary research data, to facilitate the identification and development of next generation candidate



MDMA and ketamine-like molecules. The data acquired provides significant insights into the basic pharmacological mechanisms of action for MDMA.

On March 8, 2021, Awakn appointed Professor David Nutt as Head of Research, to pursue new molecular entities based on the research acquire from Equasy Enterprises.

On March 19, 2021, the Company completed a non-brokered private placement raising gross proceeds of \$4,000,000 of convertible debenture units ("Unit"). Each Unit consisted of one \$1,000 principal amount unsecured convertible debenture, which shall be forced to convert upon a liquidity event ("Convertible Debenture"), and one half of one common share purchase warrant ("Warrant"). Each Convertible Debenture converts at the lesser of at 20% discount to a liquidity price event or \$1.20 per common share (the "Conversion Price"). Each Warrant shall be exercisable at a 50% premium to the Conversion Price.

On April 20, 2021 Awakn, Canaccord Genuity Corp. and Eight Capital entered into an engagement letter in connection with a financing to raise up to \$8,000,000 on a commercially reasonable efforts basis, as well as an option to increase the size of the offering by up to \$1,200,000.

Factors Affecting the Company's Performance

The Company's performance and future success depends on a number of factors. These factors are also subject to a number of inherent risks and challenges, some of which are discussed below. See "Forward-Looking Statements" and "Risk Factors" elsewhere in the Joint Information Circular.

Selected Financial Information and Results of Operations

Key financial statement items are summarized in the tables below:

	From April 27, 2020 (date of incorporation) to January 31, 2021
	(\$)
Revenue	-
Net loss	(1,106,395)
Net comprehensive loss	(1,105,785)
Net loss per share	(0.09)

	As at January 31, 2021
	(\$)
Total assets	825,488
Working capital	234,945
Total non-current liabilities	118,434
Cash dividends declared	Nil

Since inception, the Company has incurred losses while advancing its business plan. The comprehensive loss for the period from April 27, 2020 (date of incorporation) to January 31, 2021 was \$1,105,785, of which \$161,471 was allocated towards a non-controlling interest. The loss was primarily due to general and administrative expenses of \$500,050 and transaction costs of \$470,726, related to the acquisition of Awakn Bristol.

At January 31, 2021, the Company had not yet achieved profitable operations, has accumulated losses since its inception and expects to incur further losses in the development of its business, all of which cast significant doubt about the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent upon its ability to generate future profitable operations and/or to obtain the necessary financing to



conduct its planned business, meet its on-going levels of corporate overhead and discharge its liabilities as they come due. The Company has been successful in raising funds, therefore, the Company's ability to obtain additional financing is enough to assume that the Company will continue as a going concern, however there is no certainty this will occur in the future at terms acceptable to the Company.

Results of Operations

Expenses

The following table presents selected financial results related to the Company's expenses:

	From April 27, 2020 (date of incorporation) to January 31, 2021
	(\$)
General and administration	500,049
Sales and marketing	77,382
Stock-based compensation	39,870
Depreciation and amortization	12,924
Transaction costs	470,726

The transaction costs of \$470,726 incurred related to the acquisition of Awakn Bristol, as discussed above. Sales and marketing costs of \$74,040 related to certain PR costs incurred as well as costs associated with website development. General and administrative expenses are provided in additional detail below:

	From April 27, 2020 (date of incorporation) to January 31, 2021
	(\$)
Salaries, wages and consulting	236,401
Professional fees	213,327
Office and general	50,322
Total	500,050

The largest component of the general and administrative costs related to salaries, wages and consulting fees of \$236,401, represents the costs paid for the UK operational team as well as officers of the Company. Professional fees of \$213,327 largely consist of investor relations fees, legal fees, audit fees, recruitment fees and other services service providers.

Liquidity and Capital Resources

The Company's total cash balance as at January 31, 2021 was \$366,065. For the period from April 27, 2020 (date of incorporation) to January 31, 2021, cash flows used in operating activities were \$472,889 due to the Company's focus on setting up the Company's initial operations for the clinic, strategically planning out its R&D and technology platforms, and other working capital items. The Company expects improvements to operating cash flow when the Company commences the provision of services upon opening of its first clinic in 2021. The Company also spent \$201,346 on the acquisition of property and equipment, largely related to leasehold improvements for its first clinic in Bristol.

As at January 31, 2021, the Company's total working capital was \$234,945. The Company expects to be able to meet its on-going obligations primarily through capital raises and the issuance of equity until such time that revenue can be generated through its clinical operations. To date, the Company has been able to raise capital through private



placements that will fund the Company’s planned growth and development activities. As at January 31, 2021, the Company has no long term debt obligations with working capital liabilities limited to trade payables and lease liabilities for its Bristol clinic.

Subsequent to January 31, 2021, on March 19, 2021, the Company completed a non-brokered private placement raising gross proceeds of \$4,000,000 of convertible debenture units (“Unit”). Each Unit consisted of one \$1,000 principal amount unsecured convertible debenture, which shall be forced to convert upon a liquidity event (“Convertible Debenture”), and one half of one common share purchase warrant (“Warrant”). Each Convertible Debenture converts at the lesser of at 20% discount to a liquidity price event or \$1.20 per common share (the “Conversion Price”). Each Warrant shall be exercisable at a 50% premium to the Conversion Price.

The issuance of the convertible debenture units significantly enhanced the Company’s working capital, and will be used towards the ongoing operations of the business (see the sections Milestones and Narrative Description of the Business elsewhere in the Joint Information Circular for further details).

The Company’s objective when managing capital are to safeguard the Company’s ability to continue as a going concern and ensure sufficient liquidity in order to provide adequate returns for shareholders. The Company does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company’s management to sustain future development of the business. The Company manages its capital structure and makes adjustments in light of the changes in its economic environment and the risk characteristics of the Company’s assets.

Management believes that current available funds, as well as the option to raise funds through the issuance of shares, will allow the Company to satisfy its requirements for investment and working capital management.

Outstanding share data

The Company’s authorized share capital consists of an unlimited number of common shares without par value. For information regarding outstanding share capital of the Company, please see the table presented below as at May 7, 2021.

Common shares	17,483,334
Options	1,585,000
Warrants ⁽¹⁾	1,769,792
Convertible debentures ⁽¹⁾	3,333,333
Fully diluted share capital	24,171,459

(1) Assumes conversion of the convertible debentures at \$1.20.

The objective of the Company is to generate a return on investment to shareholders through capital appreciation. The Company intends to reinvest future earnings, if any, into operations to finance expansion of the business and does not intend to pay dividends in the foreseeable future.

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements from the date of its incorporation to the date of this MD&A.

Related Party Transactions

Parties are considered related if the party has the ability, either directly or indirectly, to control the other party or exercise significant influence over the other party in making operating and financial decisions. This would include the Company’s senior management. Parties are also related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities. A transaction is a related party



transaction when there is a transfer of resources or obligations between related parties. Unless otherwise stated, none of the transactions incorporated special terms and conditions and no guarantees were given or received. During the period from April 27, 2020 (date of incorporation) to January 31, 2021, the Company had the following related party transactions:

- (a) On July 9, 2020, the Company acquired a controlling interest in Bristol from Dr. Sessa, a director and officer of the Company for cash investment of £325,000 (equivalent to \$561,687) and issuance of 3,000,000 common shares of the Company with a fair value of \$60,000 at \$0.02 per share to Dr. Sessa.
- (b) Key management includes directors and officers of the Company. Compensation awarded to key management was comprised of the following for the period ended January 31, 2021:

	Period from incorporation to January 31, 2021	
Short-term	\$	150,283
Share-based payments		7,606
Total	\$	157,889

- (c) As at January 31, 2021, a balance of \$11,080 was due from related parties, which was included in other receivables on the consolidated statement of financial position. A portion of the balance was an unsecured, interest-free loan made to a director of the Company on July 9, 2020 and it is repayable in 20 monthly installments of \$500 per month. The remaining balance is non-interest bearing, unsecured and repayable on demand.

Significant Accounting Policies and Judgements

See *note 3* of the Financial Statements for period from April 27, 2020 (date of incorporation) to January 31, 2021 for more information.

Changes in Accounting Policies Including Initial Adoption

See *note 3* of the Financial Statements for the period from April 27, 2020 (date of incorporation) to January 31, 2021 for more information.

Financial Instruments

See *note 10* of the Financial Statements for the period from April 27, 2020 (date of incorporation) to January 31, 2021 for more information.

Subsequent Events

On March 8, 2021, the Company completed the acquisition of significant proprietary research data on next generation candidate MDMA and Ketamine molecules (“IP Assets”) from Prof. David Nutt’s Equasy Enterprises Ltd. for an aggregate purchase price of \$60,000, payable by the issuance of 50,000 common shares of the Company at a deemed price of \$1.20 per share. In the event that a patent is filed in the name of the Company for a next generation molecule that is created using the IP Assets, the Company shall issue the vendor an additional 50,000 common shares at a deemed price of \$1.20 per share. Subsequently, Awakn signed an amendment to the agreement with Equasy Enterprises, under which it agreed to issue Equasy Enterprises up to an additional 280,000 shares upon the successful completion of certain milestones.

On March 19, 2021, the Company completed a non-brokered private placement raising gross proceeds of \$4,000,000



of convertible debenture units (“Unit”). Each Unit consisted of one \$1,000 principal amount unsecured convertible debenture, which shall be forced to convert upon a liquidity event (“Convertible Debenture”), and one half of one common share purchase warrant (“Warrant”). Each Convertible Debenture converts at the lesser of at 20% discount to a liquidity price event or \$1.20 per common share (the “Conversion Price”). Each Warrant shall be exercisable at a 50% premium to the Conversion Price.

On April 20, 2021 Awakn, Canaccord Genuity Corp. and Eight Capital entered into an engagement letter in connection with a financing to raise up to \$8,000,000 on a commercially reasonable efforts basis, as well as an option to increase the size of the offering by up to \$1,200,000.

Risk Factors

There are various risk factors that could cause the Company’s future results to differ materially from those described in this MD&A. The risks and uncertainties described below are those the Company currently believes to be material, but they are not the only ones the Company faces. If any of the following risks, or any other risks and uncertainties that the Company has not yet identified or that it currently considers not to be material, actually occur or become material risks, the Company’s business, financial condition, results of operations and cash flows, and consequently the price of the Shares, could be materially and adversely affected. See “Risk Factors” in the Joint Information Circular.

SCHEDULE G

Audited Financial Statements of 116 BC

for the financial year ended May 31, 2020 and the period from June 21, 2018 (incorporation) to May 31, 2019

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1169082 B.C. LTD.

CONSOLIDATED FINANCIAL STATEMENTS

(Audited)

For the year ended May 31, 2020 and the period from June 21, 2018 (incorporation) to May 31, 2019

(Expressed in Canadian Dollars)

UNIT# 168
4300 NORTH FRASER WAY
BURNABY, BC, V5J 5J8

T: 604.318.5465
F: 778.375.4567



INDEPENDENT AUDITOR'S REPORT

To: the Shareholders of
1169082 B.C. Ltd.

Opinion

I have audited the financial statements of 1169082 B.C. Ltd. (the "Company"), which comprise the consolidated statements of financial position as at May 31, 2020 and May 31, 2019, and the consolidated statements of loss and comprehensive loss, consolidated statements of cash flows and consolidated statements of changes in equity for the year ended May 31, 2020 and for the period from the date of incorporation June 21, 2018 to May 31, 2019, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as at May 31, 2020 and May 31, 2019, and its financial performance and its cash flow for the year ended May 31, 2020 and for the period from the date of incorporation June 21, 2018 to May 31, 2019 in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

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

Material Uncertainty Related to Going Concern

I draw attention to Note 2 in the consolidated financial statements, which indicates that the Company incurred a net loss of \$11,358 during the period ended May 31, 2020 and, as of that date, the Company had not yet achieved profitable operations, had accumulated losses of \$18,207 since its inception, and expects to incur further losses in the development of its business. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. My opinion is not modified in respect of this matter.

Other Information

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

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

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

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

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

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

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

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

My objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if,

individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Adam Kim, CPA, CA.

“Adam Sung Kim Ltd.”
Chartered Professional Accountant

Unit# 168 – 4300 North Fraser Way
Burnaby, BC, Canada V5J 5J8
September 9, 2020

1169082 B.C. Ltd.

Consolidated Statements of Financial Positions

As at May 31, 2020 and May 31, 2019

(Expressed in Canadian dollars)

	Note	May 31, 2020 \$	May 31, 2019 \$
Assets		-	-
Liabilities			
Accounts payable and accrued liabilities	4	11,356	5,497
Due to related parties		5,851	352
Current and Total Liabilities		17,207	5,849
Shareholders' Deficiency			
Share Capital	5	1,000	1,000
Deficit		(18,207)	(6,849)
Total Shareholders' Deficiency		(17,207)	(5,849)
Total Liabilities and Shareholders' Deficiency		-	-

Nature and Continuance of Operations (Note 1)

Plan of Arrangement (Note 7)

Approved and authorized for dissemination by the Board of Directors on September 9, 2020

/s/ J. Scott Munro

Director and CEO/CFO

The accompanying notes are integral to these financial statements.

1169082 B.C. Ltd.

Consolidated Statements of Loss and Comprehensive Loss

For the year ended May 31, 2020 and the period from June 21, 2018 (incorporation) to May 31, 2019

(Expressed in Canadian dollars)

	For the year ended May 31, 2020 \$	For the period from June 21, 2018 (inception) to May 31, 2019 \$
Operating Expenses:		
Professional fees	9,568	3,500
Transfer Agent & Filing Fees	158	1,997
Management fees	1,500	-
General and administration	132	1,352
Net loss and total comprehensive loss for the period	(11,358)	(6,849)
Basis and diluted loss per common share	(0.00)	(0.01)
<i>Weighted average number of common shares outstanding</i>	<i>8,502,104</i>	<i>790,893</i>

The accompanying notes are integral to these consolidated financial statements.

1169082 B.C. Ltd.

Consolidated Statements of Shareholders' Deficiency

For the year ended May 31, 2020 and the period from June 21, 2018 (incorporation) to May 31, 2019

(Expressed in Canadian dollars, except the number of shares)

	Common Shares		Deficit \$	Total \$
	Number	Share Capital \$		
Issuance of incorporator shares	100	1	-	1
Cancellation of incorporator shares under arrangement	(100)	(1)	-	(1)
Plan of arrangement distribution	8,502,104	1,000	-	1,000
Loss for the period	-	-	(6,849)	(6,849)
Balance, May 31, 2019	8,502,104	1,000	(6,849)	(5,849)
Balance, June 1, 2019	8,502,104	1,000	(6,849)	(5,849)
Loss for the year	-	-	(11,358)	(11,358)
Balance, May 31, 2020	8,502,104	1,000	(18,207)	(17,207)

The accompanying notes are integral to these consolidated financial statements.

1169082 B.C. Ltd.

Consolidated Statements of Cash Flows

For the year ended May 31, 2020 and the period from June 21, 2018 (incorporation) to May 31, 2019

(Expressed in Canadian dollars)

	For the year ended May 31, 2020 \$	For the period from June 21, 2018 (inception) to May 31, 2019 \$
Cash flows from operating activities		
Loss for the period	(11,358)	(6,849)
Non-cash items:		
Plan of arrangement	-	1,000
Change in non-cash working capital items:		
Accounts payable and accrued liabilities	5,859	5,497
Cash used in operating activities	(5,499)	(352)
Cash flows from financing activities		
Advances from related parties	5,499	352
Cash provided by financing activities	5,499	352
Net change in cash and cash equivalents for the period	-	-
Cash and cash equivalents, beginning of period	-	-
Cash and cash equivalents, end of period	-	-

Non-Cash Transactions:

Share issued under plan of arrangement

\$1,000

Supplementary information			
Cash paid for interest	\$	-	\$ -
Cash paid for income taxes	\$	-	\$ -

The accompanying notes are integral to these financial statements.

1169082 B.C. LTD.

Notes to the Consolidated Financial Statements

May 31, 2020

(Expressed on Canadian dollars)

1. Nature and Continuance of Operations

1169082 B.C. Ltd. (the "Company") was incorporated as a wholly-owned subsidiary of reporting issuer Hemagenetics Technologies Corp. ("HTC") on June 21, 2018 under the laws of British Columbia, Canada. The Company's head office is located at 5728 East Boulevard, Vancouver, BC V6M 4M4.

The Company's business is the healthcare sector.

2. Basis of Presentation

a. Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). These consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information. Significant accounting policies are described in the Note 3. Significant accounting estimates, judgments and assumptions used or exercised by management in the preparation of these consolidated financial statements are presented below.

b. Basis of consolidation

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiary, 1233705 B.C. Ltd. 1233705 B.C. Ltd was incorporated under the British Columbia Business Corporations Act on December 13, 2019.

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company has power over the investee, is exposed or has rights to variable returns from its involvement with the investee; and has the ability to use its power to affect its returns. The Company reassess whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Wholly-owned subsidiaries are entities controlled by the Company and where the parent owns 100% of the shares. The financial statements of wholly-owned subsidiaries are included in the Company's consolidated financial statements from the date that control commences until the date that control ceases.

All intercompany balances and transactions, and any revenues and expenses arising from intercompany transactions are eliminated in preparing the consolidated financial statements.

1169082 B.C. LTD.

Notes to the Consolidated Financial Statements

May 31, 2020

(Expressed on Canadian dollars)

2. Basis of Presentation (continued)*c. Going-concern basis of presentation*

These consolidated financial statements have been prepared using the historical cost convention except for some financial instruments that have been measured at fair value. All monetary references expressed in these notes are references to Canadian dollar amounts (“\$”).

Consolidated Financial statements are required to be prepared on a going-concern basis unless management either intends to liquidate the Company or cease trading, or has no realistic alternative but to do so. The development of the Company’s business may take many years to be successful, if ever, and the amount of resulting income, if any, is difficult to determine with any certainty.

As of May 31, 2020, the Company had not yet achieved profitable operations, had no profits and an accumulated deficit of \$18,207 since incorporation and expects to incur further losses and working capital deficits in the development of its business, all of which casts material uncertainty about the Company’s ability to continue as a going concern.

In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to twelve months from the end of the reporting period. Management is aware, in making its assessment, of material uncertainties related to events and conditions that may cast a significant doubt upon the Company's ability to continue as a going concern as described above, and accordingly, the appropriateness of the use of accounting principles applicable to a going concern. These financial statements do not include any adjustments relating to the realization of assets and liquidation of liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

1169082 B.C. LTD.

Notes to the Consolidated Financial Statements

May 31, 2020

(Expressed on Canadian dollars)

2. Basis of Presentation (continued)*c. Significant accounting judgments and estimates*

The preparation of these consolidated financial statements in conformity with IFRS that requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of expenses during the period. Actual results could differ from these estimates.

These consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the reporting date that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

(i) Ability to continue as a going-concern

Management assesses the Company's ability to continue as a going-concern at each reporting date, using all quantitative and qualitative information available. This assessment, by its nature, relies on estimates of future cash flows and other future events (as discussed in Note 1), whose subsequent changes could materially impact the validity of such an assessment.

(ii) Impairment of financial assets

The carrying value and the recoverability of financial assets, which are included in the statements of financial position are assessed at each reporting date to determine recoverability and whether there are any indications of impairment.

The Company considers both internal and external sources of information when making the assessment of whether there are indications of impairment for the Company's financial assets. External sources of information considered are changes in the Company's economic, legal and regulatory environment which it does not control but affect the recoverability of its financial assets. Internal sources of information the Company considers include the manner in which intangible asset are being used or are expected to be used and indications of economic performance of the assets.

1169082 B.C. LTD.

Notes to the Consolidated Financial Statements

May 31, 2020

(Expressed on Canadian dollars)

2. Basis of Presentation (continued)*c. Significant accounting judgments and estimates (continued)**(iii) Income taxes*

The Company operates in British Columbia, Canada and subject to its provincial corporate tax rates and rules of taxation. The Company calculates deferred income taxes based upon temporary differences between the assets and liabilities that are reported in its consolidated financial statements and their tax bases as deferred tax assets or liabilities, when applicable, as determined under applicable tax legislation.

The future realization of deferred tax assets can be affected by many factors, including: current and future economic conditions, net realizable fair market value, and can either be increased or decreased where, in the view of management, such change is warranted. No deferred tax assets have been deemed probable to date.

3. Significant Accounting Policies

The accounting policies set out below are in effect for the year ended May 31, 2020 and the period from June 21, 2018 (incorporation) to May 31, 2019 and have been applied consistently to all periods presented in these consolidated financial statements.

a. Cash and cash equivalents -

Cash and cash equivalents are comprised of cash in banks, and all short-term investments that are highly liquid in nature, cashable, and have an original maturity date of three months or less.

The Company has no cash equivalents as of May 31, 2020 or prior period.

b. Deferred income taxes -

Deferred income tax assets and liabilities are recognized for deferred income tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred income tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized, or the liability settled. The effect on deferred income tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment occurs. To the extent that the Company does not consider it more likely than not that a deferred income tax asset will be recovered, the deferred income tax assets is reduced. Deferred income tax assets and liabilities are offset only if a legally enforceable right exists to offset current tax assets against liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

1169082 B.C. LTD.

Notes to the Consolidated Financial Statements

May 31, 2020

*(Expressed on Canadian dollars)***3. Significant Accounting Policies (continued)***c. Financial instruments -**(i) Classification*

The Company classifies its financial instruments in the following categories: at fair value through profit and loss (“FVTPL”), at fair value through other comprehensive income (loss) (“FVTOCI”) or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company’s business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has opted to measure them at FVTPL.

The following table shows the classification under IFRS 9:

<u>Asset / Liability</u>	<u>Classification</u>	<u>Subsequent measurement</u>
Accounts payable	Other financial liabilities	Amortized cost

*(ii) Measurement*Financial assets at FVTOCI

Elected investments in equity investments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses recognized in other comprehensive income (loss).

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transactions costs expensed in the statements of net (loss) income. Realized and unrealized gains or losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statements of net (loss) income. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statements of net (loss) income in the period in which they arise.

1169082 B.C. LTD.

Notes to the Consolidated Financial Statements

May 31, 2020

(Expressed on Canadian dollars)

3. Significant Accounting Policies (continued)

c. Financial instruments – (Continued)

(iii) Impairment of financial assets at amortized cost

The Company recognized a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the statements of net (loss) income, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

(iv) Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the statements of net (loss) income. However, gains and losses on derecognition of financial assets classified as FVTOCI remain within accumulated other comprehensive income (loss).

Financial liabilities

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. Generally, the difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in the statements of net (loss) income.

d. Impairment of financial assets -

Financial assets, other than those at fair value through profit or loss (FVTPL), are assessed for indicators of impairment at each period end.

Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

Objective evidence of impairment could include the following:

- significant financial difficulty of the Company or counterparty;
- default or delinquency in interest or principal payments; or
- it has become probable that the borrower will enter bankruptcy or financial reorganization.

1169082 B.C. LTD.

Notes to the Consolidated Financial Statements

May 31, 2020

(Expressed on Canadian dollars)

3. Significant Accounting Policies (continued)

d. *Impairment of financial assets – (continued)*

For financial assets carried at amortized cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the financial asset's original effective interest rate.

The carrying amount of all financial assets, excluding trade receivables, is directly reduced by the impairment loss. The carrying amount of trade receivables is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

With the exception of available-for-sale (AFS) equity instruments, if, in a subsequent period, the amount of the impairment loss decreases, and the decrease relates to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss. On the date of impairment reversal, the carrying amount of the financial asset cannot exceed its amortized cost had impairment not been recognized.

e. *Impairment of non-financial assets -*

The carrying amounts of non-financial assets are reviewed for impairment at each reporting date, or whenever events or changes in circumstances indicate the carrying amounts may not be recoverable. If there are indicators of impairment, a review is undertaken to determine whether the carrying amounts are in excess of their recoverable amounts. Reviews are undertaken on an asset-by-asset basis. If the carrying amount of a non-financial asset exceeds the recoverable amount, being the higher of its fair value less costs to sell and its value-in-use, an impairment loss is recognized in net earnings as the excess of the carrying amount over the recoverable amount.

Where the recoverable amount is assessed using discounted cash flow techniques, the resulting estimates are based on detailed production plans. The mine plan is the basis for forecasting production output in each future year and for forecasting production costs. For value-in-use calculations, production costs and output may be revised to reflect the continued use of the asset in its present form.

Non-financial assets that have suffered an impairment are tested for a possible reversal of the impairment whenever events or changes in circumstances indicate that the impairment may have reversed. In these instances, the impairment loss is reversed to the recoverable amount but not beyond the carrying amount, net of amortization, that would have arisen if the prior impairment loss had not been recognized. Goodwill impairments are not reversed.

1169082 B.C. LTD.

Notes to the Consolidated Financial Statements

May 31, 2020

(Expressed on Canadian dollars)

3. Significant Accounting Policies (continued)f. *Share capital -*

Common shares are classified as equity. Incremental costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity, net of any tax effects.

Preference share capital is classified as equity if it is non-redeemable, or redeemable only at the Company's option, and any dividends are discretionary. Dividends thereon are recognized as distributions within equity upon approval by the Company's shareholders. Preference share capital is classified as a liability if it is redeemable on a specific date or at the option of the shareholders, or if dividend payments are not discretionary. Dividends thereon are recognized as interest expense in profit or loss as accrued.

g. *Loss per share -*

Basic loss per share is computed by dividing the net comprehensive loss available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted loss per share is computed similar to basic loss per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive.

The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods.

h. *Provisions -*

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. The increase in the obligation due to the passage of time is recognized as finance expense. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received, and the amount receivable can be measured reliably.

1169082 B.C. LTD.

Notes to the Consolidated Financial Statements

May 31, 2020

(Expressed on Canadian dollars)

3. Significant Accounting Policies (continued)

i. New standards and interpretations not yet applied -

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. In the current circumstances, it does not expect any of these to have a material impact on the consolidated financial statements.

IFRS 16 – Leases

IFRS 16 “Leases” is effective for annual reporting periods beginning on or after 1 January 2019 and establishes principles for the recognition, measurement, presentation and disclosure of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. However, lessees are no longer classifying leases as either operating leases or finance leases as it is required by IAS 17. The standard is effective for annual periods beginning on or after January 1, 2019. The Company has adopted IFRS 16 and the adoption had no material impact on the consolidated financial statements.

Conceptual Framework

On March 29, 2018, the IASB issued its revised Conceptual Framework for Financial Reporting. The revised Conceptual Framework does not constitute a substantial revision from the previously effective guidance, but does provide additional guidance on topics not previously covered such as presentation and disclosure. This amendment is effective on January 1, 2020. The Company intends to adopt this amendment in its financial statements for the annual period beginning June 1, 2020. The adoption of the revised Conceptual Framework for Financial Reporting is not expected to have a material impact on the consolidated financial statements.

Definition of a Business

On October 22, 2018, the IASB issued a narrow scope amendment to IFRS 3. This amendment narrowed and clarified the definition of a business, as well as permitted a simplified assessment of whether an acquired set of activities and assets is a group of assets rather than a business. This amendment is effective on January 1, 2020 and is to be applied prospectively. The Company intends to adopt the amendment to IFRS 3 in its consolidated financial statements for the annual period beginning June 1, 2020. The adoption of the amendment to IFRS 3 is not expected to have a material impact on the consolidated financial statements.

1169082 B.C. LTD.

Notes to the Consolidated Financial Statements

May 31, 2020

*(Expressed on Canadian dollars)***4. Accounts Payable and Accrued Liabilities**

As at	May 31, 2020 \$	May 31, 2019 \$
Accounts payable	7,856	1,997
Accrued liabilities	3,500	3,500
	11,356	5,497

5. Share Capital

- Authorized — Unlimited Common shares, without par value
 — Unlimited Preferred shares, without par value

Issued and Outstanding: 8,502,104 common shares as of May 31, 2020 and May 31, 2019

Reserved for issuance: nil (see Note 7)

On April 29, 2019, pursuant to the Arrangement, the Company issued 8,502,104 common shares to qualifying shareholders of Hemagenetics Technologies Corp. (“HTC”) for the mandatory redemption of Class A - preferred shares. The 100 incorporator shares held by HTC were returned to treasury and cancelled to close off the Arrangement. (see Notes 6 and 7)

6. Related Party Transactions

On April 29, 2019, pursuant to the Arrangement, the Company issued 8,502,104 common shares to qualifying shareholders of HTC. (See Notes 5 and 7)

During the year ended May 31, 2020, the following transactions occurred with a related party:

	Year ended May 31, 2020 \$	Period ended May 31, 2019 \$
Key management transactions:		
Management fees to the director of the Company	1,500	-
Professional fees to a company related to the director of the Company	3,999	-

1169082 B.C. LTD.

Notes to the Consolidated Financial Statements

May 31, 2020

(Expressed on Canadian dollars)

7. Plan of Arrangement

On June 26, 2018, the Company entered into a statutory arrangement with HemaGenetics Technologies Corp. (“HTC”) under a plan of arrangement pursuant to an arrangement agreement (the “Arrangement”) entered into between the Company, HTC, 1169032 B.C. Ltd., 1169071 B.C. Ltd., 1169077 B.C. Ltd., Mucho Cobre Resources Ltd. (formerly, 1169080 B.C. Ltd.), and Agri Tech International Inc. (formerly, 1169029 B.C. Ltd. Under the Arrangement, the effective date for the Arrangement can be set separately as between HTC and each of the other parties to the Arrangement. The Arrangement received final B.C. supreme court approval on July 19, 2018.

Effective April 29, 2019, the Company issued 8,502,104 common shares with an aggregate fair value of \$1,000 to eligible from HTC shareholders of record on October 15, 2018 and HTC returned its 100 incorporator shares to the Company treasury to complete the Arrangement. As a result of the Company was spun out (divested) from HTC and as a result the Company became a reporting issuer in the Provinces of Alberta and British Columbia. HTC invoiced the Company \$1,000 for Arrangement related services that was offset against the deposit owing from HTC.

8. Letter of intent

On November 15, 2019, the Company entered into a non-binding letter of intent with Greeny Collaboration Group (Canada) Inc. (“Greeny”), which sets out the terms and conditions relating to a proposed transaction pursuant to which the Company would acquire the business of Greeny. Following completion of the Transaction, the Company would continue to carry on the business of Greeny. The LOI has been terminated during the year ended May 31, 2020.

9. Capital Disclosures

The Company defines its capital as shareholders’ equity. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the business development. The Board of Directors do not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company’s management to sustain future development of the business. As such, the Company has historically relied on the equity markets to fund its activities. In addition, the Company is dependent upon external financings to fund activities.

In order to carry out planned exploration and pay for administrative costs, the Company will need to raise additional funds. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

1169082 B.C. LTD.

Notes to the Consolidated Financial Statements

May 31, 2020

*(Expressed on Canadian dollars)***10. Financial Instruments**

The Company has classified its financial instruments as follows:

<u>Asset / Liability</u>	<u>Classification</u>	<u>Subsequent measurement</u>
Accounts payable	Other financial liabilities	Amortized cost

The Company's financial instruments measured at fair value on the statement of financial position consist of cash and cash equivalents. Cash and cash equivalents are measured at level 1 of the fair hierarchy. The carrying value of accounts payable and accrued liabilities approximate their fair value because of the relatively short-term nature of these instruments.

There are three levels of the fair value hierarchy as follows:

Level 1: Values based on unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities.

Level 2: Values based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability.

Level 3: Values based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement.

The fair value of the Company's financial instruments has been classified within the fair value hierarchy as at May 31, 2020 as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Financial Assets				
Cash	—			
	—			

The Company had no cash equivalents as of May 31, 2020 and 2019.

1169082 B.C. LTD.

Notes to the Consolidated Financial Statements

May 31, 2020

(Expressed on Canadian dollars)

10. Financial Instruments (continued)

The Company is exposed to varying degrees to a variety of financial instrument related risks:

Credit risk

The Company is not exposed to credit risk. The Company's cash will be held in large Canadian financial institutions. The Company does not have any asset-backed commercial paper. The Company will maintain cash deposits with Schedule A financial institutions, which from time to time may exceed federally insured limits. The Company is not exposed to any potential credit losses.

Interest rate risk

Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and liabilities with variable interest rates expose the Company to cash flow interest rate risk. The Company does not hold any financial liabilities with variable interest rates. The Company does maintain bank accounts which earn interest at variable rates but it does not believe it is currently subject to any significant interest rate risk.

Liquidity risk

The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances and through short-term borrowing. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities.

Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments.

11. Segmented Information

The Company operates in one reportable operating segment, being in the development of payment processing technology for the Technology Sector in Canada. As the operations comprise a single reporting segment, amounts disclosed also represent segment amounts.

1169082 B.C. LTD.

Notes to the Consolidated Financial Statements

May 31, 2020

*(Expressed on Canadian dollars)***12. Income Taxes**

The Company has accumulated non-capital losses expire as follows (tax attributes are subject to revision and potential adjustment by tax authorities):

YEAR	\$
2039	6,849
2040	11,358

A reconciliation of income taxes at statutory rates is as follows:

	May 31, 2020	May 31, 2019
	\$	\$
Loss before income taxes	(11,358)	(6,849)
Effective tax rate	27.0%	27.0%
Expected income tax (recovery)	3,067	1,849
Tax effects of:		
Non-deductible expenses and other deductions	—	—
Change in unrecognized deferred income tax assets	(3,067)	(1,849)
Deferred income tax recovery	—	—

The significant components of the Company's deferred income tax assets not recognized are as follows:

	May 31, 2020	May 31, 2019
	\$	\$
Substantively enacted tax rate	27.0%	27.0%
Deferred income tax assets:		
Non-capital losses	4,916	1,849
Net unrecognized deferred income tax assets	4,916	1,849

Estimated taxable income for the year is \$Nil. Deferred tax assets have not been recognized because it is not probable that future taxable income will be available against which the Company can utilize the benefits from the deductible temporary differences and unused tax losses.

13. COVID-19

Since March 2020, several measures have been implemented in Canada and the rest of the world in response to the increased impact from novel coronavirus (COVID-19). The Company continues to operate its business at this time and continues to monitor the COVID-19 development but since the duration and impact of the COVID-19 pandemic is unknown at this time, it is not possible to reliably estimate the length of the outbreak or the severity of its impact at this time.

SCHEDULE H

MD&A of 116 BC

for the financial year ended May 31, 2020

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1169082 BC LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE COMPANY'S FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE YEAR ENDED MAY 31, 2020 AND THE PERIOD FROM JUNE 21, 2018 (INCORPORATION) TO MAY 31, 2019

DATE AND SUBJECT OF REPORT

The following Management Discussion & Analysis ("MD&A") is intended to assist in the understanding of the trends and significant changes in the financial condition and results of operations of 1169082 BC Ltd. (hereinafter "082BC" or the "Company") for the year ended May 31, 2020 and the period from June 21, 2018 (incorporation) to May 31, 2019. The MD&A should be read in conjunction with the audited consolidated financial statements for the year ended May 31, 2020 and the period from June 2018 (incorporation to May 31, 2019 as filed on SEDAR.

SCOPE OF ANALYSIS

The following is a discussion and analysis of 1169082 B.C. Ltd. The Company's audited consolidated financial statements for the year ended May 31, 2020 and the period from June 21, 2018 (incorporation) to May 31, 2019 were prepared in accordance with the International Financial Reporting Standards ("IFRS") and any interpretations of IFRS as issued by the International Accounting Standards Board (IASB). The consolidated financial statements have been prepared on a historical cost basis, except for financial instruments classified in accordance with measurement standards under IFRS. These consolidated financial statements have been prepared using IFRS principles applicable to a going concern, which contemplate the realization of assets and settlement of liabilities in the normal course of business as they come due.

FORWARD LOOKING STATEMENTS

The information set forth in this MD&A contains statements concerning future results, future performance, intentions, objectives, plans and expectations that are, or may be deemed to be, forward-looking statements. These statements concerning possible or assumed future results of operations of the Company are preceded by, followed by or include the words 'believes,' 'expects,' 'anticipates,' 'estimates,' 'intends,' 'plans,' 'forecasts,' or similar expressions. Forward-looking statements are not guarantees of future performance. These forward-looking statements are based on current expectations that involve numerous risks and uncertainties, including, but not limited to, those identified in the Risks Factors section. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which underlying the forward-looking statements are reasonable, any of the assumptions could prove

inaccurate. These factors should be considered carefully, and readers should not place undue reliance on forward-looking statements. The Company may not provide updates or revise any forward-looking statements, except those otherwise required under paragraph 5.8(2) of NI 51-102, whether written or oral that may be made by or on the Company's behalf.

TRENDS

Other than as disclosed in this MD&A, the Company is not aware of any trends, uncertainties, demands, commitments or events which are reasonably likely to have a material effect upon its revenues, income from continuing operations, profitability, liquidity or capital resources, or that would cause reported financial information not necessarily to be indicative of future operating results or financial condition.

GENERAL BUSINESS AND DEVELOPMENT

The Company's business is in healthcare and related technology sector in Canada.

The Company's registered office is located at 5728 E. Boulevard, Vancouver, BC V6M 4M4.

The Company is a reporting Company in the Provinces of Alberta and British Columbia. All public filings for the Company on the SEDAR website www.sedar.com.

Business Chronology

1169082 BC Ltd. was incorporated as a wholly owned subsidiary of reporting Company Hemagenetics Technologies Corp. ("HTC") on June 21, 2018 under the laws of British Columbia, Canada (see Plan of Arrangement).

From incorporation to date, no significant operations have begun and management continues to assess possible business opportunities and/or acquisitions for the Company.

PLAN OF ARRANGEMENT

On June 26, 2018, the Company entered into a statutory arrangement with HemaGenetics Technologies Corp. ("HTC") under a plan of arrangement pursuant to an arrangement agreement (the "Arrangement") entered into between the Company, HTC, Agri Tech International Inc. (formerly 1169029 B.C. Ltd.), 1169071 B.C. Ltd., 1169077 B.C. Ltd., Mucho Cobre Resources Ltd. (formerly, 1169080 B.C. Ltd.), and 1169082 B.C. Ltd. Under the Arrangement, the effective date for the Arrangement can be set separately as between HTC and each of the other parties to the Arrangement. The Arrangement received final B.C. supreme court approval on July 19, 2018.

On April 29, 2019, the Company completed a statutory arrangement with 1169082 B.C. Ltd. under a plan of arrangement pursuant to an arrangement agreement (the "Arrangement") entered into between the Company, Hemagenetics Technologies Corp., Mucho Cobre Resources Ltd. (formerly,

1169080 B.C. Ltd.) , Agri Tech Farms International Inc. (formerly, 1169029 B.C. Ltd.), 1169032 B.C. Ltd., 1169071 B.C. Ltd., and 1169077 B.C. Ltd. Under the Arrangement, the effective date for the Arrangement can be set separately as between the Company and each of the other parties to the Arrangement. Pursuant to the Arrangement, the effective date for the Arrangement with 1169082 B.C. Ltd. was set for April 29, 2019.

Pursuant to the Arrangement, the Company's shareholders of record as of October 15, 2018 eligible to receive shares of 1169082 B.C. Ltd. under the Arrangement received 8,502,104 common shares with an aggregate value of \$1,000 in 1169082 B.C. Ltd. issued effective April 29, 2019. As a result, the Company became a reporting issuer in the provinces of B.C. and Alberta.

LETTER OF INTENT

On November 15, 2019, the Company entered into a non-binding letter of intent with Greeny Collaboration Group (Canada) Inc. ("Greeny"), which sets out the terms and conditions relating to a proposed transaction pursuant to which the Company will acquire the business of Greeny. Following completion of the Transaction, the Company will continue to carry on the business of Greeny.

Pursuant to the LOI, the Company and Greeny have agreed to negotiate in good faith to enter into a binding definitive transaction agreement, which will set out the terms and conditions of the Transaction, and which shall contain customary indemnities, representations and warranties and other terms in form and substance satisfactory to both parties, and pursuant to which the parties intend to agree to complete a business combination by way of a three-cornered amalgamation under the BCBCA. Pursuant to the terms of the Amalgamation Agreement, Greeny will amalgamate with the Company Subco to form a new company to carry on the business of Greeny as a wholly-owned operating subsidiary of the Company. Upon completion of the Amalgamation, each shareholder of Greeny will be entitled to receive one (1) common share of the Company for every one (1) common share of Greeny held by such shareholder. In addition, each holder of a warrant or stock option of Greeny will receive an equal number of replacement warrants or replacement options of the Company.

In connection with the completion of the Transaction, the Company intends to consolidate its share capital on the basis that there will be 500,124 Common Shares of the Company outstanding (on a fully diluted basis) immediately prior to the closing of the Transaction. Under the terms of the Amalgamation Agreement, shareholders of Greeny would receive, in exchange for their common shares of Greeny, post-Consolidation Common Shares of the Company. Any convertible securities of Greeny that are outstanding immediately prior to the closing of the Transaction will, upon completion of the Transaction, be exchanged for securities convertible into post-Consolidation Common Shares of the Company. The LOI has been terminated during the year ended May 31, 2020 based on mutual agreement between the parties involved.

LIQUIDITY AND CAPITAL RESOURCES

As at May 31, 2020, the Company had working capital deficit of \$17,207.

During the year ended May 31, 2020, the Company incurred a net loss of \$11,358 and cumulative losses and deficit of \$18,207.

The continuation of the Company as a going-concern is dependent on its ability to raise additional capital or debt financing, including on reasonable terms, in order to meet business objectives towards achieving profitable business operations.

SHARE CAPITAL AND OUTSTANDING SHARE DATA

Common Shares:

Authorized — unlimited Common shares, without par value
— unlimited Preferred shares, without par value

Issued and Outstanding: 8,502,104 common shares as of May 31, 2020 and September 9, 2020

Reserved for issuances: nil

On June 21, 2018, there were 100 common shares issued for \$1.00 to the initial director of the Company who immediately transferred them to Hemagenetics Technologies Corp. (“HTC”) to conduct the plan of arrangement.

On April 29, 2019, the Company issued 8,502,104 common shares with an aggregate fair value of \$1,000 to eligible HTC shareholders’ and was spun out (divested) from HTC.

HTC returned (gifted) its 100 incorporator shares to Company treasury in conjunction with closing of the arrangement. (see Plan of Arrangement)

RESULTS OF OPERATIONS

SELECTED ANNUAL INFORMATION

	May 31, 2020 \$	May 31, 2019 \$
Revenue	—	—
Expenses	11,358	6,849
Net loss	(11,358)	(6,849)
Loss per share – basic and diluted	(0.00)	(0.01)
Assets	—	—
Long-term liabilities	—	—
Working capital (deficiency)	(17,207)	(5,849)

Expenses consisted of legal and administration of \$132 (2019: \$1,352), transfer agent and filing fees of \$158 (2019: \$1,997), profession fees of \$9,568 (2019: \$3,500) and management fees of \$1,500 (2019: Nil). Expenses increased in current year was mainly due to increase in professional fee incurred including audit fees due to public company requirements.

SELECTED QUARTERLY INFORMATION

SUMMARY OF FINANCIAL RESULTS FOR EIGHT MOST RECENTLY COMPLETED QUARTERS

The following table summarizes the financial results of operations for the eight most recent fiscal quarters:

	May 31, 2020 (Q4) \$	February 29, 2020 (Q3) \$	November 30, 2019 (Q2) \$	August 31, 2019 (Q1) \$	May 31, 2019 (Q4) \$	February 28, 2019 (Q3) \$
Revenue	—	—	—	—	—	—
Expenses	3,658	1,285	6,415	—	6,496	—
Net loss	(3,658)	(1,285)	(6,415)	—	(6,496)	—
Loss per share – basic and diluted	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	—
Assets	—	—	—	—	—	—
Long-term liabilities	—	—	—	—	—	—
Working capital (deficiency)	(17,207)	(13,549)	(12,264)	(5,849)	(5,849)	(352)

	November 30, 2018 (Q2) \$	August 31, 2018 (Q1) \$
Revenue	—	—
Expenses	—	353
Net loss	—	(353)
Loss per share – basic and diluted	—	(3.53)
Assets	—	—
Long-term liabilities	—	—
Working capital (deficiency)	(352)	(352)

INTERIM RESULTS

For the three months ended May 31, 2020 (Q4)

For the three months ended May 31, 2020, the Company had net loss and total comprehensive loss of \$3,658 related to professional fees compared to a net loss and comprehensive loss of \$6,496 for the comparable period from March 1, 2019 to May 31, 2019. Balance decreased in current period was mainly due to securities and transfer agent fee included in last period for the execution of the plan of arrangement.

For the three months ended February 29, 2020 (Q3)

For the three months ended February 29, 2020, the Company had net loss and total comprehensive loss of \$1,285 related to professional fees compared to a net loss and comprehensive loss of \$Nil for the comparable period from December 1, 2018 to February 28, 2019.

For the three months ended November 30, 2019 (Q2)

For the three months ended November 30, 2019, the Company had net loss and total comprehensive loss of \$(6,415) compared to a net loss and comprehensive loss of \$Nil for the comparable period from September 1, 2018 to November 30, 2018.

A breakdown of the \$6,415 in expenses for Q2 are as follows:

- (i) Professional fees of \$4,783; and
- (ii) Management fees of \$1,500; and
- (iii) Securities and transfer agent fees of \$132.

For the three months ended to August 31, 2019 (Q1)

For the three months ended August 31, 2019, the Company had net loss and total comprehensive loss of \$Nil compared to a net loss and comprehensive loss of \$(353) related to incorporation costs for the comparable period from June 21, 2018 (inception) to August 31, 2018.

For the three months ended May 31, 2019 (Q4)

For the three months ended May 31, 2019, the Company had net loss and total comprehensive loss of \$(6,496) with no comparative prior year period.

A breakdown of the \$6,496 in expenses for Q4 are as follows:

- (i) Administrative expenses of \$999; and
- (ii) Professional fees of \$3,500
- (iii) Securities and transfer agent fees of \$1,997.

For the three months ended February 28, 2019 (Q3)

The Company had no activity or expenses during this period and with no comparable prior period.

For the three months ended November 30, 2018 (Q2)

The Company had no activity or expenses during this period and with no comparable prior period.

There are no other prior period financial periods for comparison or disclosure.

RELATED PARTY TRANSACTIONS

On June 21, 2018, there were 100 common shares issued and immediately transferred to Hemagenetics Technologies Corp. ("HTC") as the Company was incorporated to conduct a plan of arrangement with HTC.

On April 29, 2019, the Company was (spun out) divested from HTC. (see Plan of Arrangement)

During the year ended May 31, 2020, Management fees of \$1,500 were invoiced by the director of the Company and Professional fees of \$3,999 were invoiced by a company related to the director of the Company (period from June 21, 2018 (incorporation) to May 31, 2019: Nil and Nil).

INCOME TAXES

Estimated taxable income for the year ended May 31, 2020 is \$Nil.

Deferred tax assets have not been recognized because it is not probable that future taxable income will be available against which the company can utilize the benefits from the deductible temporary differences and unused tax losses.

MANAGEMENT OF INDUSTRY AND FINANCIAL RISK

The Company is in the payment processing Technology Sector in Canada and manages related industry risk issues directly. However, the Company does not currently have any active operations and as such is not exposed to any related risks.

The Company's has minimal exposure to any financial risks having not commenced commercial operations.

The Company's primary financial risk to *liquidity risk* due to its reliance on vendors and consultants continuing to extend payment terms, and management accruing expenses for unpaid services. Any one or more of these liquidity risks may have a material financial impact on the Company, should favourable loans, services, and/or terms become no longer available to the Company.

Off-Balance Sheet Transactions

The Company has not entered into any off-balance sheet arrangements or commitments.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES

Refer to the Company's audited consolidated financial statements for the year ended May 31, 2020 and the period from June 21, 2018 (incorporation) to May 31, 2019 for details of the significant accounting policies and estimates adopted by the Company.

IFRS 16 "Leases" is effective for annual reporting periods beginning on or after 1 January 2019 and establishes principles for the recognition, measurement, presentation and disclosure of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. However, lessees are no longer classifying leases as either operating leases or finance leases as it is required by IAS 17. The standard is effective for annual periods beginning on or after January 1, 2019. The Company has adopted IFRS 16 and the adoption had no material impact on the consolidated financial statements.

RISK AND UNCERTAINTIES

Core Business

The Company is in the healthcare and related technology sector in Canada.

It will require significant risk and capital for the Company working towards establishing viable business in the payment processing sector, if ever. There can be no assurance that the Company ever becomes established or profitable in the sector, even with significant capital investment and business expertise.

While the development of healthcare services and related technology sector in Canada may result in profitable operations, marketing may also contribute to successful business. Notwithstanding, it is impossible to ensure that any healthcare and related technology sector in Canada and market strategy planned by the Company will result in profitable commercial sales and operations. Whether the company will be commercially viable depends on a number of factors, some of which are the particular attributes of the industry, as well as competitors' strategies and market factors. Some of these are cyclical and government regulations, including farming and land use regulations.

Some of these risks include, but not limited to, the following:

Significant capital investment, personnel, management, and consultants will be required for the development of healthcare and related technology for any viable commercial applications for the software. There can be no assurance that the Company will be able to achieve this with limited resources or without raising significant capital through debt and/or equity financings, if available on acceptable terms, and that will dilute shareholders.

Uninsured Risks

The Company may carry insurance to protect against certain risks in such amounts as it considers adequate. Risks not insured against include key person insurance as the Company heavily relies on the company officers and directors.

Conflicts of Interest

Certain directors of the Company also serve as directors and/or officers of other companies involved in other business ventures. Consequently, there exists the possibility for such directors and/or officers to be in a position of conflict.

Any decision made by such directors involving the Company will be made in accordance with their duties and obligations to deal fairly and in good faith with the Company and such other companies. In addition, directors involved in potential conflicts will declare, and refrain from voting on the conflicted matter.

Negative Operating Cash Flows

As the Company is in early development stages, it will continue to have negative operating cash flows without the development of revenue streams from its business. Positive operating cash flows require the Company to complete successful setup of active operations whether through organic business development or acquisition.

Risks Related as a Going Concern

The ability of the Company to continue as a going concern is uncertain and dependent upon its ability to achieve profitable operations, obtain additional capital and receive continued support from its shareholders. Management of the Company will have to raise capital through private placements or debt financing and proposes to continue to do so through future private placements and offerings. The outcome of these matters cannot be predicted at this time.

Reliance on Key Personnel, Service Provider, and Advisors

The Company relies heavily on its officers, its service provider, and business advisors. The loss of their services may have a material adverse effect on the business and going concern of the Company. There can be no assurance that one or all of the employees of, and contractors engaged by, the Company will continue in the employ of, or in a consulting capacity to, the Company or that they will not set up competing businesses or accept positions with competitors. There is no guarantee that certain employees of, and contractors to, the Company who have access to confidential information will not disclose the confidential information.

Operating History and Expected Losses

The Company expects to make significant investments in order to develop its services, increase marketing efforts, improve its operations, conduct research and development and update its equipment. As a result, start-up operating losses are expected, and such losses may be greater than anticipated, which could have a significant effect on the long-term viability of the Company.

Growth Management

In executing the Company's business plan for the future, there will be significant pressure on management, operations, technical, and other assets or resources. The Company anticipates that its operating costs will increase substantially in the future when and if it is able to identify a viable farming project. In order to manage its growth, the Company will have to increase the number of its technical, engineering, and operational employees and efficiently manage its employees, while at the same time efficiently maintaining a large number of relationships with third parties. There can be no assurance that the Company will be able to meet these growth objectives.

Conflicts of Interest

The directors of the Company also serve as directors and officers in other private and public companies involved in other businesses. Consequently, there exists the possibility for such directors and officers to be in a position of conflict. Any decisions made by these individuals involving the Company will be made in accordance with their duties and obligations to deal fairly and in good faith with the Company and such other companies.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The information provided in this report as referenced from the Company's financial statements for the referenced reporting period is the sole responsibility of management. In the preparation of the information along with related and accompanying statements and estimates contained herein, management uses careful judgement in assessing the values (or future values) of certain assets or liabilities. It is the opinion of management that such estimates are fair and accurate as presented.

OTHER INFORMATION

Additional information on the Company is available on SEDAR at www.sedar.com.

CORPORATE INFORMATION

Directors and officers

J. Scott Munro, Director – CEO – CFO

Ron Ozols, VP Communications

Auditor

Adam Sung Kim, Ltd.
Adam Kim, CA, CPA

Legal Counsel

Arash Farahmand

SCHEDULE I

Interim Financial Statements of 116 BC

for the six and nine months ended February 28, 2021

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1169082 B.C. LTD.

CONDENSE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

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

(Expressed in Canadian Dollars)

MANAGEMENT'S RESPONSIBILITY FOR INTERIM FINANCIAL REPORTING

The accompanying unaudited condensed interim consolidated financial statements (“financial statements”) of 1169082 B.C. Ltd. have been prepared by and are the responsibility of management and Board of Directors for all financial statement information and reporting. are the responsibility of the management and Board of Directors. The financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the financial statement notes. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the balance sheet date. In the opinion of management, the consolidated financial statements have been prepared within acceptable limits of materiality and are compliant with *IAS 34 - Interim Financial Reporting* as issued by the International Accounting Standards Board.

Management recognizes its responsibility for conducting the Company’s affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

Regards,
1169082 B.C. Ltd.

J. Scott Munro
Chief Executive Officer

Vancouver, BC
March 24, 2021

1169082 B.C. Ltd.

Condensed Interim Consolidated Statements of Financial Positions

As at February 28, 2021 and May 31, 2020

(Unaudited - Prepared by Management)

(Expressed in Canadian dollars)

	Note	February 28, 2021 \$	May 31, 2020 \$
Assets		-	-
Liabilities			
Accounts payable and accrued liabilities	4	13,853	11,356
Due to related parties		5,851	5,851
Current and Total Liabilities		19,704	17,207
Shareholders' Deficiency			
Share Capital	5	1,000	1,000
Deficit		(20,704)	(18,207)
Total Shareholders' Deficiency		(19,704)	(17,207)
Total Liabilities and Shareholders' Deficiency		-	-

The accompanying notes are integral to these consolidated financial statements.

Nature and Continuation of Operations (Note 1)

Approved and authorized for dissemination by the Board of Directors on March 24, 2021

/s/ J. Scott Munro

Director and CEO/CFO

1169082 B.C. Ltd.

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss

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

(Unaudited - Prepared by Management)

(Expressed in Canadian dollars)

	Three months ended February 28, 2021 \$	Three months ended February 28, 2020 \$	Nine months ended February 28, 2021 \$	Nine months ended February 28, 2020 \$
Operating Expenses:				
Professional fees	1,500	1,285	142	6,068
Transfer Agent & Filing Fees	225	-	2,355	-
Management fees	-	-	-	1,500
General and administration	-	-	-	132
Net loss and total comprehensive loss for the period	(1,725)	(1,285)	(2,497)	(7,700)
Basis and diluted loss per common share	(0.00)	(0.00)	(0.00)	(0.00)
Weighted average number of common shares outstanding	8,502,104	8,502,104	8,502,104	8,502,104

The accompanying notes are integral to these consolidated financial statements.

1169082 B.C. Ltd.

Condensed Interim Consolidated Statements of Shareholders' Deficiency

For the nine months ended February 28, 2021 and 2020

(Unaudited - Prepared by Management)

(Expressed in Canadian dollars, except the number of shares)

	Common Shares		Deficit \$	Total \$
	Number	Share Capital \$		
Balance, June 1, 2019	8,502,104	1,000	(6,849)	(5,849)
Loss for the period	-	-	(7,700)	(7,700)
Balance, February 28, 2020	8,502,104	1,000	(14,549)	(13,549)
Balance, June 1, 2020	8,502,104	1,000	(18,207)	(17,207)
Loss for the period	-	-	(2,497)	(2,497)
Balance, February 28, 2021	8,502,104	1,000	(20,704)	(19,704)

The accompanying notes are integral to these consolidated financial statements.

1169082 B.C. Ltd.

Condensed Interim Consolidated Statements of Cash Flows

For the nine months ended February 28, 2021 and 2020

(Unaudited - Prepared by Management)

(Expressed in Canadian dollars)

	Nine months ended February 28, 2021	Nine months ended February 28, 2020
	\$	\$
Cash flows from operating activities		
Loss for the period	(2,497)	(7,700)
Change in non-cash working capital items:		
Accounts payable and accrued liabilities	2,497	7,700
Cash used in operating activities	-	-
Net change in cash and cash equivalents for the period	-	-
Cash and cash equivalents, beginning of period	-	-
Cash and cash equivalents, end of period	-	-

Supplementary information

Cash paid for interest	\$	-	\$	-
Cash paid for income taxes	\$	-	\$	-

The accompanying notes are integral to these financial statements.

1169082 B.C. LTD.

Notes to the Condensed Interim Consolidated Financial Statements

February 28, 2021

(Unaudited – Prepared by Management)

(Expressed on Canadian dollars)

1. Nature and Continuation of Operations

1169082 B.C. Ltd. (the "Company") was incorporated as a wholly-owned subsidiary of reporting issuer Hemagenetics Technologies Corp. ("HTC") on June 21, 2018 under the laws of British Columbia, Canada. The Company's head office is located at 5728 East Boulevard, Vancouver, BC V6M 4M4.

The Company's business is in the healthcare sector.

2. Basis of Presentation

a. Statement of compliance

These unaudited condensed interim consolidated financial statements for the three and nine months ended February 28, 2021 and 2020 have been prepared in accordance with IAS 34 - Interim Financial Reporting. Significant accounting policies are described in the Note 3. Significant accounting estimates, judgments and assumptions used or exercised by management in the preparation of these financial statements are presented below.

b. Basis of consolidation

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiary, 1233705 B.C. Ltd. that was incorporated under the British Columbia Business Corporations Act on December 13, 2019.

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company has power over the investee, is exposed or has rights to variable returns from its involvement with the investee; and has the ability to use its power to affect its returns. The Company reassess whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Wholly-owned subsidiaries are entities controlled by the Company and where the parent owns 100% of the shares. The financial statements of wholly-owned subsidiaries are included in the Company's consolidated financial statements from the date that control commences until the date that control ceases.

All intercompany balances and transactions, and any revenues and expenses arising from intercompany transactions are eliminated in preparing the consolidated financial statements.

1169082 B.C. LTD.

Notes to the Condensed Interim Consolidated Financial Statements

February 28, 2021

(Unaudited – Prepared by Management)

(Expressed on Canadian dollars)

2. Basis of Presentation (continued)*c. Going-concern basis of presentation*

These consolidated financial statements have been prepared using the historical cost convention except for some financial instruments that have been measured at fair value. All monetary references expressed in these notes are references to Canadian dollar amounts (“\$”).

Consolidated Financial statements are required to be prepared on a going-concern basis unless management either intends to liquidate the Company or cease trading, or has no realistic alternative but to do so. The development of the Company’s business may take many years to be successful, if ever, and the amount of resulting income, if any, is difficult to determine with any certainty.

As of February 28, 2021, the Company had not yet achieved profitable operations, had no profits and an accumulated deficit of \$20,704 since incorporation and expects to incur further losses and working capital deficits in the development of its business, all of which casts material uncertainty about the Company’s ability to continue as a going concern.

In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to twelve months from the end of the reporting period. Management is aware, in making its assessment, of material uncertainties related to events and conditions that may cast a significant doubt upon the Company's ability to continue as a going concern as described above, and accordingly, the appropriateness of the use of accounting principles applicable to a going concern. These financial statements do not include any adjustments relating to the realization of assets and liquidation of liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

d. COVID-19

Since March 2020, several measures have been implemented in Canada and the rest of the world in response to the increased impact from novel coronavirus (“COVID-19”). The Company continues to operate and move its business activity forward at this time. While the impact of COVID-19 is expected to be temporary, the current circumstances are dynamic and the impacts of COVID-19 on business operations, cannot be reasonably estimated at this time. The Company anticipates this could have an adverse impact on its business, results of operations, financial position and cash flows in 2021.

1169082 B.C. LTD.

Notes to the Condensed Interim Consolidated Financial Statements

February 28, 2021

(Unaudited – Prepared by Management)

(Expressed on Canadian dollars)

2. Basis of Presentation (continued)*c. Significant accounting judgments and estimates*

The preparation of these financial statements in conformity with *IAS 34 – Interim Financial Reporting* that requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the period. Actual results could differ from these estimates.

These consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the reporting date that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

(i) Ability to continue as a going-concern

Management assesses the Company's ability to continue as a going-concern at each reporting date, using all quantitative and qualitative information available. This assessment, by its nature, relies on estimates of future cash flows and other future events (as discussed in Note 1), whose subsequent changes could materially impact the validity of such an assessment.

(ii) Impairment of financial assets

The carrying value and the recoverability of financial assets, which are included in the statements of financial position are assessed at each reporting date to determine recoverability and whether there are any indications of impairment.

The Company considers both internal and external sources of information when making the assessment of whether there are indications of impairment for the Company's financial assets. External sources of information considered are changes in the Company's economic, legal and regulatory environment which it does not control but affect the recoverability of its financial assets. Internal sources of information the Company considers include the manner in which intangible asset are being used or are expected to be used and indications of economic performance of the assets.

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Notes to the Condensed Interim Consolidated Financial Statements

February 28, 2021

(Unaudited – Prepared by Management)

(Expressed on Canadian dollars)

2. Basis of Presentation (continued)

c. Significant accounting judgments and estimates (continued)

(iii) Income taxes

The Company operates in British Columbia, Canada and subject to its provincial corporate tax rates and rules of taxation. The Company calculates deferred income taxes based upon temporary differences between the assets and liabilities that are reported in its consolidated financial statements and their tax bases as deferred tax assets or liabilities, when applicable, as determined under applicable tax legislation.

The future realization of deferred tax assets can be affected by many factors, including: current and future economic conditions, net realizable fair market value, and can either be increased or decreased where, in the view of management, such change is warranted. No deferred tax assets have been deemed probable to date.

3. Significant Accounting Policies

The accounting policies set out below are in effect for the three and nine months ended February 28, 2021 and the and have been applied consistently to all periods presented in these consolidated financial statements.

a. Cash and cash equivalents -

Cash and cash equivalents are comprised of cash in banks, and all short-term investments that are highly liquid in nature, cashable, and have an original maturity date of three months or less.

The Company has no cash equivalents as of February 28, 2021 or prior periods.

b. Deferred income taxes -

Deferred income tax assets and liabilities are recognized for deferred income tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred income tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized, or the liability settled. The effect on deferred income tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment occurs. To the extent that the Company does not consider it more likely than not that a deferred income tax asset will be recovered, the deferred income tax assets is reduced. Deferred income tax assets and liabilities are offset only if a legally enforceable right exists to offset current tax assets against liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

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Notes to the Condensed Interim Consolidated Financial Statements

February 28, 2021

(Unaudited – Prepared by Management)

(Expressed on Canadian dollars)

3. Significant Accounting Policies (continued)

c. Financial instruments -

(i) Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss (“FVTPL”), at fair value through other comprehensive income (loss) (“FVTOCI”) or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company’s business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has opted to measure them at FVTPL.

The following table shows the classification under IFRS 9:

<u>Asset / Liability</u>	<u>Classification</u>	<u>Subsequent measurement</u>
Accounts payable and due to related parties	Other financial liabilities	Amortized cost

(ii) Measurement

Financial assets at FVTOCI

Elected investments in equity investments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses recognized in other comprehensive income (loss).

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transactions costs expensed in the statements of net (loss) income. Realized and unrealized gains or losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statements of net (loss) income. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statements of net (loss) income in the period in which they arise.

1169082 B.C. LTD.

Notes to the Condensed Interim Consolidated Financial Statements

February 28, 2021

(Unaudited – Prepared by Management)

(Expressed on Canadian dollars)

3. Significant Accounting Policies (continued)

c. Financial instruments – (Continued)

(iii) Impairment of financial assets at amortized cost

The Company recognized a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the statements of net (loss) income, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

(iv) Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the statements of net (loss) income. However, gains and losses on derecognition of financial assets classified as FVTOCI remain within accumulated other comprehensive income (loss).

Financial liabilities

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. Generally, the difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in the statements of net (loss) income.

d. Impairment of financial assets -

Financial assets, other than those at fair value through profit or loss (FVTPL), are assessed for indicators of impairment at each period end.

Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

Objective evidence of impairment could include the following:

- significant financial difficulty of the Company or counterparty;
- default or delinquency in interest or principal payments; or
- it has become probable that the borrower will enter bankruptcy or financial reorganization.

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Notes to the Condensed Interim Consolidated Financial Statements

February 28, 2021

(Unaudited – Prepared by Management)

(Expressed on Canadian dollars)

3. Significant Accounting Policies (continued)*d. Impairment of financial assets – (continued)*

The Company assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset is considered impaired if objective evidence that can be estimated reliably indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. If a financial asset measured at amortized cost is impaired, an amount equal to the difference between its carrying value and the present value of the estimated future cash flows discounted at the original effective interest rate is recognized as an impairment loss in the consolidated statement of operations. If it has been determined that the impairment has reversed, the carrying amount of the asset is increased to its recoverable amount to a maximum of the carrying amount that would have been determined had no impairment charge been recognized in prior periods. Reversals of impairment charges are recognized in the consolidated statements of operations and comprehensive loss in the period in which they occur.

e. Impairment of non-financial assets -

The carrying amounts of non-financial assets are reviewed for impairment at each reporting date, or whenever events or changes in circumstances indicate the carrying amounts may not be recoverable. If there are indicators of impairment, a review is undertaken to determine whether the carrying amounts are in excess of their recoverable amounts. Reviews are undertaken on an asset-by-asset basis. If the carrying amount of a non-financial asset exceeds the recoverable amount, being the higher of its fair value less costs to sell and its value-in-use, an impairment loss is recognized in net earnings as the excess of the carrying amount over the recoverable amount.

Where the recoverable amount is assessed using discounted cash flow techniques, the resulting estimates are based on detailed production plans. The mine plan is the basis for forecasting production output in each future year and for forecasting production costs. For value-in-use calculations, production costs and output may be revised to reflect the continued use of the asset in its present form.

Non-financial assets that have suffered an impairment are tested for a possible reversal of the impairment whenever events or changes in circumstances indicate that the impairment may have reversed. In these instances, the impairment loss is reversed to the recoverable amount but not beyond the carrying amount, net of amortization, that would have arisen if the prior impairment loss had not been recognized. Goodwill impairments are not reversed.

1169082 B.C. LTD.

Notes to the Condensed Interim Consolidated Financial Statements

February 28, 2021

(Unaudited – Prepared by Management)

(Expressed on Canadian dollars)

3. Significant Accounting Policies (continued)f. *Share capital -*

Common shares are classified as equity. Incremental costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity, net of any tax effects.

Preference share capital is classified as equity if it is non-redeemable, or redeemable only at the Company's option, and any dividends are discretionary. Dividends thereon are recognized as distributions within equity upon approval by the Company's shareholders. Preference share capital is classified as a liability if it is redeemable on a specific date or at the option of the shareholders, or if dividend payments are not discretionary. Dividends thereon are recognized as interest expense in profit or loss as accrued.

g. *Loss per share -*

Basic loss per share is computed by dividing the net comprehensive loss available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted loss per share is computed similar to basic loss per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive.

The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods.

h. *Provisions -*

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. The increase in the obligation due to the passage of time is recognized as finance expense. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received, and the amount receivable can be measured reliably.

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Notes to the Condensed Interim Consolidated Financial Statements

February 28, 2021

(Unaudited – Prepared by Management)

*(Expressed on Canadian dollars)***3. Significant Accounting Policies (continued)**i. *New standards and interpretations applied -**Conceptual Framework*

On March 29, 2018, the IASB issued its revised Conceptual Framework for Financial Reporting. The revised Conceptual Framework does not constitute a substantial revision from the previously effective guidance, but does provide additional guidance on topics not previously covered such as presentation and disclosure. This amendment is effective on January 1, 2020. The Company has adopted the revised Conceptual Framework and the adoption had no material impact on the financial statements.

Definition of a Business

On October 22, 2018, the IASB issued a narrow scope amendment to IFRS 3. This amendment narrowed and clarified the definition of a business, as well as permitted a simplified assessment of whether an acquired set of activities and assets is a group of assets rather than a business. This amendment is effective on January 1, 2020 and is to be applied prospectively. The Company has adopted the amendment to IFRS 3 and the adoption had no material impact on the financial statements.

4. Accounts Payable and Accrued Liabilities

As at

	February 28, 2021	May 31, 2020
	\$	\$
Accounts payable	12,353	7,856
Accrued liabilities	1,500	3,500
	13,853	11,356

5. Share Capital

Authorized — Unlimited Common shares, without par value
— Unlimited Preferred shares, without par value

Issued and Outstanding: 8,502,104 common shares as of February 28, 2021.

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Notes to the Condensed Interim Consolidated Financial Statements

February 28, 2021

(Unaudited – Prepared by Management)

(Expressed on Canadian dollars)

6. Related Party Transactions

Due to related parties is comprised of \$5,851 (2020: \$5,851) due to a company controlled by a director of the Company. These are unsecured, non-interest bearing and due on demand.

A total of \$Nil (2020: \$1,500) in management fees were charged by a company controlled by a director of the Company during the nine months ended February 28, 2021.

All related party transactions are in the normal course of operations and have been measured at the agreed to amount, which is the amount of consideration established and agreed to by the related parties.

7. Letter of intent

On November 15, 2019, the Company entered into a non-binding letter of intent with Greeny Collaboration Group (Canada) Inc. (“Greeny”), which sets out the terms and conditions relating to a proposed transaction pursuant to which the Company would acquire the business of Greeny. Following completion of the Transaction, the Company would continue to carry on the business of Greeny. The LOI has been terminated during the year ended May 31, 2020.

8. Capital Disclosures

The Company defines its capital as shareholders’ equity. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the business development. The Board of Directors do not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company’s management to sustain future development of the business. As such, the Company has historically relied on the equity markets to fund its activities. In addition, the Company is dependent upon external financings to fund activities.

In order to carry out planned exploration and pay for administrative costs, the Company will need to raise additional funds. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

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Notes to the Condensed Interim Consolidated Financial Statements

February 28, 2021

(Unaudited – Prepared by Management)

*(Expressed on Canadian dollars)***9. Financial Instruments**

The Company has classified its financial instruments as follows:

<u>Asset / Liability</u>	<u>Classification</u>	<u>Subsequent measurement</u>
Accounts payable and due to related parties	Other financial liabilities	Amortized cost

The Company's financial instruments measured at fair value on the statement of financial position consist of cash and cash equivalents. Cash and cash equivalents are measured at level 1 of the fair hierarchy. The carrying value of accounts payable and accrued liabilities approximate their fair value because of the relatively short-term nature of these instruments.

There are three levels of the fair value hierarchy as follows:

Level 1: Values based on unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities.

Level 2: Values based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability.

Level 3: Values based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement.

The fair value of the Company's financial instruments has been classified within the fair value hierarchy as at February 28, 2021 as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Financial Assets				
Cash	–			
	–			

The Company had no cash equivalents as of February 28, 2021 and May 31, 2020.

1169082 B.C. LTD.

Notes to the Condensed Interim Consolidated Financial Statements

February 28, 2021

(Unaudited – Prepared by Management)

(Expressed on Canadian dollars)

9. Financial Instruments (continued)

The Company is exposed to varying degrees to a variety of financial instrument related risks:

Credit risk

The Company is not exposed to credit risk. The Company's cash will be held in large Canadian financial institutions. The Company does not have any asset-backed commercial paper. The Company will maintain cash deposits with Schedule A financial institutions, which from time to time may exceed federally insured limits. The Company is not exposed to any potential credit losses.

Interest rate risk

Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and liabilities with variable interest rates expose the Company to cash flow interest rate risk. The Company does not hold any financial liabilities with variable interest rates. The Company does maintain bank accounts which earn interest at variable rates but it does not believe it is currently subject to any significant interest rate risk.

Liquidity risk

The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances and through short-term borrowing. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities.

Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments.

10. Segmented Information

The Company operates in one reportable operating segment, being in the healthcare sector in Canada. As the operations comprise a single reporting segment, amounts disclosed also represent segment amounts.

11. Subsequent events

On March 3, 2021, the Company entered into a non-binding letter of intent with Awakn Life Sciences Inc. ("Awakn"), whereby the Company and Awakn have agreement to negotiate exclusively in respect of a transaction to combine their respective businesses. Closing of the transaction is subject to completion of a satisfactory due diligence, the entering into of a definitive agreement and respective shareholder approvals. This letter of intent will be terminated if a definitive agreement has not been entered within 60 days after the date of this letter of intent. There can be no assurances the transaction will be completed as proposed or at all.

SCHEDULE J

MD&A of 116 BC

for the six and nine months ended February 28, 2021

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1169082 BC LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE COMPANY'S FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE THREE AND NINE MONTHS ENDED February 28, 2021 AND 2020

DATE AND SUBJECT OF REPORT

The following Management Discussion & Analysis ("MD&A") is intended to assist in the understanding of the trends and significant changes in the financial condition and results of operations of 1169082 BC Ltd. (hereinafter "082BC" or the "Company") for the three and nine months ended February 28, 2021 and 2020. The MD&A should be read in conjunction with the audited consolidated financial statements for the year ended May 31, 2020 and the period from June 2018 (incorporation) to May 31, 2019 as filed on SEDAR.

SCOPE OF ANALYSIS

The following is a discussion and analysis of 1169082 B.C. Ltd. The Company's unaudited condensed interim consolidated financial statements for the three and nine months ended February 28, 2021 and 2020 were prepared in accordance with IAS 34 - Interim Financial Reporting in International Financial Reporting Standards ("IFRS"). The consolidated financial statements have been prepared on a historical cost basis, except for financial instruments classified in accordance with measurement standards under IFRS. These consolidated financial statements have been prepared using IFRS principles applicable to a going concern, which contemplate the realization of assets and settlement of liabilities in the normal course of business as they come due.

FORWARD LOOKING STATEMENTS

The information set forth in this MD&A contains statements concerning future results, future performance, intentions, objectives, plans and expectations that are, or may be deemed to be, forward-looking statements. These statements concerning possible or assumed future results of operations of the Company are preceded by, followed by or include the words 'believes,' 'expects,' 'anticipates,' 'estimates,' 'intends,' 'plans,' 'forecasts,' or similar expressions. Forward-looking statements are not guarantees of future performance. These forward-looking statements are based on current expectations that involve numerous risks and uncertainties, including, but not limited to, those identified in the Risks Factors section. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which underlying the forward-looking statements are reasonable, any of the assumptions could prove inaccurate. These factors should be considered carefully, and readers should not place undue reliance on forward-looking statements. The Company may not provide updates or revise any forward-looking

statements, except those otherwise required under paragraph 5.8(2) of NI 51-102, whether written or oral that may be made by or on the Company's behalf.

TRENDS

Other than as disclosed in this MD&A, the Company is not aware of any trends, uncertainties, demands, commitments or events which are reasonably likely to have a material effect upon its revenues, income from continuing operations, profitability, liquidity or capital resources, or that would cause reported financial information not necessarily to be indicative of future operating results or financial condition.

GENERAL BUSINESS AND DEVELOPMENT

The Company's business is in healthcare and related technology sector in Canada.

The Company's registered office is located at 5728 E. Boulevard, Vancouver, BC V6M 4M4.

The Company is a reporting Company in the Provinces of Alberta and British Columbia. All public filings for the Company on the SEDAR website www.sedar.com.

Business Chronology

1169082 BC Ltd. was incorporated as a wholly owned subsidiary of reporting Company Hemagenetics Technologies Corp. ("HTC") on June 21, 2018 under the laws of British Columbia, Canada (see Plan of Arrangement).

From incorporation to date, no significant operations have begun and management continues to assess possible business opportunities and/or acquisitions for the Company.

PLAN OF ARRANGEMENT

On June 26, 2018, the Company entered into a statutory arrangement with HemaGenetics Technologies Corp. ("HTC") under a plan of arrangement pursuant to an arrangement agreement (the "Arrangement") entered into between the Company, HTC, Agri Tech International Inc. (formerly 1169029 B.C. Ltd.), 1169071 B.C. Ltd., 1169077 B.C. Ltd., Mucho Cobre Resources Ltd. (formerly, 1169080 B.C. Ltd.), and 1169082 B.C. Ltd. Under the Arrangement, the effective date for the Arrangement can be set separately as between HTC and each of the other parties to the Arrangement. The Arrangement received final B.C. supreme court approval on July 19, 2018.

On April 29, 2019, the Company completed a statutory arrangement with 1169082 B.C. Ltd. under a plan of arrangement pursuant to an arrangement agreement (the "Arrangement") entered into between the Company, Hemagenetics Technologies Corp., Mucho Cobre Resources Ltd. (formerly, 1169080 B.C. Ltd.), Agri Tech Farms International Inc. (formerly, 1169029 B.C. Ltd.), 1169032 B.C. Ltd., 1169071 B.C. Ltd., and 1169077 B.C. Ltd. Under the Arrangement, the effective date for the

Arrangement can be set separately as between the Company and each of the other parties to the Arrangement. Pursuant to the Arrangement, the effective date for the Arrangement with 1169082 B.C. Ltd. was set for April 29, 2019.

Pursuant to the Arrangement, the Company's shareholders of record as of October 15, 2018 eligible to receive shares of 1169082 B.C. Ltd. under the Arrangement received 8,502,104 common shares with an aggregate value of \$1,000 in 1169082 B.C. Ltd. issued effective April 29, 2019. As a result, the Company became a reporting issuer in the provinces of B.C. and Alberta.

LETTER OF INTENT

On November 15, 2019, the Company entered into a non-binding letter of intent with Greeny Collaboration Group (Canada) Inc. ("Greeny"), which sets out the terms and conditions relating to a proposed transaction pursuant to which the Company will acquire the business of Greeny. Following completion of the Transaction, the Company will continue to carry on the business of Greeny. The LOI has been terminated during the year ended May 31, 2020 based on mutual agreement between the parties involved.

On March 3, 2021, the Company entered into a non-binding letter of intent with Awakn Life Sciences Inc. ("Awakn"), whereby the Company and Awakn have agreement to negotiate exclusively in respect of a transaction to combine their respective businesses. Closing of the transaction is subject to completion of a satisfactory due diligence, the entering into of a definitive agreement and respective shareholder approvals. This letter of intent will be terminated if a definitive agreement has not been entered within 60 days after the date of this letter of intent. There can be no assurances the transaction will be completed as proposed or at all.

LIQUIDITY AND CAPITAL RESOURCES

As at February 28, 2021, the Company had working capital deficit of \$19,704.

During the three and nine months ended February 28, 2021, the Company incurred net loss of \$1,725 and \$2,497, respectively (three and nine months ended February 29, 2020: net loss of \$1,285 and \$7,700) and cumulative losses and deficit of \$20,704. The continuation of the Company as a going-concern is dependent on its ability to raise additional capital or debt financing, including on reasonable terms, in order to meet business objectives towards achieving profitable business operations.

SHARE CAPITAL AND OUTSTANDING SHARE DATA

Common Shares:

Authorized — unlimited Common shares, without par value
— unlimited Preferred shares, without par value

Issued and Outstanding: 8,502,104 common shares as of February 28, 2021 and March 25, 2021

RESULTS OF OPERATIONS

SELECTED ANNUAL INFORMATION

	May 31, 2020 \$	May 31, 2019 \$
Revenue	—	—
Expenses	11,358	6,849
Net loss	(11,358)	(6,849)
Loss per share – basic and diluted	(0.00)	(0.01)
Assets	—	—
Long-term liabilities	—	—
Working capital (deficiency)	(17,207)	(5,849)

Expenses consisted of legal and administration of \$132 (2019: \$1,352), transfer agent and filing fees of \$158 (2019: \$1,997), profession fees of \$9,568 (2019: \$3,500) and management fees of \$1,500 (2019: Nil). Expenses increased in current year was mainly due to increase in professional fee incurred including audit fees due to public company requirements.

SELECTED QUARTERLY INFORMATION

SUMMARY OF FINANCIAL RESULTS FOR EIGHT MOST RECENTLY COMPLETED QUARTERS

The following table summarizes the financial results of operations for the eight most recent fiscal quarters:

	February 28, 2021 (Q3) \$	November 30, 2020 (Q2) \$	August 31, 2020 (Q1) \$	May 31, 2020 (Q4) \$	February 29, 2020 (Q3) \$	November 30, 2019 (Q2) \$	August 31, 2019 (Q1) \$	May 31, 2019 (Q4) \$
Revenue	—	—	—	—	—	—	—	—
Expenses	1,725	(1,195)	1,967	3,658	1,285	6,415	—	6,496
Net income (loss)	(1,725)	1,195	(1,967)	(3,658)	(1,285)	(6,415)	—	(6,496)
Loss per share – basic and diluted	(0.00)	0.00	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.01)
Assets	—	—	—	—	—	—	—	—
Long-term liabilities	—	—	—	—	—	—	—	—
Working capital (deficiency)	(19,704)	(17,979)	(19,174)	(17,207)	(13,549)	(12,264)	(5,849)	(5,849)

INTERIM RESULTS

For the three months ended February 28, 2021 (Q3)

For the three months ended February 28, 2021, the Company had net loss and total comprehensive loss of \$1,500 related to professional fees compared to a net loss and comprehensive loss of \$1,285 for the comparable period from December 1, 2020 to February 28, 2021. No material change was noted.

For the three months ended to November 30, 2020 (Q2)

For the three months ended November 30, 2020, the Company had net income and total comprehensive income of \$1,195 compared to a net loss and comprehensive loss of \$6,415 from September 1, 2019 to November 30, 2019. Balance decrease in current period was mainly due to decrease in professional fee incurred and reversal of over-accrual of audit fee in current period.

For the three months ended to August 31, 2020 (Q1)

For the three months ended August 31, 2020, the Company had net loss and total comprehensive loss of \$1,967 compared to a net loss and comprehensive loss of \$Nil from June 1, 2019 to August 31, 2019.

For the three months ended May 31, 2020 (Q4)

For the three months ended May 31, 2020, the Company had net loss and total comprehensive loss of \$3,658 related to professional fees compared to a net loss and comprehensive loss of \$6,496 for the comparable period from March 1, 2019 to May 31, 2019. Balance decreased in current period was mainly due to securities and transfer agent fee included in last period for the execution of the plan of arrangement.

For the three months ended February 29, 2020 (Q3)

For the three months ended February 29, 2020, the Company had net loss and total comprehensive loss of \$1,285 related to professional fees compared to a net loss and comprehensive loss of \$Nil for the comparable period from December 1, 2018 to February 28, 2019.

For the three months ended November 30, 2019 (Q2)

For the three months ended November 30, 2019, the Company had net loss and total comprehensive loss of \$(6,415) compared to a net loss and comprehensive loss of \$Nil for the comparable period from September 1, 2018 to November 30, 2018.

A breakdown of the \$6,415 in expenses for Q2 are as follows:

- (i) Professional fees of \$4,783; and
- (ii) Management fees of \$1,500; and
- (iii) Securities and transfer agent fees of \$132.

For the three months ended to August 31, 2019 (Q1)

For the three months ended August 31, 2019, the Company had net loss and total comprehensive loss of \$Nil compared to a net loss and comprehensive loss of \$(353) related to incorporation costs for the comparable period from June 21, 2018 (inception) to August 31, 2018.

For the three months ended May 31, 2019 (Q4)

For the three months ended May 31, 2019, the Company had net loss and total comprehensive loss of \$(6,496) with no comparative prior year period.

A breakdown of the \$6,496 in expenses for Q4 are as follows:

- (i) Administrative expenses of \$999; and
- (ii) Professional fees of \$3,500
- (iii) Securities and transfer agent fees of \$1,997.

RELATED PARTY TRANSACTIONS

Due to related parties is comprised of \$5,851 (2020: \$5,851) due to a company controlled by a director of the Company, Scott Munro. These are unsecured, non-interest bearing and due on demand.

A total of \$Nil (2020: \$1,500) in management fees were charged by a company controlled by a director of the Company, Scott Munro, during the nine months ended February 28, 2021.

All related party transactions are in the normal course of operations and have been measured at the agreed to amount, which is the amount of consideration established and agreed to by the related parties.

MANAGEMENT OF INDUSTRY AND FINANCIAL RISK

The Company is in the healthcare sector in Canada and manages related industry risk issues directly. However, the Company does not currently have any active operations and as such is not exposed to any related risks.

The Company's has minimal exposure to any financial risks having not commenced commercial operations. The Company's primary financial risk to *liquidity risk* due to its reliance on vendors and consultants continuing to extend payment terms, and management accruing expenses for unpaid services. Any one or more of these liquidity risks may have a material financial impact on the Company, should favourable loans, services, and/or terms become no longer available to the Company.

Off-Balance Sheet Transactions

The Company has not entered into any off-balance sheet arrangements or commitments.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES

Refer to the Company's audited consolidated financial statements for the year ended May 31, 2020 and the period from June 21, 2018 (incorporation) to May 31, 2019 for details of the significant accounting policies and estimates adopted by the Company.

Conceptual Framework

On March 29, 2018, the IASB issued its revised Conceptual Framework for Financial Reporting. The revised Conceptual Framework does not constitute a substantial revision from the previously effective guidance, but does provide additional guidance on topics not previously covered such as presentation and disclosure. This amendment is effective on January 1, 2020. The Company intends to adopt this amendment in its financial statements for the annual period beginning June 1, 2020. The Company has adopted the revised Conceptual Framework during the three and nine months ended February 28, 2021 and the adoption had no material impact on the financial statements.

Definition of a Business

On October 22, 2018, the IASB issued a narrow scope amendment to IFRS 3. This amendment narrowed and clarified the definition of a business, as well as permitted a simplified assessment of whether an acquired set of activities and assets is a group of assets rather than a business. This amendment is effective on January 1, 2020 and is to be applied prospectively. The Company has adopted the amendment to IFRS 3 during the three and nine months ended February 28, 2021 and the adoption had no material impact on the financial statements.

RISK AND UNCERTAINTIES

Core Business

The Company is in the healthcare and related technology sector in Canada.

It will require significant risk and capital for the Company working towards establishing viable business in the payment processing sector, if ever. There can be no assurance that the Company ever becomes established or profitable in the sector, even with significant capital investment and business expertise.

While the development of healthcare services and related technology sector in Canada may result in profitable operations, marketing may also contribute to successful business. Notwithstanding, it is impossible to ensure that any healthcare and related technology sector in Canada and market strategy planned by the Company will result in profitable commercial sales and operations. Whether the company will be commercially viable depends on a number of factors, some of which are the particular attributes of the industry, as well as competitors' strategies and market factors. Some of these are cyclical and government regulations, including farming and land use regulations.

Some of these risks include, but not limited to, the following:

Significant capital investment, personnel, management, and consultants will be required for the development of any products or services in the healthcare sector. There can be no assurance that the Company will be able to achieve this with limited resources or without raising significant capital through debt and/or equity financings, if available on acceptable terms, and that will dilute shareholders.

Uninsured Risks

The Company may carry insurance to protect against certain risks in such amounts as it considers adequate. Risks not insured against include key person insurance as the Company heavily relies on the company officers and directors.

Conflicts of Interest

Certain directors of the Company also serve as directors and/or officers of other companies involved in other business ventures. Consequently, there exists the possibility for such directors and/or officers to be in a position of conflict.

Any decision made by such directors involving the Company will be made in accordance with their duties and obligations to deal fairly and in good faith with the Company and such other companies. In addition, directors involved in potential conflicts will declare, and refrain from voting on the conflicted matter.

Negative Operating Cash Flows

As the Company is in early development stages, it will continue to have negative operating cash flows without the development of revenue streams from its business. Positive operating cash flows require the Company to complete successful setup of active operations whether through organic business development or acquisition.

Risks Related as a Going Concern

The ability of the Company to continue as a going concern is uncertain and dependent upon its ability to achieve profitable operations, obtain additional capital and receive continued support from its shareholders. Management of the Company will have to raise capital through private placements or debt financing and proposes to continue to do so through future private placements and offerings. The outcome of these matters cannot be predicted at this time.

Reliance on Key Personnel, Service Provider, and Advisors

The Company relies heavily on its officers, its service provider, and business advisors. The loss of their services may have a material adverse effect on the business and going concern of the Company. There can be no assurance that one or all of the employees of, and contractors engaged by, the Company will continue in the employ of, or in a consulting capacity to, the Company or that they will not set up competing businesses or accept positions with competitors. There is no guarantee that certain employees of, and contractors to, the Company who have access to confidential information will not disclose the confidential information.

Operating History and Expected Losses

The Company expects to make significant investments in order to develop its services, increase marketing efforts, improve its operations, conduct research and development and update its equipment. As a result, start-up operating losses are expected, and such losses may be greater than anticipated, which could have a significant effect on the long-term viability of the Company.

Growth Management

In executing the Company's business plan for the future, there will be significant pressure on management, operations, technical, and other assets or resources. The Company anticipates that its operating costs will increase substantially in the future when and if it is able to identify a viable farming project. In order to manage its growth, the Company will have to increase the number of its technical, engineering, and operational employees and efficiently manage its employees, while at the same time efficiently maintaining a large number of relationships with third parties. There can be no assurance that the Company will be able to meet these growth objectives.

COVID-19

Since March 2020, several measures have been implemented in Canada and the rest of the world in response to the increased impact from novel coronavirus ("COVID-19"). The Company continues to operate and move its business activity forward at this time. While the impact of COVID-19 is expected to be temporary, the current circumstances are dynamic and the impacts of COVID-19 on business operations, cannot be reasonably estimated at this time. The Company anticipates this could have an adverse impact on its business, results of operations, financial position and cash flows in 2021.

MANAGEMENT’S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The information provided in this report as referenced from the Company’s financial statements for the referenced reporting period is the sole responsibility of management. In the preparation of the information along with related and accompanying statements and estimates contained herein, management uses careful judgement in assessing the values (or future values) of certain assets or liabilities. It is the opinion of management that such estimates are fair and accurate as presented.

OTHER INFORMATION

Additional information on the Company is available on SEDAR at www.sedar.com.

CORPORATE INFORMATION

Directors and officers

J. Scott Munro, Director – CEO – CFO

Auditor

Adam Sung Kim, Ltd.

Adam Kim, CA, CPA

SCHEDULE K

***Pro Forma* Financial Statements of the Resulting Issuer**

as at February 28, 2021

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Awakn Life Sciences Corp. (formerly 1169082 BC Ltd.)

Unaudited pro forma consolidated statement of financial position
(Expressed in Canadian Dollars)

	Awakn Life Sciences Corp. (formerly 1169082 BC Ltd.) February 28, 2021	Awakn Life Sciences Inc. January 31, 2021	Note 5	Adjustments	Total
	\$	\$		\$	\$
Assets					
Current assets					
Cash	-	366,065	(d) (f) (g) (i)	41,250 7,440,000 3,861,250 (400,000)	11,308,565
Prepayments and other receivables	-	93,272			93,272
Other receivables	-	17,620			17,620
Total current assets	-	476,957		10,942,500	11,419,457
Non-current assets					
Property and equipment	-	204,286			204,286
Intangible asset	-	-	(e)	60,000	60,000
Right-of-use assets	-	144,245	(i)		144,245
Total assets	-	825,488		11,002,500	11,827,988
Liabilities					
Current liabilities					
Accounts payable and accrued liabilities	13,853	228,335			242,188
Lease liabilities	-	13,677			13,677
Convertible debenture	-	-	(g) (h)	3,087,217 (3,087,217)	-
Derivative liability	-	-	(g) (h)	685,945 (685,945)	-
Due to related parties	5,851	-			5,851
Total current liabilities	19,704	242,012		-	261,716
Non-current liabilities					
Long-term lease liabilities	-	118,434			118,434
Total liabilities	19,704	360,446		-	380,150
Shareholders' Equity					
Share capital	1,000	1,152,346	(a) (c) (e) (e) (f) (h)	(1,000) 500,000 44,915 60,000 7,041,381 2,472,236	11,270,878
Share-based payment reserve		39,870	(d) (f) (g) (h) (k)	(3,665) 398,619 88,088 1,300,926 291,148	2,114,986
Accumulated other comprehensive income		610			610
Deficit	(20,704)	(865,186)	(b) (c) (i) (k)	20,704 (519,704) (400,000) (291,148)	(2,076,038)
Non-controlling interest		137,402			137,402
Total shareholders' equity	(19,704)	465,042	-	11,002,500	11,447,838
Total liabilities and shareholders' equity	-	825,488		11,002,500	11,827,988

See accompanying notes to the unaudited pro forma financial statement

Awakn Life Sciences Corp. (formerly 1169082 BC Ltd.)

Unaudited pro forma consolidated statement of loss and comprehensive loss

For the nine months ended February 28, 2021

(Expressed in Canadian Dollars)

	Awakn Life Sciences Corp. (formerly 1169082 BC Ltd.)	Awakn Life Sciences Inc.	Note 5	Adjustments	Total
	Nine months ended February 28, 2021	April 27, 2020 to January 31, 2021			
	\$	\$			\$
Operating expenses		-			
Sales and marketing	-	77,382			77,382
General and administration	2,497	500,050			502,547
Stock based compensation	-	39,870	(j)	291,148	331,018
Depreciation and amortization	-	12,924			12,924
Total operating expenses	2,497	630,226		291,148	923,871
Other expense (income)					
Finance costs	-	9,824			9,824
Transaction costs	-	470,726	(i)	400,000	870,726
Foreign exchange (gain) loss	-	(4,381)			(4,381)
Loss from operations before income taxes	2,497	1,106,395		691,148	1,800,040
Income tax expense - current	-	-			-
Income tax recovery - deferred	-	-			-
Net loss	2,497	1,106,395		691,148	1,800,040
Other comprehensive income					
<i>Amounts that may be reclassified subsequently to profit or loss:</i>					
Foreign exchange translation adjustment	-	(610)			(610)
Net loss and comprehensive loss	2,497	1,105,785		691,148	1,799,430
Attributable to:					
Equity holders of the parent					(1,637,959)
Non-controlling interests					(161,471)
					(1,799,430)
Loss per Share Basic and Diluted					\$ 0.07

Awakn Life Sciences Corp.

Notes to Unaudited Pro Forma Consolidated Financial Statement
February 28, 2021

1. Basis of presentation

The unaudited pro forma consolidated statement of financial position of Awakn Life Sciences Corp. (the "Company") (formerly, 1169082 BC Ltd.) as at February 28, 2021 and the statements of loss and comprehensive loss for the nine months ended February 28, 2021 (collectively, the "Pro Forma Financial Statements"), have been prepared by management based on historical financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"), for illustrative purposes only, after giving effect to the proposed transaction between the Company and Awakn Life Sciences Inc. ("Awakn" or the "Target") on the basis of the assumptions and adjustments described in notes 2, 3, 4 and 5.

The unaudited Pro Forma Financial Statements have been derived from:

- (a) the unaudited financial statements of the Company for the three and nine months ended February 28, 2021;
- (b) the audited consolidated financial statements of Awakn for the period from date of incorporation (April 27, 2020) to January 31, 2021; and
- (c) unless otherwise noted, the unaudited pro forma consolidated statements of financial position and its accompanying notes are presented in Canadian Dollars.

It is management's opinion that the unaudited Pro Forma Financial Statements, include all adjustments necessary for the fair presentation, in all material respects, of the transactions described in notes 3 and 4 in accordance with IFRS, applied on a basis consistent with Awakn's accounting policies, except as otherwise noted. The unaudited Pro Forma Financial Statements are not necessarily indicative of the financial position that would have resulted if the combination had actually occurred on February 28, 2021.

The unaudited Pro Forma Financial Statements should be read in conjunction with the historical financial statements and notes thereto of the Company and Awakn, included elsewhere in this Management Information Circular.

2. Significant accounting policies

The unaudited Pro Forma Financial Statements have been compiled using the significant accounting policies, as set out in the audited consolidated financial statements of Awakn as at January 31, 2021. Management has determined that no material pro forma adjustments are necessary to conform the Company's accounting policies to the accounting policies used by Awakn in the preparation of its audited financial statements.

3. The transaction

- a) The Company and Awakn have entered into an agreement pursuant to which the Company will acquire all of the issued and outstanding common shares in the capital of Awakn in consideration for securities of the Company.
- b) The Company will consolidate its shares capital on the basis of 42.5105 to 1. Following completion of the share consolidation, the Company will have 200,000 common shares issued and outstanding.
- c) The Target and the Company will amalgamate and continue as one corporation. Former Awakn security holders shall receive replacement common shares, restrictive share units, stock options and warrants of the Company in exchange for common shares, stock options and warrants of Awakn.
- d) Upon completion of the transaction, the former shareholders of Awakn will become the controlling shareholders of the Company. This type of share exchange, referred to as a reverse acquisition ("RTO"), deems Awakn to be the acquirer for accounting purposes.
- e) In conjunction with the RTO, the Company shall complete an offering (the "Offering") of 3,200,000 common shares at a price of \$2.50 per share, for gross proceeds of \$8,000,000. As part of the offering, the Company shall pay \$560,000 cash commissions and issue 224,000 broker warrants, each exercisable into one common share at a price of \$2.50 for a period of 2 years. In addition, the Company shall pay issue 96,000 common shares in the form of a corporate finance fee.

The acquisition is subject, but not limited, to regulatory and shareholder approvals.

4. Accounting for RTO

The Transaction has been accounted for in accordance with IFRS 2, which results in the following:

- o Awakn is deemed to be the acquirer and the Company is deemed to be the acquiree for accounting purposes;
- o accordingly, Awakn's balances are accounted for at cost and the Company is accounted for at fair value;
- o since the Company's operations do not constitute a business, the transaction has been accounted for as a reverse acquisition

Awakn Life Sciences Corp.

Notes to Unaudited Pro Forma Consolidated Financial Statement
February 28, 2021

that is not a business combination;

Awakn Life Sciences Corp.

Notes to Unaudited Pro Forma Consolidated Financial Statement
February 28, 2021

- o therefore, the Company's share capital and deficit will be eliminated, the consideration transferred by the Company will be allocated to share capital and transaction costs will be expensed;
- o the capital structure recognized in the consolidated financial statements will be that of the Company, but the dollar amount of the issued share capital in the unaudited pro forma consolidated statement of financial position immediately prior to acquisition will be that of the Target, plus any shares issued by the Company prior to or as part of the transaction.

5. Pro forma assumptions and adjustments

The unaudited pro forma consolidated statement of financial position reflects the following assumptions and adjustments:

- (a) A reduction in share capital of \$1,000 to eliminate the Company's historical share capital.
- (b) An adjustment of \$20,704 to eliminate the Company's historical deficit.
- (c) Since the Company's operations do not constitute a business, the consideration transferred by the Company will be allocated to share capital and transaction costs will be expensed. An increase in share capital of \$500,000 and an increase in deficit of \$519,704 has been allocated based on the following:

Consideration transferred (200,000 shares at a price of \$2.50 per share)	\$ 500,000
Accounts payable and accrued liabilities	\$ (13,853)
Due to related parties	(5,851)
Transaction costs	519,704
	<u>\$ 500,000</u>

- (d) To reflect the issuance of 550,000 common shares from the exercise of 550,000 Awakn stock options at \$0.075 per share.
- (e) To reflect the issuance of 50,000 shares to acquire certain intellectual property, at a deemed price of \$1.20 per share.
- (f) An increase in cash of \$8,000,000, less transaction costs of \$560,000 as a result of the Offering. The full net proceeds were allocated to share capital. As part of the Offering, the Company issued 96,000 common shares as a corporate finance fee and 224,000 Broker Warrants valued at \$398,619. The Broker Warrants were valued using the Black-Scholes Option Pricing Model with a volatility of 150%, risk free rate of 0.23%, expected life of 2 years and dividend yield of nil%.
- (g) An increase in cash of 4,000,000 to reflect a subsequent convertible debenture unit financing ('Unit'). Each Unit consisted of one \$1,000 principal amount unsecured convertible debenture, which shall be forced to convert upon a liquidity event ('Convertible Debenture'), and one half of one common share purchase warrant ('Warrant'). Each Convertible Debenture converts at the lesser of at 20% discount to a liquidity price event or \$1.20 per common share (the 'Conversion Price'). Each Warrant shall be exercisable at a 50% premium to the Conversion Price. The debentures were converted at a Conversion Price of \$1.20 pursuant to note 5(i) below.

Issuance costs included \$138,750 of cash and 103,125 finder's warrants, each exercisable for 2 years at \$1.20 per share. The finder's warrants had a fair value of \$88,088, and were valued using the Black-Scholes Option Pricing Model with a volatility of 150%, risk free rate of 0.23%, expected life of 2 years and dividend yield of nil%.
- (h) Increases in share capital of \$2,472,236 and share-based payment reserve of \$1,300,926 to reflect the issuance of 3,333,333 common shares and 1,666,667 warrants from the conversion of \$4,000,000 of convertible debentures, at a conversion price of \$1.20. Each warrant is exercisable into one common share at a price of 1.80 for a period of 2 years from the conversion date. The warrants were valued using the Black-Scholes Option Pricing Model with a volatility of 150%, risk free rate of 0.23%, expected life of 2 years and dividend yield of nil%.
- (i) An increase in deficit of \$400,000 to reflect estimated transaction costs for the RTO.
- (j) An increase in deficit of \$291,148 to the issuance of 1,040,000 stock options, of which 267,500 were full vested at issuance. These options have an exercise price of \$1.20. The options were valued using the Black-Scholes Option Pricing Model with a volatility of 150%, risk free rate of 0.23%, expected life of 5 years and dividend yield of nil%.

Awakn Life Sciences Corp.

Notes to Unaudited Pro Forma Consolidated Financial Statement
February 28, 2021

6. Pro forma share capital

	<u>Number</u>	<u>Amount</u>
The Company's common shares outstanding - February 28, 2021 post 1 for 42.5105 consolidation of the Company's shares	8,502,104 (8,302,104)	\$ 1,000
Common shares issued to Awakn's shareholders	16,883,334	1,152,346
Reverse takeover adjustment - the Company's common shares (note 5(a))	-	(1,000)
Consideration transferred to shareholders of the Company (note 5(d))	-	500,000
Exercise of options as described in note 5(e)	550,000	44,915
Issuance of shares as described in note 5(f)	50,000	60,000
Completion of the Offering as described in note 5(g)	3,296,000	7,041,381
Conversion of debentures as described in note 5(h)	3,333,333	2,472,236
Pro forma share capital - February 28, 2021	<u>24,312,667</u>	<u>\$ 11,270,878</u>

7. Pro forma share-based payment reserve

	<u>Amount</u>
The Company's share-based payment reserve	\$ -
The Target's share-based payment reserve	39,870
Exercise of options as described in note 5(d)	(3,665)
Issuance of Broker Warrants per note 5(f)	398,619
Issuance of finders warrants per note 5(g)	88,088
Issuance of warrants for the conversion of debentures per note 5(h)	1,300,926
Issuance of stock options per note 5(j)	291,148
Pro forma share-based payment reserve - February 28, 2021	<u>\$ 2,114,986</u>

8. Pro forma deficit

	<u>Amount</u>
The Company's deficit	\$ 20,704
The Target's deficit	865,186
Elimination of the Company's deficit (note 5(b))	(20,704)
Additional transaction costs in note 5(c)	519,704
To record additional transaction costs per note 5(i)	400,000
To record issuance of options per note 5(k)	291,148
Pro forma deficit - February 28, 2021	<u>\$ 2,076,038</u>

Awakn Life Sciences Corp.

Notes to Unaudited Pro Forma Consolidated Financial Statement
February 28, 2021

9. Pro forma statement of loss and comprehensive loss

The unaudited pro forma consolidated statement of loss and comprehensive loss for the nine months ended February 28, 2021 consists of the results of Company for the nine months ended February 28, 2021 and the results of the Target for the period from date of incorporation (April 27, 2020) to January 31, 2021.

10. Pro forma income taxes

The Company expects to have a pro forma income tax rate of 26.5%.

SCHEDULE L

Stock Option Plan of 116 BC

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1169082 B.C. LTD.
(the "**Issuer**")

STOCK OPTION PLAN

1. Purpose of the Plan

The purpose of the Plan is to attract and retain Directors, Employees, Consultants and other persons or companies engaged to provide ongoing services to the Issuer and its Affiliates, to provide an incentive for such persons to put forth maximum effort for the continued success and growth of the Issuer, and in combination with these goals, to encourage their participation in the performance of the Issuer. The Issuer represents that Employees, Consultants or Management Company Employees who are granted Options will be bona fide Employees, Consultants or Management Company Employees at the time of grant.

2. Definitions

2.1 For the purposes of the Plan, the following terms have the respective meanings set forth below:

- (a) "**Affiliate**" has the meaning ascribed to that term in applicable securities laws or the policies of the Exchange.
- (b) "**Associate**" has the meaning ascribed to that term in applicable securities laws or the policies of the Exchange.
- (c) "**Black Out Period**" means the period during which Eligible Persons cannot trade the Shares pursuant to the Issuer's formal policy respecting restrictions on trading which is in effect at that time.
- (d) "**Board**" means the board of directors of the Issuer.
- (e) "**Change of Control**" has the meaning ascribed to that term in applicable securities laws or the policies of the Exchange.
- (f) "**Committee**" means the Board, or if the Board so determine in connection with section 3 hereof, the committee of the Board authorized to administer the Plan.
- (g) "**Company**" means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual.
- (h) "**Consultant**" means an individual (other than an Employee or a Director of the Issuer) or Company, that:
 - (a) is engaged to provide, on an ongoing bona fide basis, consulting, technical, management or other services to the Issuer or to an Affiliate of the Issuer, other than services provided in relation to a Distribution;
 - (b) provides the services under a written contract between the Issuer or an Affiliate of the Issuer and the individual or the Company, as the case may be;
 - (c) in the reasonable opinion of the Issuer, spends or will spend a significant amount of time and attention on the affairs and business of the Issuer or an Affiliate of the Issuer; and
 - (d) has a relationship with the Issuer or an Affiliate of the Issuer that enables the individual to be knowledgeable about the business and affairs of the Issuer.

- (i) **"Director"** means a director, senior officer or Management Company Employee of the Issuer, or a director, senior officer or Management Company Employees of the Issuer's subsidiaries.
- (j) **"Disability"** means a physical injury or mental incapacity of a nature which the Committee determines prevents or would prevent the Optionee from satisfactorily performing the substantial and material duties of his or her position with the Issuer.
- (k) **"Disinterested Shareholder Approval"** means that the proposal must be approved by a majority of the votes cast at the shareholders' meeting other than votes attaching to securities beneficially owned by Insiders and their Associates to whom Shares may be issued pursuant to this Plan.
- (l) **"Distribution"** has the meaning ascribed to that term in applicable securities laws or the policies of the Exchange.
- (m) **"Eligible Person"** means, from time to time, any Director or Employee of the Issuer or an Affiliate of the Issuer, any Consultant and any Permitted Assign.
- (n) **"Employee"** means:
 - (a) an individual who is considered an employee of the Issuer or its subsidiary under the *Income Tax Act (Canada)* (and for whom income tax, employment insurance and CPP deductions must be made at source);
 - (b) an individual who works full-time for the Issuer or its subsidiary providing services normally provided by an employee and who is subject to the same control and direction of the Issuer over the details and methods of work as an employee of the Issuer, but for whom income tax deductions are not made at source; or
 - (c) an individual who works for the Issuer or its subsidiary on a continuing and regular basis for a minimum amount of time per week (the number of hours should be disclosed in the submission) providing services normally provided by an employee and who is subject to the same control and direction by the Issuer over the details and methods of work as an employee of the Issuer, but for whom income tax deductions are not made at source.
- (o) **"Exchange"** means any exchange upon which the Shares become listed.
- (p) **"Exchange Hold Period"** means the day that is four months and one day after the date of issue of an Option.
- (q) **"Grant Date"** means the date on which an Option is granted to an Eligible Person.
- (r) **"Insider"** has the same meaning ascribed to that term in applicable securities laws or the policies of the Exchange.
- (s) **"Issuer"** means 1169082 B.C. Ltd. or its successor.
- (t) **"Management Company Employee"** means an individual employed by a Person providing management services to the Issuer, which are required for the ongoing successful operation of the business enterprise of the Issuer, but excluding a Person involved in investor relations activities.
- (u) **"Market Price"** of a Share means, on any given day:
 - (a) where the Shares are not listed on an Exchange, the fair market value of a Share on that day determined by the Board in good faith; and

- (b) where the Shares are listed on an Exchange, the last closing price of the Shares before the issue of the required news release disclosing the grant of Options (but, if the policies of the Exchange provide an exception to such news release, then the last closing price of the Shares before the Grant Date).
- (v) "**Option**" means the right to purchase a Share under the Plan.
- (w) "**Optionee**" means an Eligible Person to whom an Option has been granted.
- (x) "**Option Period**" has the meaning ascribed to that term in subsection 6.3 hereof.
- (y) "**Option Price**" means the price per Share at which Shares may be purchased under the Option, as determined pursuant to subsection 5.1(b) hereof and as may be adjusted in accordance with section 10 hereof.
- (z) "**Permitted Assign**" means for a person that is an Employee, Director or Consultant of the Issuer or any of its Affiliates, a holding entity (as defined in *National Instrument 45-106*) of the person or an RRSP or RRIF of the person.
- (aa) "**Person**" means a Company or an individual.
- (bb) "**Plan**" means the incentive stock option plan of the Issuer as set forth herein as the same may be amended and/or restated from time to time.
- (cc) "**Redundancy**" means the termination of employment due to the fact that,
 - (a) the person's employer has ceased or intends to cease:
 - (A) carry on business for the purposes of which the employee was employed by him, or
 - (B) to carry on that business in the place where the employee was so employed, or
 - (b) the requirements of that business:
 - (A) for employees to carry out work of a particular kind, or
 - (B) for employees to carry out work of a particular kind in the place where the employee was employed by the employer,

have ceased or diminished or are expected to cease or diminish.
- (dd) "**Regulators**" has the meaning ascribed to that term in section 11 hereof.
- (ee) "**Retirement**" means the termination of employment due to retirement of an Optionee on or after such Optionee's normal retirement date under the applicable retirement plan or policy of his or her employer or due to early retirement.
- (ff) "**Share**" means a common share without nominal or par value of the Issuer.

2.2 Unless otherwise indicated, all dollar amounts referred to in this Plan are in Canadian funds.

2.3 As used in this Plan, words importing the masculine gender shall include the feminine and neuter genders and words importing the singular shall include the plural and vice versa, unless the context otherwise requires.

3. Administration of the Plan

3.1 The Plan shall be administered by the Committee and the Committee shall have full authority to administer the Plan including the authority to interpret and construe any provision of the Plan and to adopt, amend and rescind such rules and regulations for administering the Plan as the Committee may deem necessary or desirable in order to comply with the requirements of the Plan. All actions taken and all interpretations and determinations made by the Committee in good faith shall be final and conclusive and shall be binding on the Eligible Persons and the Issuer. No member of the Committee shall be personally liable for any action taken or determination or interpretation made in good faith in connection with the Plan and all members of the Committee shall, in addition to their rights as directors, be fully protected, indemnified and held harmless by the Issuer with respect to any such action taken or determination or interpretation made. The appropriate officers of the Issuer are hereby authorized and empowered to do all things and execute and deliver all instruments, undertakings and applications and writings as they, in their absolute discretion, consider necessary or desirable for the implementation of the Plan and of the rules and regulations established for administering the Plan. All costs incurred in connection with the Plan shall be for the account of the Issuer. All of the powers exercisable hereunder by the directors of the Issuer may, to the extent permitted by applicable law and as determined by resolution of the directors of the Issuer, be exercised by a committee of the directors of the Issuer comprised of not less than two directors of the Issuer.

4. Shares Subject to the Plan

4.1 The maximum number of Shares that may be reserved for issue pursuant to Options granted under this Plan (together with the Shares which may be reserved for issue pursuant to any other share compensation plan of the Issuer, employee-related plan of the Issuer or options for services granted by the Issuer) shall not exceed in the aggregate 10% of the number of issued and outstanding number of Shares on a non-diluted basis on the Grant Date, subject to adjustment as provided in section 10 hereof and subject to reloading permitted under subsection 4.3 hereof (which reloading shall increase the aggregate number of Shares that may be issued under the Plan by the number of additional Shares permitted to be reserved under subsection 4.3 hereof).

4.2 Unless the Issuer has obtained the requisite Disinterested Shareholder Approval, the number of Shares which may be reserved for issue pursuant to Options granted under this Plan (together with the Shares which may be reserved for issue pursuant to any other share compensation plan of the Issuer, employee-related plan of the Issuer or options for services granted by the Issuer) to any one Person within a 12 month period shall not exceed in the aggregate 5% of the number of Shares issued and outstanding on a non-diluted basis on the Grant Date.

4.3 Shares in respect of which Options have expired, were cancelled or otherwise terminated for any reason without having been exercised shall be available for subsequent Options under the Plan. Options that have been exercised shall be available for subsequent grants under the Plan and the Issuer shall reserve additional Shares for issue pursuant to such Options. No fractional Shares may be purchased or issued under the Plan.

5. Grants of Options

5.1 Subject to the provisions of the Plan, the Committee shall, in its sole discretion and from time to time, determine the Eligible Persons to whom Options shall be granted and the Grant Date. Options granted to Eligible Persons in accordance with the requirement hereunder shall be at no cost to the Eligible Person. In its sole discretion, the Committee shall also determine, in connection with each grant of Options:

- (a) the number of Options to be granted;
- (b) the Option Price applicable to each Option, but the Option Price shall not be less than the Market Price;
- (c) the vesting conditions of the Options; and
- (d) the other terms and conditions (which need not be identical and which, without limitation, may include non-competition provisions) of all Options covered by any grant.

5.2 In addition to any resale restrictions required under applicable securities laws or the policies of the Exchange, all Options issued to Insiders and all Options issued at an Option Price which is no less than the Market Price, and, in each case, any Shares issued upon the exercise of such Options prior to the expiry of the Exchange Hold Period, must be legended as prescribed under the policies of the Exchange with the Exchange Hold Period commencing on the date the Options were granted.

6. Eligibility, Vesting and Terms of Options

6.1 Options may be granted under the Plan to Eligible Persons only.

6.2 Subject to the adjustments provided for in section 10 hereof, each Option shall entitle the Optionee to purchase one Share.

6.3 The option period (the "**Option Period**") of each Option commences on the Grant Date and expires at 4:30 p.m. (Toronto time) on no later than the 10th anniversary of the Grant Date, or such earlier period as may be determined by the Committee or required by the rules of the Exchange upon which the Shares are listed as of the Grant Date, subject to extension of the Option Period where the expiry date occurs during a Black Out Period, provided that the Option Period can be extended to no later than 10 business days after the expiry of the Black Out Period.

6.4 An Option which has vested may be exercised (in each case to the nearest full Share) at any time during the Option Period.

6.5 An Option is personal to the Optionee and may not be sold, transferred, assigned or disposed of in any way except, by will or by the laws governing the devolution of property, to the Optionee's executor, administrator or other personal representative in the event of death of the Optionee, or to a Permitted Assign.

7. Option Agreement

7.1 Upon the grant of an Option, the Issuer and the Optionee shall enter into an option agreement, substantially in a form set out in appendix A attached hereto or in such other form as approved by the Board, which agreement shall set out the Optionee's agreement that the Options are subject to the terms and conditions set forth in the Plan as it may be amended or replaced from time to time, the Grant Date, the name of the Optionee, the Optionee's capacity as an Eligible Person, the number of Options, the Option Price, the expiry date of the Option Period, the conditions (if any) imposed on the exercise of the Option, and such other terms and conditions as the Committee may deem appropriate.

8. Termination of Employment, Engagement or Directorship

8.1 Optionees shall have 90 days after:

- (a) the date on which the Optionee's employment, engagement or directorship with the Issuer or its Affiliate is terminated due to Retirement, Disability or Redundancy;
- (b) the date the Company by which the Employee is employed and by virtue of which the Optionee is an Eligible Person ceases to be an Affiliate of the Issuer; or
- (c) the date on which the undertaking or part undertaking of the Company in which the Employee is employed and by virtue of which the Optionee is an Eligible Person is transferred or sold such that the Company is no longer an Affiliate of the Issuer;

to exercise any Option granted hereunder to the extent such Option was exercisable and had vested on the date of such termination; provided, however, that no Option shall be exercisable following the expiration of the Option Period applicable thereto.

8.2 Any Optionee whose employment, engagement or directorship with the Issuer or employment, engagement or directorship with the Issuer's Affiliate is terminated, other than for cause, at any time in the six months following a Change of Control of the Issuer shall have 90 days after the date of such termination to exercise any Option granted hereunder. All Options granted shall immediately vest on the date of such termination; provided, however, that no Option shall be exercisable following the expiration of the Option Period applicable thereto.

8.3 In the event of the death of an Optionee, either while in the employment or engagement or while a Director of the Issuer or its Affiliate or after Retirement or Disability, the Optionee's executor, administrator or other personal representative who have acquired the right to exercise such Option from the Optionee by will or the laws of devolution may, within one year from the date of the Optionee's death, exercise any Option granted hereunder to the extent such Option was exercisable and had vested on the date of the Optionee's death; provided, however, that no Option shall be exercisable following the expiration of the earlier of such one year period or the Option Period applicable to such Option.

8.4 In the event an Optionee's employment, engagement or directorship with the Issuer or its Affiliate terminates for any reason other than for cause, death, or in the circumstances described in subsections 8.1, 8.2 or 8.3 hereof, the Optionee may exercise any Option granted hereunder to the extent such Option was exercisable and had vested on the date of termination no later than 30 days after such termination. In the event an Optionee's employment, engagement or directorship is terminated for cause, each Option held by the Optionee that has not been exercised prior to such termination shall lapse and become null and void immediately upon such termination.

8.5 The Committee may also in its sole discretion increase the periods permitted to exercise all or any of the Options covered by any grant following a termination of employment, engagement or directorship as provided in subsections 8.1, 8.2, 8.3 or 8.4 hereof, if allowable under applicable law; provided, however, that Options may not be exercisable more than 10 years following the Grant Date, subject to, where the expiry date occurs during a Black Out Period, extension of up to 10 business days after the expiry of the Black Out Period.

8.6 This Plan and any instrument executed pursuant to either of them will not:

- (a) confer on any Optionee any right to continue in employment, engagement or directorship with the Issuer or its Affiliates;
- (b) affect the right of the Issuer, to terminate the employment, engagement or directorship of any Optionee without liability at any time with or without cause;
- (c) impose upon the Committee or any other Person any duty or liability whatsoever (whether in contract, tort, or otherwise howsoever) in connection with:
 - (i) the lapsing of any Option pursuant to the Plan;
 - (ii) the failure or refusal to exercise any discretion under the Plan; or
 - (iii) holder of an Option ceasing to be an Eligible Person for any reason whatever.

8.7 The benefit of subsection 8.6 hereof is given to the Issuer for itself and as trustee and agent of each of its Affiliate. To the extent that this section 8 benefits any Company, which is not a party to the Plan, the benefit shall be held on trust and as agent by the Issuer for such Company and the Issuer may, at its discretion, assign the benefit of subsection 8.6 hereof to any such Company.

9. Exercise of Options

9.1 Subject to the provisions of the Plan, an Option may be exercised from time to time by delivery to the Issuer at its registered office of a written notice of exercise addressed to the Secretary of the Issuer specifying the number of Shares with respect to which the Option is being exercised, together with a certified cheque or bank draft

for the aggregate of the Option Prices to be paid for the Shares to be purchased. Certificates for such Shares shall be issued and delivered to the Optionee not later than 30 days following the receipt of such notice and payment.

9.2 No less than 1,000 Options may be exercised at any one time, except where a smaller number of Options is or remains exercisable pursuant to a grant, in which case, such smaller number of Options must be exercised at one time.

10. Adjustment on Alteration of Share Capital

10.1 In the event of a subdivision, consolidation or reclassification of outstanding Shares or other capital adjustment, or the payment of a stock dividend thereon, the number of Shares reserved or authorized to be reserved under the Plan, the number of Shares receivable on the exercise of an Option and the Option Price therefor shall be increased or reduced proportionately and such other adjustments shall be made as may be deemed necessary or equitable by the Committee.

10.2 If the Issuer amalgamates, consolidates with or merges with or into another body corporate, whether by way of amalgamation, statutory arrangement or otherwise (the right to do so being hereby expressly reserved), any Share receivable on the exercise of an Option shall, subject to the Exchange approval, be converted into the securities, property or cash which the Optionee would have received upon such amalgamation, consolidation or merger if the Optionee had exercised his or her Option immediately prior to the effective date of such amalgamation, consolidation or merger and the Option Price shall be adjusted appropriately by the Committee and such adjustment shall be binding for all purposes of the Plan.

10.3 In the event of a change in the Issuer's currently authorized Shares which is limited to a change in the designation thereof, the shares resulting from any such change shall be deemed to be Shares within the meaning of the Plan.

10.4 In the event of any change affecting the Shares other than the changes referred to in subsections 10.1, 10.2, and 10.3 hereof, such adjustment, if any, shall be made as may be deemed equitable by the Board to properly reflect such event.

10.5 No adjustment provided in this section 10 shall require the Issuer to issue a fractional Share and the total adjustment with respect to each Option shall be limited accordingly.

11. Regulatory Approval

11.1 Notwithstanding any of the provisions contained in the Plan or any Option, the Issuer's obligation to grant Options and issue Shares pursuant to the exercise of an Option and to issue and deliver certificates for such securities to an Optionee shall be subject to:

- (a) compliance with all applicable laws, regulations, rules, orders of governmental or regulatory authorities in Canada ("**Regulators**");
- (b) compliance with the requirements of the Exchange on which the Shares become listed, if applicable; and
- (c) receipt from the Optionee of such consideration, covenants, agreements, representations and undertakings, including as to future dealings in such Shares, as the Issuer determines to be necessary or advisable in order to safeguard against the violation of the securities laws of any jurisdiction.

11.2 The Issuer shall in no event be obligated to take any action in order to cause the issue and delivery of such certificates to comply with any laws, regulations, rules, orders or requirements.

11.3 If any amendment, modification or termination to the provisions hereof or any Option made pursuant hereto are required by any Regulators or a stock exchange or market as a condition of approval to a distribution to the

public of any Shares or to obtain a listing or quotation of any Shares, the Board is authorized to make such amendments and thereupon the terms of the Plan, any Options, including any option agreement made pursuant hereto, shall be deemed to be amended accordingly without requiring the consent or agreement of any Optionee.

12. Miscellaneous

12.1 An Optionee entitled to Shares as a result of the exercise of an Option shall not be deemed for any purpose to be, or to have rights as, a shareholder of the Issuer by such exercise, except to the extent Shares are issued therefor and then only from the date such Shares are issued. No adjustment shall be made for dividends or distributions or other rights which the record date is prior to the date such Shares are issued pursuant to the exercise of Options.

12.2 The Issuer may require an Optionee, as a condition of exercise of an Option, to pay or reimburse any taxes which are required to be withheld in connection with the exercise of such Option.

13. Withholding Taxes

13.1 The Issuer shall have the power and the right to deduct or withhold, or require an Optionee to remit to the Issuer, the required amount to satisfy federal, provincial and local taxes, domestic or foreign, required by law or regulation to be withheld with respect to any taxable event arising as a result of the Plan, including the grant or exercise of any option granted under the Plan. With respect to any required withholding, the Issuer shall have the irrevocable right to, and the Optionee consents to, the Issuer setting off any amounts required to be withheld, in whole or in part, against amounts otherwise owing by the Issuer to the Optionee (whether arising pursuant to the Optionee's relationship as a director, officer, employee or consultant of the Issuer or otherwise), or may make such other arrangements that are satisfactory to the Optionee and the Issuer. In addition, the Issuer may elect, in its sole discretion, to satisfy the withholding requirement, in whole or in part, by withholding such number of Shares issuable upon exercise of the options as it determines are required to be sold by the Issuer, as trustee, to satisfy any withholding obligations net of selling costs. The Optionee consents to such sale and grants to the Issuer an irrevocable power of attorney to effect the sale of such Shares issuable upon exercise of the options and acknowledges and agrees that the Issuer does not accept responsibility for the price obtained on the sale of such Shares issuable upon exercise of the options.

14. Effective Date, Amendment and Termination

14.1 The Plan was adopted by the Board on May 13, 2021.

14.2 The Committee may, subject where required to the approval of Regulators and/or the Exchange, from time to time amend, suspend or terminate the Plan in whole or in part.

14.3 No action by the Board to terminate the Plan pursuant to this section 14 shall affect any Options granted hereunder which became effective pursuant to the Plan prior to such action.

14.4 Except as set out below, the Committee may amend, modify or terminate any outstanding Option, including, but not limited to, substituting another award of the same or of a different type or changing the date of exercise; provided, however that, the Optionee's consent to such action shall be required unless the Board determines that the action, when taken with any related action, would not adversely affect the Optionee or is made pursuant to section 11 hereof.

14.5 The Option Price of any outstanding Option granted to Insiders may not be reduced and the original Option Period may not be extended to the benefit of Insiders unless Disinterested Shareholder Approval is obtained in accordance with Exchange requirements.

14.6 Notwithstanding any provision contained in the Plan, if the Shares become listed on:

- (a) the NEO Exchange Inc, the Plan must be reconfirmed every three years by a resolution passed by a majority of the votes cast by shareholders at a meeting of shareholders and by a majority of the directors of the Issuer; or

- (b) the Toronto Stock Exchange, the Plan must be reconfirmed every three years by a resolution passed by a majority of the votes cast by shareholders at a meeting of shareholders, by a majority of the directors of the Issuer, and by a majority of the Issuer's unrelated directors.

APPENDIX A

Incentive Stock Option Plan of
1169082 B.C. Ltd.

OPTION AGREEMENT

[All Options issued to Insiders and Options issued at the Market Price must include the following legend:

Without prior written approval of the Exchange and compliance with all applicable securities legislation, the securities represented by this certificate and the shares issuable upon the exercise thereof may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of the Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until [insert the date that is four months and one day after the date of issue of the Options].

This Option Agreement is entered into between 1169082 B.C. Ltd. (the "Issuer") and the Optionee named below pursuant to the Issuer's incentive Stock Option Plan (the "Plan") a copy of which is attached hereto, and confirms the following:

1. Grant Date: _____
2. Optionee: _____
3. Optionee's Eligible Person Capacity
Under the Plan: _____
4. Number of Options: _____
5. Option Price
(\$ per Share): _____
6. Expiry Date of
Option Period _____
7. Each Option that has vested entitles the Optionee to purchase one Share at any time up to 4:30 pm. Toronto time on the expiry date of the Option Period. The Options vest as follows:
(a) ●
8. The Option is non-assignable and non-transferable otherwise than, by will or by the law governing the devolution of property, to the Optionee's executor, administrator or other personal representative in the event of death of the Optionee.
9. This Option Agreement is subject to the terms and conditions set out in the Plan, as amended or replaced from time to time. In the case of any inconsistency between this Option Agreement and the Plan, the Plan shall govern.
10. Unless otherwise indicated, all defined terms shall have the respective meanings attributed thereto in the Plan.

11. By signing this agreement, the Optionee acknowledges that he, she, or its authorized representative has read and understands the Plan and agrees that the Options are granted under and governed by the terms and conditions of the Plan, as may be amended or replaced from time to time.

IN WITNESS WHEREOF the parties hereto have executed this Option Agreement as of the _____ day of _____, _____.

SIGNED, SEALED AND DELIVERED)
by _____ in the)
presence of:)

Signature of Witness)

Print Name)

Signature by Optionee)

Print Name)

1169082 B.C. LTD.

Per: _____
Authorized Signatory

SCHEDULE M

Charter of the Audit Committee of 116 BC

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CHARTER OF THE AUDIT COMMITTEE

1169082 B.C. LTD.
(the “Company”)

AUDIT COMMITTEE CHARTER

This Charter establishes the composition, the authority, roles and responsibilities and the general objectives of the Company’s audit committee, or its Board of Directors (the “**Board**”) in lieu thereof (the “**Audit Committee**”). The roles and responsibilities described in this Charter must at all times be exercised in compliance with the legislation and regulations governing the Company and any subsidiaries.

1. Composition

- (a) *Number of Members.* The Audit Committee must be comprised of a minimum of three directors of the Company, at least half of whom will be independent. Independence of the board members will be as defined by applicable legislation.
- (b) *Chair.* Audit Committee members will appoint a chair of the Audit Committee (the “**Chair**”) to serve for a term of one (1) year on an annual basis. The Chair may serve as the chair of the Audit Committee for any number of consecutive terms.
- (c) *Financially Literacy.* All members of the audit committee will be financially literate as defined by applicable legislation. If upon appointment a member of the Audit Committee is not financially literate as required, the person will be provided with a period of three months to acquire the required level of financial literacy.

2. Meetings

- (a) *Quorum.* The quorum required to constitute a meeting of the Audit Committee is set at a majority of members.
- (b) *Agenda.* The Chair will set the agenda for each meeting, after consulting with management and the external auditor. Agenda materials such as draft financial statements must be circulated to all Audit Committee members for members to have a reasonable amount of time to review the materials prior to the meeting.
- (c) *Notice to Auditors.* The Company’s auditors (the “**Auditors**”) will be provided with notice as necessary of any Audit Committee meeting, will be invited to attend each such meeting and will receive an opportunity to be heard at those meetings on matters related to the Auditor’s duties.
- (d) *Minutes.* Minutes of the Audit Committee meetings will be accurately recorded, with such minutes recording the decisions reached by the committee.

3. Roles and Responsibilities

The roles and responsibilities of the Audit Committee include the following:

External Auditor

The Audit Committee will:

- (a) *Selection of the external auditor.* Select, evaluate and recommend to the Board, for shareholder approval, the Auditor to examine the Company's accounts, controls and financial statements.
- (c) *Scope of Work.* Evaluate, prior to the annual audit by the Auditors, the scope and general extent of the Auditor's review, including the Auditor's engagement letter.
- (d) *Compensation.* Recommend to the Board the compensation to be paid to the external auditors.
- (e) *Replacement of Auditor.* If necessary, recommend the replacement of the Auditor to the Board.
- (f) *Approve Non-Audit Related Services.* Pre-approve all non-audit services to be provided by the Auditor to the Company or its subsidiaries.
- (g) *Direct Responsibility for Overseeing Work of Auditors.* Must directly oversee the work of the Auditor. The Auditor must report directly to the Audit Committee.
- (h) *Resolution of Disputes.* Assist with resolving any disputes between the Company's management and the Auditors regarding financial reporting.

Consolidated Financial Statements and Financial Information

The Audit Committee will:

- (a) *Review Audited Financial Statements.* Review the audited consolidated financial statements of the Company, discuss those statements with management and with the Auditor, and recommend their approval to the Board.
- (b) *Review of Interim Financial Statements.* Review and discuss with management the quarterly consolidated financial statements, and if appropriate, recommend their approval by the Board.
- (c) *MD&A, Annual and Interim Earnings Press Releases, Audit Committee Reports.* Review the Company's management discussion and analysis, interim and annual press releases, and audit committee reports before the Company publicly discloses this information.
- (d) *Auditor Reports and Recommendations.* Review and consider any significant reports and recommendations issued by the Auditor, together with management's response, and the extent to which recommendations made by the Auditor have been implemented.

Risk Management, Internal Controls and Information Systems

The Audit Committee will:

- (a) *Internal Control.* Review with the Auditors and with management, the general policies and procedures used by the Company with respect to internal accounting and financial controls. Remain informed, through communications with the Auditor, of any weaknesses in internal control that could cause errors or deficiencies in financial reporting or deviations from the accounting policies of the Company or from applicable laws or regulations.
- (b) *Financial Management.* Periodically review the team in place to carry out financial reporting functions, circumstances surrounding the departure of any officers in charge of financial reporting, and the appointment of individuals in these functions.
- (c) *Accounting Policies and Practices.* Review management plans regarding any changes in accounting practices or policies and the financial impact thereof.

- (d) *Litigation.* Review with the Auditors and legal counsel any litigation, claim or contingency, including tax assessments, that could have a material effect upon the financial position of the Company and the manner in which these matters are being disclosed in the consolidated financial statements.
- (e) *Other.* Discuss with management and the Auditors correspondence with regulators, employee complaints, or published reports that raise material issues regarding the Company's financial statements or disclosure.

Complaints

- (a) *Accounting, Auditing and Internal Control Complaints.* The Audit Committee must establish a procedure for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal controls or auditing matters.
- (b) *Employee Complaints.* The Audit Committee must establish a procedure for the confidential transmittal on condition of anonymity by the Company's employees of concerns regarding questionable accounting or auditing matters.

4. Authority

- (a) *Auditor.* The Auditor, and any internal auditors hired by the Company, will report directly to the Audit Committee.
- (b) *To Retain Independent Advisors.* The Audit Committee may, at the Company's expense and without the approval of management, retain the services of independent legal counsels and any other advisors it deems necessary to carry out its duties and set and pay the monetary compensation of these individuals.

5. Reporting

The Audit Committee will report to the Board on:

- (a) the Auditor's independence;
- (b) the performance of the Auditor and any recommendations of the Audit Committee in relation thereto;
- (c) the reappointment and termination of the Auditor;
- (d) the adequacy of the Company's internal controls and disclosure controls;
- (e) the Audit Committee's review of the annual and interim consolidated financial statements;
- (f) the Audit Committee's review of the annual and interim management discussion and analysis;
- (g) the Company's compliance with legal and regulatory matters to the extent they affect the financial statements of the Company; and
- (h) all other material matters dealt with by the Audit Committee.

SCHEDULE N

Dissent Rights under the OBCA

SECTION 185 OF THE *BUSINESS CORPORATIONS ACT* (ONTARIO)

Rights of dissenting shareholders

185(1) Subject to subsection (3) and to sections 186 and 248, if a corporation resolves to,

- (a) amend its articles under section 168 to add, remove or change restrictions on the issue, transfer or ownership of shares of a class or series of the shares of the corporation;
- (b) amend its articles under section 168 to add, remove or change any restriction upon the business or businesses that the corporation may carry on or upon the powers that the corporation may exercise;
- (c) amalgamate with another corporation under sections 175 and 176;
- (d) be continued under the laws of another jurisdiction under section 181; or
- (e) sell, lease or exchange all or substantially all its property under subsection 184 (3), a holder of shares of any class or series entitled to vote on the resolution may dissent.

R.S.O. 1990, c. B.16, s. 185 (1).

Idem

- (2) If a corporation resolves to amend its articles in a manner referred to in subsection 170 (1), a holder of shares of any class or series entitled to vote on the amendment under section 168 or 170 may dissent, except in respect of an amendment referred to in,
- (a) clause 170 (1) (a), (b) or (e) where the articles provide that the holders of shares of such class or series are not entitled to dissent; or
 - (b) subsection 170 (5) or (6).

R.S.O. 1990, c. B.16, s. 185 (2).

One class of shares

- (2.1) The right to dissent described in subsection (2) applies even if there is only one class of shares.

2006, c. 34, Sched. B, s. 35.

Exception

- (3) A shareholder of a corporation incorporated before the 29th day of July, 1983 is not entitled to dissent under this section in respect of an amendment of the articles of the corporation to the extent that the amendment,

- (a) amends the express terms of any provision of the articles of the corporation to conform to the terms of the provision as deemed to be amended by section 277; or
- (b) deletes from the articles of the corporation all of the objects of the corporation set out in its articles, provided that the deletion is made by the 29th day of July, 1986.

R.S.O. 1990, c. B.16, s. 185 (3).

Shareholder's right to be paid fair value

- (4) In addition to any other right the shareholder may have, but subject to subsection (30), a shareholder who complies with this section is entitled, when the action approved by the resolution from which the shareholder dissents becomes effective, to be paid by the corporation the fair value of the shares held by the shareholder in respect of which the shareholder dissents, determined as of the close of business on the day before the resolution was adopted.

R.S.O. 1990, c. B.16, s. 185 (4).

No partial dissent

- (5) A dissenting shareholder may only claim under this section with respect to all the shares of a class held by the dissenting shareholder on behalf of any one beneficial owner and registered in the name of the dissenting shareholder.

R.S.O. 1990, c. B.16, s. 185 (5).

Objection

- (6) A dissenting shareholder shall send to the corporation, at or before any meeting of shareholders at which a resolution referred to in subsection (1) or (2) is to be voted on, a written objection to the resolution, unless the corporation did not give notice to the shareholder of the purpose of the meeting or of the shareholder's right to dissent.

R.S.O. 1990, c. B.16, s. 185 (6).

Idem

- (7) The execution or exercise of a proxy does not constitute a written objection for purposes of subsection (6).

R.S.O. 1990, c. B.16, s. 185 (7).

Notice of adoption of resolution

- (8) The corporation shall, within ten days after the shareholders adopt the resolution, send to each shareholder who has filed the objection referred to in subsection (6) notice that the resolution has been adopted, but such notice is not required to be sent to any shareholder who voted for the resolution or who has withdrawn the objection.

R.S.O. 1990, c. B.16, s. 185 (8).

Idem

- (9) A notice sent under subsection (8) shall set out the rights of the dissenting shareholder and the procedures to be followed to exercise those rights.

R.S.O. 1990, c. B.16, s. 185 (9).

Demand for payment of fair value

- (10) A dissenting shareholder entitled to receive notice under subsection (8) shall, within twenty days after receiving such notice, or, if the shareholder does not receive such notice, within twenty days after learning that the resolution has been adopted, send to the corporation a written notice containing,

- (a) the shareholder's name and address;
- (b) the number and class of shares in respect of which the shareholder dissents; and
- (c) a demand for payment of the fair value of such shares.

R.S.O. 1990, c. B.16, s. 185 (10).

Certificates to be sent in

- (11) Not later than the thirtieth day after the sending of a notice under subsection (10), a dissenting shareholder shall send the certificates, if any, representing the shares in respect of which the shareholder dissents to the corporation or its transfer agent.

R.S.O. 1990, c. B.16, s. 185 (11); 2011, c. 1, Sched. 2, s. 1 (9).

Idem

- (12) A dissenting shareholder who fails to comply with subsections (6), (10) and (11) has no right to make a claim under this section.
R.S.O. 1990, c. B.16, s. 185 (12).

Endorsement on certificate

- (13) A corporation or its transfer agent shall endorse on any share certificate received under subsection (11) a notice that the holder is a dissenting shareholder under this section and shall return forthwith the share certificates to the dissenting shareholder.
R.S.O. 1990, c. B.16, s. 185 (13).

Rights of dissenting shareholder

- (14) On sending a notice under subsection (10), a dissenting shareholder ceases to have any rights as a shareholder other than the right to be paid the fair value of the shares as determined under this section except where,
- (a) the dissenting shareholder withdraws notice before the corporation makes an offer under subsection (15);
 - (b) the corporation fails to make an offer in accordance with subsection (15) and the dissenting shareholder withdraws notice; or
 - (c) the directors revoke a resolution to amend the articles under subsection 168 (3), terminate an amalgamation agreement under subsection 176 (5) or an application for continuance under subsection 181 (5), or abandon a sale, lease or exchange under subsection 184 (8),
in which case the dissenting shareholder's rights are reinstated as of the date the dissenting shareholder sent the notice referred to in subsection (10).

R.S.O. 1990, c. B.16, s. 185 (14); 2011, c. 1, Sched. 2, s. 1 (10).

Same

- (14.1) A dissenting shareholder whose rights are reinstated under subsection (14) is entitled, upon presentation and surrender to the corporation or its transfer agent of any share certificate that has been endorsed in accordance with subsection (13),
- (a) to be issued, without payment of any fee, a new certificate representing the same number, class and series of shares as the certificate so surrendered; or
 - (b) if a resolution is passed by the directors under subsection 54 (2) with respect to that class and series of shares,
 - (i) to be issued the same number, class and series of uncertificated shares as represented by the certificate so surrendered, and
 - (ii) to be sent the notice referred to in subsection 54 (3).

2011, c. 1, Sched. 2, s. 1 (11).

Same

- (14.2) A dissenting shareholder whose rights are reinstated under subsection (14) and who held uncertificated shares at the time of sending a notice to the corporation under subsection (10) is entitled,
- (a) to be issued the same number, class and series of uncertificated shares as those held by the dissenting shareholder at the time of sending the notice under subsection (10); and
 - (b) to be sent the notice referred to in subsection 54 (3).

2011, c. 1, Sched. 2, s. 1 (11).

Offer to pay

- (15) A corporation shall, not later than seven days after the later of the day on which the action approved by the resolution is effective or the day the corporation received the notice referred to in subsection (10), send to each dissenting shareholder who has sent such notice,
- (a) a written offer to pay for the dissenting shareholder's shares in an amount considered by the directors of the corporation to be the fair value thereof, accompanied by a statement showing how the fair value was determined; or
 - (b) if subsection (30) applies, a notification that it is unable lawfully to pay dissenting shareholders for their shares.
- R.S.O. 1990, c. B.16, s. 185 (15).

Idem

- (16) Every offer made under subsection (15) for shares of the same class or series shall be on the same terms.
- R.S.O. 1990, c. B.16, s. 185 (16).

Idem

- (17) Subject to subsection (30), a corporation shall pay for the shares of a dissenting shareholder within ten days after an offer made under subsection (15) has been accepted, but any such offer lapses if the corporation does not receive an acceptance thereof within thirty days after the offer has been made.
- R.S.O. 1990, c. B.16, s. 185 (17).

Application to court to fix fair value

- (18) Where a corporation fails to make an offer under subsection (15) or if a dissenting shareholder fails to accept an offer, the corporation may, within fifty days after the action approved by the resolution is effective or within such further period as the court may allow, apply to the court to fix a fair value for the shares of any dissenting shareholder.
- R.S.O. 1990, c. B.16, s. 185 (18).

Idem

- (19) If a corporation fails to apply to the court under subsection (18), a dissenting shareholder may apply to the court for the same purpose within a further period of twenty days or within such further period as the court may allow.
- R.S.O. 1990, c. B.16, s. 185 (19).

Idem

- (20) A dissenting shareholder is not required to give security for costs in an application made under subsection (18) or (19).
- R.S.O. 1990, c. B.16, s. 185 (20).

Costs

- (21) If a corporation fails to comply with subsection (15), then the costs of a shareholder application under subsection (19) are to be borne by the corporation unless the court otherwise orders.
- R.S.O. 1990, c. B.16, s. 185 (21).

Notice to shareholders

- (22) Before making application to the court under subsection (18) or not later than seven days after receiving notice of an application to the court under subsection (19), as the case may be, a corporation shall give notice to each dissenting shareholder who, at the date upon which the notice is given,

- (a) has sent to the corporation the notice referred to in subsection (10); and
 - (b) has not accepted an offer made by the corporation under subsection (15), if such an offer was made, of the date, place and consequences of the application and of the dissenting shareholder's right to appear and be heard in person or by counsel, and a similar notice shall be given to each dissenting shareholder who, after the date of such first mentioned notice and before termination of the proceedings commenced by the application, satisfies the conditions set out in clauses (a) and (b) within three days after the dissenting shareholder satisfies such conditions.
- R.S.O. 1990, c. B.16, s. 185 (22).

Parties joined

- (23) All dissenting shareholders who satisfy the conditions set out in clauses (22) (a) and (b) shall be deemed to be joined as parties to an application under subsection (18) or (19) on the later of the date upon which the application is brought and the date upon which they satisfy the conditions, and shall be bound by the decision rendered by the court in the proceedings commenced by the application.
- R.S.O. 1990, c. B.16, s. 185 (23).

Idem

- (24) Upon an application to the court under subsection (18) or (19), the court may determine whether any other person is a dissenting shareholder who should be joined as a party, and the court shall fix a fair value for the shares of all dissenting shareholders.
- R.S.O. 1990, c. B.16, s. 185 (24).

Appraisers

- (25) The court may in its discretion appoint one or more appraisers to assist the court to fix a fair value for the shares of the dissenting shareholders.
- R.S.O. 1990, c. B.16, s. 185 (25).

Final order

- (26) The final order of the court in the proceedings commenced by an application under subsection (18) or (19) shall be rendered against the corporation and in favour of each dissenting shareholder who, whether before or after the date of the order, complies with the conditions set out in clauses (22) (a) and (b).
- R.S.O. 1990, c. B.16, s. 185 (26).

Interest

- (27) The court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the date the action approved by the resolution is effective until the date of payment.
- R.S.O. 1990, c. B.16, s. 185 (27).

Where corporation unable to pay

- (28) Where subsection (30) applies, the corporation shall, within ten days after the pronouncement of an order under subsection (26), notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares.
- R.S.O. 1990, c. B.16, s. 185 (28).

Idem

- (29) Where subsection (30) applies, a dissenting shareholder, by written notice sent to the corporation within thirty days after receiving a notice under subsection (28), may,

- (a) withdraw a notice of dissent, in which case the corporation is deemed to consent to the withdrawal and the shareholder's full rights are reinstated; or
- (b) retain a status as a claimant against the corporation, to be paid as soon as the corporation is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the corporation but in priority to its shareholders.
R.S.O. 1990, c. B.16, s. 185 (29).

Idem

- (30) A corporation shall not make a payment to a dissenting shareholder under this section if there are reasonable grounds for believing that,
 - (a) the corporation is or, after the payment, would be unable to pay its liabilities as they become due; or
 - (b) the realizable value of the corporation's assets would thereby be less than the aggregate of its liabilities.R.S.O. 1990, c. B.16, s. 185 (30).

Court order

- (31) Upon application by a corporation that proposes to take any of the actions referred to in subsection (1) or (2), the court may, if satisfied that the proposed action is not in all the circumstances one that should give rise to the rights arising under subsection (4), by order declare that those rights will not arise upon the taking of the proposed action, and the order may be subject to compliance upon such terms and conditions as the court thinks fit and, if the corporation is an offering corporation, notice of any such application and a copy of any order made by the court upon such application shall be served upon the Commission.
1994, c. 27, s. 71 (24).

Commission may appear

- (32) The Commission may appoint counsel to assist the court upon the hearing of an application under subsection (31), if the corporation is an offering corporation.
1994, c. 27, s. 71 (24).

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CERTIFICATE OF 1169082 B.C. LTD.

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities of 116 BC assuming completion of the Transaction and Financing.

By order of the Board of Directors

May 14, 2021

"J. Scott Munro"

President, Chief Executive Officer, Chief Financial
Officer and Director

CERTIFICATE OF AWAKN

The foregoing as it relates to Awakn constitutes full, true and plain disclosure of all material facts relating to the securities of Awakn.

May 14, 2021

"Anthony Tennyson"

Chief Executive Officer and Director

"Jonathan Held"

Chief Financial Officer

On behalf of the Board of Directors

"George Scorsis"

Director

"Dr. Benjamin Sessa"

Director

ACKNOWLEDGMENT PERSONAL INFORMATION

"Personal Information" means any information about an identifiable individual, and includes information contained in any items in the foregoing Circular that are analogous to Items 4.2, 11, 13.1, 16, 18.2, 19.2, 24, 25, 27, 32.3, 33, 34, 35, 36, 37, 38, 39, 41 and 42 of Form 3D1 – Information Required in an Information Circular for a Reverse Takeover or Change of Business.

The undersigned hereby acknowledges and agrees that it has obtained the express written consent of each individual to:

- (a) the disclosure of Personal Information by the undersigned to the Exchange (as defined in Appendix 6B) pursuant to the Form 3D1 – Information Required in an Information Circular for a Reverse Takeover or Change of Business; and
- (b) the collection, use and disclosure of Personal Information by the Exchange for the purposes described in Appendix 6B or as otherwise identified by the Exchange, from time to time.

Dated: May 14, 2021

1169082 B.C. Ltd.

Per: “J. Scott Munro”

Authorized Signatory