

FORM 51-102F3
MATERIAL CHANGE REPORT

1. **Name and Address of Company**

Awakn Life Sciences Corp.
217 Queen Street West, Suite 301
Toronto, ON M5V 0R2

2. **Date of Material Change**

March 21, 2022

3. **News Release**

A press release disclosing the material change was released on March 22, 2022, through the facilities of Newsfile Corp.

4. **Summary of Material Change**

On March 22, 2022, the Company closed a non-brokered private placement through the issuance of 2,031,250 units (the “Units”) at a price of \$1.60 per Unit for gross proceeds of \$3,250,000 (the “Offering”).

5. **Full Description of Material Change**

Pursuant to the Offering, the Company issued 2,031,250 Units at a price of \$1.60 per Unit for gross proceeds of \$3,250,000. Each Unit is comprised of one common share (each, a “Common Share”) in the capital of the Company and one-half of one whole Common Share purchase warrant (each whole warrant, a “Warrant”). Each Warrant entitles the holder thereof to acquire one Common Share at a price of \$2.20 per Common Share until the date that is twenty-four (24) months from the date of issuance.

All securities issued in connection with the Offering are subject to a statutory hold period of four months plus a day from the date of issuance in accordance with applicable securities legislation. Gross proceeds raised from the Offering will be used for working capital and general corporate purposes.

A portion of the Offering constituted a “related party transaction” within the meaning of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“MI 61-101”), as certain insiders of the Company acquired an aggregate of 10,264,286 Units under the Offering.

The following supplementary information is provided in accordance with Section 5.2 of MI 61-101.

(a) a description of the transaction and its material terms:

The Offering constituted a “related party transaction” as such term is defined by MI 61-101 as Professor Nutt, George Scorsis, OrbiMed Capital LLC, Jonathan Held, Anthony Tennyson and John Papastergiou, insiders of the Company, subscribed for an aggregate of 420,800 Units pursuant to the Offering.

(b) the purpose and business reasons for the transaction:

The gross proceeds from the sale of the Units will be used for working capital and general corporate purposes.

(c) the anticipated effect of the transaction on the issuer’s business and affairs:

The completion of the Offering will provide the Company with funds to be used working capital and general corporate purposes.

(d) a description of:

(i) the interest in the transaction of every interested party and of the related parties and associated entities of the interested parties:

In connection with the Offering, the following Units were issued to the Insiders of the Company.

Name	Position	Number of Common Shares	Aggregate Price
Professor Nutt	Officer	30,250	\$48,400
George Scorsis	Director	15,600	\$24,960
OrbiMed Capital LLC	10% Insider	312,500	\$500,000
Jonathan Held	Officer	15,600	\$24,960
Anthony Tennyson	Officer and Director	15,600	\$24,960
John Papastergiou	Director	31,250	\$50,000

(ii) the anticipated effect of the transaction on the percentage of securities of the issuer, or of an affiliated entity of the issuer, beneficially owned or controlled by each person or company referred to in subparagraph (i) for which there would be a material change in that percentage:

Prior to the completion of the Offering, Professor Nutt held, directly or indirectly 50,000 Common Shares and 120,000 stock options. Upon closing of the Offering, Professor Nutt holds an aggregate of 80,250 Common Shares, 15,125 Warrants and 120,000 stock options representing approximately 0.29% of the issued and outstanding Common Shares on an undiluted basis. In the event that Professor Nutt exercises his Stock Options and Warrants he would hold an aggregate of 95,375 Common Shares, or approximately 0.79% of the issued and outstanding Common Shares of the Company, on a partially diluted basis.

Prior to the completion of the Offering, George Scorsis held, directly or indirectly 1,112,725 Common Shares and 100,000 stock options. Upon closing of the Offering, Mr. Scorsis holds an aggregate of 1,128,325 Common Shares, 7,800 Warrants and 100,000 stock options representing approximately 4.19% of the issued and outstanding Common Shares on an undiluted basis. In the event that Mr. Scorsis exercises his Stock Options and Warrants he would hold an aggregate of 1,236,125 Common Shares, or approximately 4.57% of the issued and outstanding Common Shares of the Company, on a partially diluted basis.

Prior to the completion of the Offering, OrbiMed Advisors LLC held, directly or indirectly 2,091,050 Common Shares and 833,333 Warrants. Upon closing of the Offering, OrbiMed Advisors LLC holds an aggregate of 2,403,550 Common

Shares and 989,583 Warrants, representing approximately 8.93% of the issued and outstanding Common Shares on an undiluted basis. In the event that OrbiMed Advisors LLC exercises their Warrants they would hold an aggregate of 3,393,133 Common Shares, or approximately 12.17% of the issued and outstanding Common Shares of the Company, on a partially diluted basis.

Prior to the completion of the Offering, Jonathan Held held, directly or indirectly 562,954 Common Shares and 150,000 stock options. Upon closing of the Offering, Mr. Held holds an aggregate of 578,554 Common Shares, 7,800 Warrants and 150,000 stock options representing approximately 2.15% of the issued and outstanding Common Shares on an undiluted basis. In the event that Mr. Scorsis exercises his Stock Options and Warrants he would hold an aggregate of 736,354 Common Shares, or approximately 2.72% of the issued and outstanding Common Shares of the Company, on a partially diluted basis.

Prior to the completion of the Offering, Anthony Tennyson held, directly or indirectly 1,523,706 Common Shares and 200,000 stock options. Upon closing of the Offering, Mr. Tennyson holds an aggregate of 1,539,606 Common Shares, 7,800 Warrants and 200,000 stock options representing approximately 5.72% of the issued and outstanding Common Shares on an undiluted basis. In the event that Mr. Tennyson exercises his Stock Options and Warrants he would hold an aggregate of 1,747,406 Common Shares, or approximately 6.44% of the issued and outstanding Common Shares of the Company, on a partially diluted basis.

Prior to the completion of the Offering, John Papastergiou held, directly or indirectly 9,000 Common Shares and 60,000 stock options. Upon closing of the Offering, Mr. Papastergiou holds an aggregate of 40,250 Common Shares, 15,625 Warrants and 60,000 stock options representing approximately 0.14% of the issued and outstanding Common Shares on an undiluted basis. In the event that Mr. Papastergiou exercises his Stock Options and Warrants he would hold an aggregate of 115,875 Common Shares, or approximately 0.42% of the issued and outstanding Common Shares of the Company, on a partially diluted basis.

- (e) **unless this information will be included in another disclosure document for the transaction, a discussion of the review and approval process adopted by the board of directors and the special committee, if any, of the issuer for the transaction, including a discussion of any materially contrary view or abstention by a director and any material disagreement between the board and the special committee:**

A resolution of the board of directors was passed on March 21, 2022 approving the Offering. No special committee was established in connection with the Offering, and no materially contrary view or abstention was expressed or made by any director.

- (f) **A summary in accordance with section 6.5 of MI 61-101, of the formal valuation, if any, obtained for the transaction, unless the formal valuation is included in its entirety in the material change report or will be included in its entirety in another disclosure document for the transaction:**

Not applicable.

(g) disclosure, in accordance with section 6.8 of MI 61-101, of every prior valuation in respect of the issuer that relates to the subject matter of or is otherwise relevant to the transaction:

(i) that has been made in the 24 months before the date of the material change report:

Not applicable.

(ii) the existence of which is known, after reasonable enquiry, to the issuer or to any director or officer of the issuer:

Not applicable.

(h) the general nature and material terms of any agreement entered into by the issuer, or a related party of the issuer, with an interested party or a joint actor with an interested party, in connection with the transaction:

Other than subscription agreements for the Units, the Company did not enter into any agreement with an interested party or a joint actor with an interested party in connection with the Offering. To the Company's knowledge, no related party to the Company entered into any agreement with an interested party or a joint actor with an interested party, in connection with the Offering.

(i) disclosure of the formal valuation and minority approval exemptions, if any, on which the issuer is relying under sections 5.5 and 5.7 of MI 61-101 respectively, and the facts supporting reliance on the exemptions:

The Company is relying on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101, as the fair market value of the participation in the Offering by insiders does not exceed 25% of the market capitalization of the Company, as determined in accordance with MI 61-101. The Company did not file a material change report in respect of the related party transaction at least 21 days before the closing of the Offering, which the Company deems reasonable in the circumstances in order to complete the Offering in an expeditious manner. The Offering was approved by all independent directors of the Company.

6. Reliance on subsection 7.1(2) of National Instrument 51-102

The report is not being filed on a confidential basis.

7. Omitted Information

No significant facts have been omitted from this Material Change Report.

8. Executive Officer

For further information, contact Jonathan Held, Chief Business Officer and Secretary at (212) 896-1254.

9. Date of Report

This report is dated at Toronto, this 29th day of March, 2022.

Cautionary Statement Regarding Forward-Looking Information

This material change report contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). Forward-looking statements reflect current expectations or beliefs regarding future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates", "targets" or "believes", or variations of, or the negatives of, such words and phrases or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved, including statements relating to the proposed future changes in management, and the general development of the Company's business. All forward-looking statements, including those herein are qualified by this cautionary statement.

Although the Company believes that the expectations expressed in such statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the statements. There are certain factors that could cause actual results to differ materially from those in the forward-looking information. These include: the business plans and strategies of the Company, the ability of the Company to comply with all applicable governmental regulations in a highly regulated business; the inherent risks in investing in target companies or projects which have limited or no operating history and are engaged in activities currently considered illegal in some jurisdictions; changes in laws; limited operating history; reliance on management; requirements for additional financing; competition; inconsistent public opinion and perception regarding the medical-use of psychedelic drugs; and regulatory or political change. Readers are cautioned that the foregoing list of factors is not exhaustive of the factors that may affect forward-looking statements. Accordingly, readers should not place undue reliance on forward-looking statements. The forward-looking statements in this material change report speak only as of the date of this material change report or as of the date or dates specified in such statements.

Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking information. For more information on the Company, investors are encouraged to review the Company's public filings on SEDAR at www.sedar.com. The Company disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, other than as required by law.