

[No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.]

This prospectus supplement, together with the accompanying short form base shelf prospectus dated July 26, 2021 to which it relates, as amended or supplemented, and each document incorporated or deemed to be incorporated by reference into this prospectus supplement and the accompanying short form base shelf prospectus, constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities.

These securities have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”) or any securities laws of any state of the “United States” (as such term is defined in Regulation S under the U.S. Securities Act). Accordingly, except as permitted in the Distribution Agreement, the securities may not be offered or sold in the United States or to, or for the account or benefit of, “U.S. persons” (as such term is defined in Regulation S under the U.S. Securities Act) unless the securities are registered under the U.S. Securities Act and any applicable securities laws of any state of the United States or unless an exemption from such registration requirements are available. This prospectus supplement does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby within the United States or to, or for the account or benefit of, U.S. persons. See “Plan of Distribution”.

Information has been incorporated by reference in this prospectus supplement and the accompanying short form base shelf prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated by reference may be obtained on request without charge from the secretary of New Leaf Ventures Inc. at 1910 – 1030 W Georgia St, Vancouver, British Columbia V6E 2Y3, Telephone (778) 930-1321 and are also available at www.sedar.com.

**PROSPECTUS SUPPLEMENT
To Short Form Base Shelf Prospectus Dated July 26, 2021**

New Issue

November 15, 2021



**NEW LEAF VENTURES INC.
1910 – 1030 W Georgia St
Vancouver, British Columbia, V6E 2Y3**

\$10,000,000

Common Shares

New Leaf Ventures Inc. (“**New Leaf**” or the “**Company**”) is hereby qualifying for distribution common shares in the capital of the Company (“**Common Shares**”, and the Common Shares offered hereunder being the “**Offered Shares**”) having an aggregate sale price of up to \$10,000,000 (the “**Offering**”). The Company has entered into an “at-the-market” equity distribution agreement dated November 15, 2021 (the “**Distribution Agreement**”) with Research Capital Corporation (the “**Agent**”) relating to the Offered Shares which are being offered under the short form base shelf prospectus dated July 26, 2021 (the “**Shelf Prospectus**”) as supplemented by this prospectus supplement (this “**Prospectus Supplement**”, and together with the Shelf Prospectus the “**Prospectus**”). In accordance with the terms of the Distribution Agreement, and except as noted below, the Company may distribute up to \$10,000,000 of Offered Shares from time to time through the Agent, as agent. See “Plan of Distribution”.

The issued and outstanding Common Shares are listed and posted for trading on the CSE under the symbol “NLV” and on the OTC PINK of the OTC Markets in the U.S. (the “OTCPINK”) under the symbol “NLVVF”. On November

12, 2021, the last full trading day before the date of this Prospectus Supplement, the closing price of the Common Shares on the CSE was \$0.25 per Common Share and on OTC PINK was US\$0.1999 per Common Share.

The Company has applied to list the Offered Shares for trading on the CSE. Listing will be subject to the Company fulfilling all of the requirements of the CSE.

Sales of Offered Shares, if any, under this Prospectus Supplement and the Shelf Prospectus are anticipated to be made in transactions that are deemed to be “at-the-market distributions” as defined in National Instrument 44-102 — *Shelf Distributions* (“**NI 44-102**”), involving sales made directly on the CSE or any other recognized Canadian “marketplace” within the meaning of National Instrument 21-101 — *Marketplace Operation* upon which the Common Shares are listed, quoted or otherwise traded (a “**Marketplace**”). The Offered Shares will be distributed at market prices prevailing at the time of the sale of such Offered Shares. As a result, prices may vary as between purchasers and during the period of distribution. There is no minimum amount of funds that must be raised under the Offering. This means that the Offering may terminate after only raising a small portion of the offering amount set out above, or none at all. An investor will not be entitled to a return of their investment if only a portion of the disclosed maximum offering amount set out above is in fact raised. See “Plan of Distribution”.

It is anticipated that the Offered Shares will be delivered under the book-based system through CDS Clearing and Depository Services Inc. (“**CDS**”) or its nominee and deposited in electronic form. A purchaser of Offered Shares will receive only a customer confirmation from the Agent or another registered dealer from or through which the Offered Shares are purchased and who is a CDS depository service participant. CDS will record the CDS participants who hold Offered Shares on behalf of owners who have purchased Offered Shares in accordance with the book-based system. No definitive certificates will be issued unless specifically requested or required. See “*Plan of Distribution*”.

Pursuant to the terms of the Distribution Agreement, the Company will compensate the Agent for its services in acting as agent in the sale of Offered Shares under the Offering in an amount equal to 2.0% of the gross proceeds from sales of Offered Shares made on the CSE or another Marketplace (the “**Placement Fee**”). The Company estimates that the total expenses that it will incur for the Offering, excluding compensation payable to the Agent under the terms of the Distribution Agreement, will be approximately \$70,000. See “Plan of Distribution”.

As sales agent, the Agent will not engage in any transactions to stabilize or maintain the price of the Common Shares. Neither the Agent nor any person or company acting jointly or in concert with the Agent, may, in connection with the Offering, enter into any transaction that is intended to stabilize or maintain the market price of the Common Shares or securities of the same class as the Common Shares, including selling an aggregate number or principal amount of securities that would result in the Agent creating an over-allocation position in the Common Shares. See “Plan of Distribution”.

An investment in securities of the Company is speculative and involves a high degree of risk. Prospective purchasers should consider the risk factors described under “Risk Factors” in this Prospectus Supplement and the “Risk Factors” section beginning on page 11 of this Prospectus Supplement and the documents incorporated by reference herein for a discussion of certain risks that you should consider in connection with an investment in any Offered Shares.

Prospective investors should be aware that the acquisition of the securities described herein may have tax consequences both in Canada and the United States. Such consequences, for investors who are resident in, or citizens of, the United States, are not provided in either of this Prospectus Supplement or the accompanying Shelf Prospectus, including the Canadian federal income tax consequences applicable to a foreign controlled Canadian corporation that acquires the Offered Shares. Investors should read the tax discussion in this Prospectus Supplement and consult their own tax advisors with respect to their own particular circumstances. See “Certain Canadian Federal Income Tax Considerations” and “Risk Factors”.

The Company’s head office is located at 1910 – 1030 West Georgia Street, Vancouver, British Columbia, V6E 2Y3, and its registered and records office is located at 400 – 725 Granville Street, Vancouver, British Columbia, V7Y 1G5.

Odyssey Trust Company will act as transfer agent and registrar for the Offered Shares at its principal office in Vancouver, British Columbia. See “Auditors, Transfer Agent and Registrar”.

This Prospectus qualifies the distribution of securities of an entity that currently directly derives all of its revenues from the cannabis industry in the State of Washington, which industry is illegal under U.S. Federal Law. As of the date hereof, 100% of the Company's operations are in the United States. The Company provides ancillary services (through subsidiaries) in both the adult-use and medical cannabis industry in the State of Washington, as permitted within such state under applicable state law, which has regulated such industries.

The cultivation, manufacturing, sale, distribution, possession and use of cannabis is illegal under United States federal law pursuant to the U.S. Controlled Substance Act of 1970 (the "CSA"), which places controlled substances, including cannabis, in a schedule. Other than industrial hemp, cannabis is considered marijuana, is classified as a Schedule I controlled substance, and is illegal under United States federal law. Under United States federal law, a Schedule I controlled substance has a high potential for abuse, no accepted medical use in the United States, and a lack of accepted safety for the use of the drug under medical supervision. Under the CSA, the policies and regulations of the United States Federal Government and its agencies are that cannabis has no medical benefit and a range of activities including cultivation and the personal use of cannabis is prohibited. The United States Food and Drug Administration (the "U.S. FDA") has not approved marijuana as a safe and effective drug for any indication.

Despite the current state of the United States federal law, the States of Arizona, California, Nevada, Massachusetts, Maine, Michigan, Washington, Oregon, Colorado, Vermont, Illinois, New Jersey, New York, South Dakota, Montana and Alaska, and the District of Columbia, have legalized cannabis for adult or "recreational" use of cannabis; although the commercial recreational operations are not permitted in the District of Columbia because of a prohibition on using funds for regulation within a federal appropriations amendment to local District spending powers. In addition, over half of the U.S. states have enacted legislation to legalize and regulate the sale and use of medical cannabis, with some imposing limits on the levels of tetrahydrocannabinol ("THC").

However, there is no guarantee that state laws legalizing and regulating the sale and use of cannabis will not be repealed or overturned, or that local governmental authorities will not limit the applicability of state laws within their respective jurisdictions.

Additionally, state laws that permit and regulate the production, distribution and use of cannabis for adult use or medical purposes are in direct conflict with the CSA. Although certain states authorize medical or adult-use cannabis production and distribution by licensed or registered entities, under United States federal law, the possession, use, cultivation, and transfer of cannabis and any related drug paraphernalia is illegal and any such acts are criminal acts. The Supremacy Clause of the United States Constitution establishes that the United States Constitution and federal laws made pursuant to it are paramount and in case of conflict between federal and state law, the federal law shall apply.

On January 4, 2018, former U.S. Attorney General Jeff Sessions issued a memorandum to U.S. district attorneys which rescinded previous guidance from the U.S. Department of Justice ("DOJ") specific to cannabis enforcement in the United States, including the Cole Memorandum (as defined herein). With the Cole Memorandum rescinded, U.S. federal prosecutors have been given discretion in determining whether to prosecute cannabis related violations of U.S. federal law. Mr. Sessions resigned on November 7, 2018 and was succeeded by William Barr on February 14, 2019. The DOJ under Mr. Barr has not taken a formal position on federal enforcement of laws relating to cannabis. Mr. Barr has stated publicly that his preference would be to have a uniform federal rule against cannabis, but, absent such a uniform rule, his preference would be to permit the existing federal approach of leaving it up to the states to make their own decisions. Attorney General Barr's statements are not official declarations of the DOJ policy, are not binding on the DOJ, on any U.S. Attorney, or on the federal courts. Attorney General Barr may clarify, retract, or contradict these statements. There is no guarantee that the position of the DOJ will not change. Although Attorney General Barr has not provided a clear policy directive for the United States as it pertains to state legal marijuana-related activities, and despite his previous statements, in June 2020 Congress investigated reports that Barr directed the DOJ to apply additional scrutiny to proposed cannabis mergers. If the DOJ policy was to aggressively pursue financiers or equity owners of cannabis-related business, and United States Attorneys followed such DOJ policies through pursuing prosecutions, then the Company could face (i) seizure of its cash and other assets used to support or derived from its cannabis subsidiaries, and (ii) the arrest of its employees, directors, officers, managers and investors, who could face charges of ancillary criminal violations of the CSA for aiding and abetting and

conspiring to violate the CSA by virtue of providing financial support to state-licensed or permitted cultivators, processors, distributors, and/or retailers of cannabis. Additionally, as has been affirmed by U.S. Customs and Border Protection (“CBP”), employees, directors, officers, managers and investors of the Company who are not U.S. citizens face the risk of being barred from entry into the United States for life.

On February 15, 2019, President Donald Trump signed the 2019 Fiscal Year Appropriations Bill which included the Rohrabacher-Farr Amendment (as defined in the AIF), which prohibits the funding of federal prosecutions with respect to medical cannabis activities that are legal under state law, extending its application until September 30, 2019. Thereafter, as part of the Congressional omnibus-spending bill, Congress renewed, through September 30, 2020, the Rohrabacher-Farr Amendment. While the Rohrabacher-Farr Amendment was temporarily renewed through the signing of a stopgap spending bill, effective through December 11, 2020, there can be no assurances that the Rohrabacher-Farr Amendment will be included in future appropriations bills or budget resolutions. Public statements made by Attorney General Merrick Garland, and the actions of the Biden DOJ to date, do not create reason to expect a departure from the position that federal resources will not be allocated toward marijuana enforcement in states that have legalized the drug. The non-enforcement policy of the Cole Memo, though technically repealed, remains the de-facto position of the federal government toward state-level medical and recreational marijuana commerce.

The Company’s objective is to capitalize on the opportunities presented as a result of the changing regulatory environment governing the cannabis industry in the United States. Accordingly, there are a number of significant risks associated with the business of the Company. Unless and until the United States Congress amends the CSA with respect to medical and/or adult-use cannabis (and as to the timing or scope of any such potential amendments there can be no assurance), there is a significant risk that federal authorities may enforce current U.S. federal law, and the business of the Company may be deemed to be producing, cultivating, extracting, or dispensing cannabis or aiding or abetting or otherwise engaging in a conspiracy to commit such acts in violation of federal law in the United States. If the U.S. federal government begins to enforce U.S. federal laws relating to cannabis in states where the sale and use of cannabis is currently legal, or if existing applicable state laws are repealed or curtailed, the Company’s business, results of operations, financial condition and prospects would be materially adversely affected.

In light of the political and regulatory uncertainty surrounding the treatment of United States cannabis related activities, on February 8, 2018, the Canadian Securities Administrators published CSA Staff Notice 51-352 – *(Revised) Issuers with U.S. Marijuana-Related Activities* (“Staff Notice 51-352”) setting out the Canadian Securities Administrator’s disclosure expectations for specific risks facing issuers with cannabis related activities in the United States. Staff Notice 51-352 includes additional disclosure expectations that apply to all issuers with United States cannabis-related activities, including those with direct and indirect involvement in the cultivation and distribution of cannabis, as well as issuers that provide goods and services to third parties involved in the United States cannabis industry.

For these reasons, the Company’s investments in the United States cannabis market may subject the Company to heightened scrutiny by regulators, stock exchanges, clearing agencies and other Canadian authorities. There are a number of risks associated with the business of the Company. See the section entitled “United States Federal Overview” and “Risk Factors”, including “Illegality of activities under United States federal and state law”, within this Prospectus and within the AIF (as defined herein).

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GENERAL MATTERS

This document is in two parts. The first part is this Prospectus Supplement, which describes the specific terms of the Offering and also adds to and updates certain information contained in the accompanying Shelf Prospectus and the documents incorporated by reference therein. The second part is the Shelf Prospectus, which provides more general information, some of which may not apply to the Offering. If the information varies between this Prospectus Supplement and the Shelf Prospectus, the information in this Prospectus Supplement supersedes the information in the Shelf Prospectus. The Shelf Prospectus and this Prospectus Supplement together comprise the Prospectus for the purposes of qualifying the securities offered pursuant to the Offering.

An investor should rely only on the information contained in this Prospectus Supplement and the Shelf Prospectus (including the documents incorporated by reference herein and therein) and is not entitled to rely on parts of the information contained in this Prospectus Supplement or the Shelf Prospectus (including the documents incorporated by reference herein or therein) to the exclusion of others. The Company and the Agent have not authorized anyone to provide investors with additional or different information. The Company and the Agent take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give readers of this Prospectus Supplement. Information contained on, or otherwise accessed through, the Company's website is not deemed to be a part of this Prospectus Supplement or the Shelf Prospectus and such information is not incorporated by reference herein, and the Company disclaims any such incorporation by reference.

The Company and the Agent are not offering to sell the Offered Shares in any jurisdictions where such offer or sale is not permitted. The information contained in this Prospectus Supplement (including the documents incorporated by reference herein) is accurate only as of the date of this Prospectus Supplement or as of the date as otherwise set out herein (or as of the date of the document incorporated by reference herein or as of the date as otherwise set out in the document incorporated by reference herein, as applicable), regardless of the time of delivery of this Prospectus Supplement or any sale of Offered Shares. The business, capital, financial condition, results of operations and prospects of the Company may have changed since those dates. The Company does not undertake to update the information contained or incorporated by reference herein, except as required by applicable Canadian securities laws.

This Prospectus Supplement should not be used by anyone for any purpose other than in connection with the Offering.

The documents incorporated or deemed to be incorporated by reference herein or in the Shelf Prospectus contain meaningful and material information relating to the Company, and readers of this Prospectus Supplement should review all information contained in this Prospectus Supplement, the Shelf Prospectus and the documents incorporated or deemed to be incorporated by reference herein and therein, as amended or supplemented.

Market data and certain industry forecasts used in this Prospectus Supplement and the accompanying Shelf Prospectus and the documents incorporated by reference herein and therein were obtained from market research, publicly available information and industry publications. The Company believes that these sources are generally reliable, but the accuracy and completeness of this information is not guaranteed. The Company has not independently verified such information, and it does not make any representation as to the accuracy of such information.

Unless the context otherwise requires, references in this prospectus supplement and the accompanying prospectus to “**New Leaf**” or the “**Company**” include New Leaf Ventures Inc. and its material subsidiaries. All capitalized terms used but not otherwise defined herein have the meanings provided in the accompanying prospectus.

PRESENTATION OF FINANCIAL INFORMATION

The Company presents its financial statements in Canadian dollars. All dollar figures in this Prospectus Supplement and the accompanying Shelf Prospectus are in Canadian dollars, unless otherwise indicated. All of the financial data contained in this Prospectus Supplement and the accompanying Shelf Prospectus relating to the Company have been prepared in accordance with International Financial Reporting Standards (“**IFRS**”), as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus supplement, the accompanying Shelf Prospectus and the documents incorporated by reference in this Prospectus Supplement and in the accompanying Shelf Prospectus contain certain statements (“**forward-looking statements**”) about the Company’s current and future plans, expectations and intentions, results, levels of activity, performance, goals or achievements or any other future events or developments constitute forward-looking information and/or forward-looking statements within the meaning of applicable securities legislation, securities regulation and securities rules, as amended, and the policies, notices, instruments and blanket orders in force from time to time that are applicable to an issuer (collectively, “**Securities Laws**”). The words “may”, “will”, “would”, “should”, “could”, “expects”, “plans”, “intends”, “trends”, “indications”, “anticipates”, “believes”, “estimates”, “predicts”, “likely” or “potential” or the negative or other variations of these words or other comparable words or phrases, are intended to identify forward-looking statements, although not all forward-looking statements contain these words.

Discussions containing forward-looking statements include, among other places, those under “*Business of the Company*” and “*Risk Factors*”. Forward-looking statements included or incorporated by reference in this Prospectus Supplement include, but are not limited to, statements with respect to the Offering; the Company’s intention to list the Offered Shares on the CSE; the Company’s intention to grow the business and its operations; expectations with respect to future production costs and capacity; the grant and impact of any license or supplemental license to conduct activities with cannabis or any amendments thereof; the Company’s competitive position and the regulatory environment in which the Company operates; the Company’s ability to obtain additional funds through the sale of equity or debt commitments; the legalization and regulatory control of cannabis for recreational use in jurisdictions outside of the State of Washington and the Company’s opportunities for expansion into such jurisdictions; and the intentions of the Board (as defined herein) with respect to executive compensation plans and corporate governance plans described herein; the Company’s expectations regarding its revenue, expenses and operational costs; the Company’s anticipated cash needs; the Company’s intention to grow the business and its operations; and the Company’s ability to successfully withstand the economic impact of the COVID-19 pandemic.

Forward-looking statements are based on certain assumptions and estimates made by us in light of the experience and perception of historical trends, current conditions, expected future developments, including projected growth in the integrative mental health industry, and other factors we believe are appropriate and reasonable in the circumstances, but there can be no assurance that such assumptions and estimates will prove to be correct. These assumptions include, but are not limited to, material assumptions, including but not limited to: (i) obtaining the necessary regulatory approvals; (ii) that regulatory requirements will be maintained; (iii) general business, economic and political conditions; (iv) the Company’s ability to successfully execute its plans and intentions; (v) the availability of financing on reasonable terms; (vi) the Company’s ability to attract and retain skilled staff; (vii) market competition; (viii) the products and technology offered by the Company’s competitors; (ix) that good relationships with service providers and other third parties will be established and maintained; (x) continued growth of the cannabis industry; (xi) positive public opinion with respect to the cannabis industry; (xii) the Company being able to complete the Offering; and (xiii) the Company being able to list the Offered Shares on the CSE.

Although the Company believes that the assumptions underlying these statements are reasonable, they may prove to be incorrect, and the Company cannot assure that actual results will be consistent with these forward-looking statements. Further, the aforementioned assumptions may be affected by the negative disruptive effect of the COVID-19 pandemic, which has resulted in a widespread health crisis that has already affected the economies and financial markets of many countries around the world. The international response to the spread of COVID-19 has led to significant restrictions on travel; temporary business closures; quarantines; global stock market and financial market volatility; a general reduction in consumer activity; operating, supply chain and project development delays and disruptions; and declining trade and market sentiment, all of which have and could further affect commodity prices, interest rates, credit ratings and credit risk. The continuing and additional business interruptions, expenses and delays relating to COVID-19, could have a material adverse impact on the Company’s operations, financial condition and the market for its securities; however, as at the date of this Prospectus Supplement, such cannot be reasonably estimated.

Many factors could cause the Company’s actual results, level of activity, performance or achievements or future events or developments to differ materially from those expressed or implied by the forward-looking statements, including, without limitation, the factors, which are discussed in greater detail in the “*Risk Factors*” section of this Prospectus Supplement.

The purpose of the forward-looking statements is to provide the reader with a description of management’s expectations regarding the Company’s performance and may not be appropriate for other purposes. Readers should not place undue reliance on forward-looking statements made herein. Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause actual results to differ materially from those anticipated in such forward-looking statements. Furthermore, unless otherwise stated, the forward-looking statements contained in this Prospectus Supplement are made as of

the date of this Prospectus Supplement, and we have no intention and 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 law. The forward-looking statements contained in this Prospectus Supplement are expressly qualified by this cautionary statement.

SUMMARY OF THE OFFERING

The following is a summary of the principal features of the Offering and should be read together with the more detailed information and financial data and statements contained elsewhere in this Prospectus Supplement.

Issuer	New Leaf Ventures Inc.
Offered Securities and Gross Proceeds	Up to \$10,000,000 of Common Shares (the “Offered Shares”).
Placement Fee	2.0% of the gross proceeds from the sale of Offered Shares.
Description of the Offering	Sale of the Offered Shares, if any, under this Prospectus Supplement and the Prospectus are anticipated to be made in transactions that are deemed to be “at-the-market distributions” as defined in NI 44-102, involving sales made directly on the CSE or any other recognized Canadian Marketplace. The Offered Shares will be distributed at market prices prevailing at the time of the sale of such Offered Shares. As a result, prices may vary as between purchasers and during the period of distribution.
Common Shares Outstanding	As at November 12, 2021: 57,629,584 Common Shares. See “Consolidated Capitalization” and “Plan of Distribution”.
Business of the Company	See “Summary – The Company”.
Use of Proceeds	The Company expects to use the net proceeds of the Offering for product development, improving facility production, marketing, mergers & acquisitions and general and administrative expenses.
Risk Factors	Prospective purchasers of Offered Shares should carefully consider the information set forth under the heading “Risk Factors” and the other information included in this Prospectus Supplement and the accompanying Shelf Prospectus (and the documents incorporated by reference herein and therein) before deciding to invest. See “Risk Factors”.

SUMMARY

The following summary contains basic information about the Company and the Offering and is not intended to be complete. This description does not contain all of the information about the Company and its properties and business that you should consider before investing in the Offered Shares. You should carefully read the entire prospectus supplement, the accompanying Shelf Prospectus and the documents incorporated by reference in this Prospectus Supplement and in the accompanying Shelf Prospectus before making an investment decision. See “Documents Incorporated by Reference” and “Additional Information”. Before deciding to invest in any securities, in addition to considering the risks outlined below, you should also carefully consider the risks contained in the section entitled “Cautionary Note Regarding Forward-Looking Statements” above, the risks outlined in the documents incorporated by reference in this Prospectus Supplement and the accompanying Shelf Prospectus, the risks described in the Company’s historical consolidated financial statements, the related notes thereto and the Annual Information Form (as defined below).

The Company

Corporate Matters

New Leaf Ventures Inc. was incorporated under the *Business Corporations Act* (British Columbia) (the “**BCBCA**”) on June 4, 2018 as “1166858 B.C. Ltd.” On September 18, 2019, it changed its name to “New Leaf Ventures Inc.”

The Company directly owns 100% of New Leaf USA Inc. and indirectly owns 100% of New Leaf USA Inc.’s subsidiaries (the “**New Leaf USA Inc. Subsidiaries**”): (i) New Leaf Equipment LLC (“**EquipmentCo**”); (ii) New Leaf IP LLC (“**IPCo**”); (iii) New Leaf Real Estate LLC (“**RealEstateCo**”); (iv) New Leaf Services LLC (“**ServicesCo**”); and (iv) New Leaf Hemp Corporation LLC (“**HempCo**”). Each of New Leaf USA Inc. and the New Leaf USA Inc, Subsidiaries is a limited liability company existing under the laws of the State of Washington.

Business Matters

The Company operates through the New Leaf USA Inc. Subsidiaries as an agricultural technology, services provider and property management company; in particular, the New Leaf USA Inc. Subsidiaries provide services, real property lease, equipment and intellectual property for lease and other enhanced ancillary services to New Leaf Enterprises Inc., a Washington State Liquor and Cannabis Board (the “**WSLCB**”) producer and processor license holder (the “**License Holder**”). The Company generates returns from the following revenue sources: (i) through service contracts with the License Holder; (ii) leasing the real property, equipment and intellectual property to the License Holder. Separately, New Leaf USA Inc. entered into an option agreement with the License Holder, pursuant to which New Leaf USA Inc. may purchase 100% of the outstanding shares of the License Holder, should the WSLCB approve and the laws of Washington State change to allow non-resident owners of the licenses held by the License Holder; and (iii) producing and selling hemp-based products.

Recent Developments

On November 1, 2021, the Company closed a supplement offering of 6,000,000 units of the Company at an offering price of \$0.25 per unit for gross proceeds of \$1,500,000 (the “**November 2021 Offering**”). Each unit under the November 2021 Offering was comprised of one Common Share and one half of one warrant of the Company. Each whole warrant is exercisable to acquire a Common Share at a price of \$0.40 for a period of 24 months from the date of closing of the offering. The warrants have an accelerator clause whereby if the common shares of the Company trade at \$0.60 or above for 10 consecutive trading days the Company will have the right to provide 30 days’ notice to the holders of the warrants that the warrants will expire at the end of the 30 days. In connection with the November 2021 Offering, the Company paid the following compensation: (i) a \$40,000 work fee, (ii) a cash commission equal to 7% of the aggregate gross proceeds of the November 2021 Offering, and (iii) issued compensation options equal to 7.0% of the aggregate number of Units issued pursuant to the Offering, exercisable to acquire one unit of the Company on the same terms as the units sold under the November 2021 Offering.

On September 23, 2021, the Company announced the appointment of Brad Songhurst as Chief Operating Officer and David Tran as Chief Strategy Officer of the Company’s wholly owned subsidiary New Leaf USA Inc.

On September 8, 2021 the Company announced the signing of a commercial packaging, licensing and distribution agreement between the Company’s wholly owned subsidiary, New Leaf USA Inc., and Long Play Inc., a licensor of renowned cannabis brand “WILLIE’S RESERVE”. The licensing encompasses exclusive rights to source, manufacture, distribute and market Willie’s Reserve and Harvest products in Washington State.

The operating services, property management, equipment, intellectual property, etc., mentioned above are provided in the United States, through the New Leaf USA Inc. Subsidiaries. The documents incorporated by reference herein, including the

Annual Information Form, contain further details regarding the business of New Leaf. See “*Documents Incorporated by Reference*”.

Working Capital

As of October 31, 2021, the Company had approximately \$25,241 in cash and approximately (\$6,865) in a working capital deficiency. Subsequent to October 31, 2021, and through to the date of this Prospectus Supplement the Company received gross proceeds of \$1.5 million from a Prospectus Offering.

More detailed information regarding the business of the Company can be found in the Shelf Prospectus, and the AIF and other documents incorporated by reference herein and therein, as supplemented by the disclosure herein. See “Documents Incorporated by Reference”.

Readers are strongly encouraged to carefully read all of the risk factors contained herein and in the Shelf Prospectus, and in the AIF and other documents incorporated or deemed to be incorporated by reference herein or therein. The Company’s business, financial condition, results of operations, cash flows and prospects are subject to the risks and uncertainties described therein and to additional risks and uncertainties of which the Company is currently unaware or that are unknown or that the Company currently deems to be immaterial.

RISK FACTORS

An investment in the securities of the Company is speculative and subject to risks and uncertainties. The occurrence of any one or more of these risks or uncertainties could have a material adverse effect on the value of any investment in the Company and the business, prospects, financial position, financial condition or operating results of the Company. Additional risks and uncertainties not presently known to the Company or that the Company currently deems immaterial may also impair the Company’s business operations.

Prospective purchasers should carefully consider all information contained in this Prospectus and the documents incorporated by reference herein and in the accompanying Shelf Prospectus before deciding to purchase the Offered Shares.

The risks and uncertainties described or incorporated by reference in this Prospectus are not the only ones the Company may face. Additional risks and uncertainties that the Company is unaware of, or that the Company currently deems not to be material, may also become important factors that affect the Company. If any such risks actually occur, the Company’s business, financial condition or results of operations could be materially adversely affected, with the result that the trading price of the Common Shares could decline and purchasers could lose all or part of their investment. Additionally, purchasers should consider the following risk factors:

Risks Related to the Offering

Loss of Entire Investment

An investment in the Offered Shares is speculative and may result in the loss of an investor’s entire investment. Only potential investors who are experienced in high-risk investments and who can afford to lose their entire investment should consider an investment in the Company.

Completion of the Offering

The completion of the Offering remains subject to a number of conditions. There can be no certainty that the Offering will be completed. Failure by the Company to satisfy all of the conditions precedent to the Offering would result in the Offering not being completed. If the Offering is not completed, the Company may not be able to raise the funds required for the purposes contemplated under “Use of Proceeds” from other sources on commercially reasonable terms or at all.

Forward-looking statements may prove to be inaccurate

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

predictions, forecasts or projections will prove to be materially inaccurate. Additional information on the risks, assumptions and uncertainties can be found in this under the heading “Forward-Looking Statements”.

Future issuances or actual or potential sales of securities

The issuance by the Company of the Offered Shares or other securities convertible into Common Shares could result in significant dilution in the equity interest of existing shareholders and adversely affect the market price of the Common Shares. In addition, in the future, the Company may issue additional Common Shares or securities convertible into Common Shares, which may dilute existing shareholders. The Company’s articles permit the issuance of an unlimited number of Common Shares, and shareholders will have no pre-emptive rights in connection with such further issuances. Further, additional Common Shares may be issued by the Company upon the exercise of stock options and upon the exercise or conversion of other securities convertible into Common Shares. The issuance of these additional equity securities may have a similar dilutive effect on then existing holders of Common Shares.

The market price of the Common Shares could decline as a result of future issuances by the Company, including issuance of shares issued in connection with strategic alliances, or sales by its existing holders of Common Shares, or the perception that these sales could occur. Sales by shareholders might also make it more difficult for the Company to sell equity securities at a time and price that it deems appropriate, which could reduce its ability to raise capital and have an adverse effect on its business.

Discretion Over the Use of Proceeds

The Company intends to use the net proceeds from the Offering as set forth under “Use of Proceeds”; however, the Company maintains broad discretion concerning the use of the net proceeds of the Offering as well as the timing of their expenditure. The Company may re-allocate the net proceeds of the Offering other than as described under the heading “Use of Proceeds” if management of the Company believes it would be in the Company’s best interest to do so and in ways that a purchaser may not consider desirable. Until utilized, the net proceeds of the Offering will be held in cash balances in the Company’s bank account or invested at the discretion of the Board of Directors. As a result, a purchaser will be relying on the judgment of management of the Company for the application of the net proceeds of the Offering. The results and the effectiveness of the application of the net proceeds are uncertain. If the net proceeds are not applied effectively, the Company’s results of operations may suffer, which could adversely affect the price of the Common Shares on the open market.

Sales of a Significant Number of Securities

The Company cannot predict the size of future issuances of debt or equity securities or the effect, if any, that such future issuances will have on the market price of the Company’s securities. Sales of a substantial number of securities in the public markets by the Company or its significant securityholders, or the perception that such sales could occur, could depress the market price of the Company’s securities and impair its ability to raise capital through the sale of additional securities. The Company cannot predict the effect that future sales of securities would have on the market price of the securities. The price of the securities could be affected by possible sales of the securities by hedging or arbitrage trading activity which the Company expects to occur involving its securities. With any additional sale or issuance of equity securities, investors will suffer dilution of their voting power and may experience dilution in our earnings per security.

Additional Financing

The continued development of the Company will require additional financing. There is no guarantee that the Company will be able to achieve its business objectives. The Company intends to fund its future business activities by way of additional offerings of equity and/or debt financing as well as through anticipated positive cash flow from operations in the future. The failure to raise or procure such additional funds or the failure to achieve positive cash flow could result in the delay or indefinite postponement of current business objectives. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, will be on terms acceptable to the Company.

If additional funds are raised by offering equity securities, existing shareholders could suffer significant dilution, and any new equity securities issued could have rights, preferences and privileges superior to those of holders of Common Shares. The Company’s articles permit the issuance of an unlimited number of Common Shares, and shareholders will have no pre-emptive rights in connection with such further issuance. The directors of the Company have discretion to determine the price and the terms of issue of further issuances. Any debt financing secured in the future could involve the granting of security against assets of the Company and also contain restrictive covenants relating to capital raising activities and other financial and operational matters, which may make it more difficult for the Company to obtain additional capital and to pursue business opportunities,

including potential acquisitions. The Company will require additional financing to fund its operations until positive cash flow is achieved. See “*Risk Factors – Negative Cash Flow from Operations*”.

At-the-Market Offering

Purchasers who purchase Offered Shares at different times will likely pay different prices, and so may experience different outcomes in their investment results. The Company will have discretion, subject to market demand, to vary the timing, prices and numbers of Offered Shares sold, and there is no minimum or maximum sales price. Purchasers may experience a decline in the value of their Offered Shares as a result of Offered Share sales made at prices lower than the prices they paid.

The Market Price of the Common Shares is Volatile and May Not Accurately Reflect the Long-Term Value of the Company

Securities markets have a high level of price and volume volatility, and the market price of securities of many companies has experienced substantial volatility in the past. This volatility may affect the ability of holders of Common Shares to sell their securities at an advantageous price. Market price fluctuations in the Common Shares may be due to the Company’s operating results failing to meet expectations of securities analysts or investors in any period, downward revision in securities analysts’ estimates, adverse changes in general market conditions or economic trends, acquisitions, dispositions or other material public announcements by the Company or its competitors, along with a variety of additional factors. These broad market fluctuations may adversely affect the market price of the Common Shares.

Financial markets historically at times experienced significant price and volume fluctuations that have particularly affected the market prices of equity securities of companies and that have often been unrelated to the operating performance, underlying asset values or prospects of such companies. Accordingly, the market price of the Common Shares may decline even if the Company’s operating results, underlying asset values or prospects have not changed. Additionally, these factors, as well as other related factors, may cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses. There can be no assurance that continuing fluctuations in price and volume will not occur. If such increased levels of volatility and market turmoil continue, the Company’s operations could be adversely impacted and the trading price of the Common Shares may be materially adversely affected.

No Guarantee of an Active Liquid Market for Securities

There is no guarantee that an active trading market for the Offered Shares will be maintained on the CSE or the OTC PINK. Investors may not be able to sell their Offered Shares quickly, at all, or at the latest market price if trading in the securities is not active.

Risks Related to the Business of the Company

Negative Cash Flow from Operations

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

Minimal operating history.

As the Company has minimal operating history, it is extremely difficult to make accurate predictions and forecasts of its finances. This is compounded by the fact the Company operates in the cannabis industry, which is rapidly transforming. There is no guarantee that the Company’s operations will be profitable.

Reliance on single stream of income.

The Company directly owns 100% of the shares and the business of New Leaf USA Inc. New Leaf USA Inc. is a Washington-based holding company, holding 100% interests in the New Leaf USA Inc. Subsidiaries engaging in business ancillary to cannabis and holding equipment, a real estate lease and intellectual property. These businesses have material contracts with the Washington-State cannabis License Holder. The License Holder holds a “marijuana producer” license and “marijuana

processor” license both issued by the WSLCB. The New Leaf USA Inc. Subsidiaries’ activities and resources have been focused on commercial activity in Washington. The Company is in a business relationship with the License Holder and will be for the foreseeable future. Adverse changes or developments affecting the License Holder, or marijuana businesses generally, could have a material and adverse effect on the Company’s business, financial condition and prospects. If the License Holder was to discontinue or fundamentally change their business, the Company’s business may fail and shareholders may lose their investment.

Possible loss of licenses.

Any problems associated with the business of the License Holder will have an adverse effect on the Company’s business, operating results and financial condition. Washington State has a very rigid regulatory framework. Problems associated with the License Holder may include loss of WSLCB licenses to do business, delays and other problems in production, regulatory interference, including inspections and penalties for violations of the Washington Administrative Code, which may include loss of the license. The License Holder may have undertaken activities that were non-compliant and therefore there is no certainty that the License Holder will continue to hold the license for any amount of time. The WSLCB licenses to produce and process recreational and/or medical marijuana are subject to annual renewal. Renewal of the licenses is not guaranteed. Any of the above may affect the revenues and operations of the business; or cause additional unforeseen circumstances.

Possible asset seizure.

The equipment held by EquipmentCo is subject to encumbrances in the form of liens and other charges filed in respect of unpaid taxes of the License Holder. To address this, the License Holder has agreed that any amounts payable under the promissory notes issued in favour of the License Holder in exchange for the assignment of equipment to EquipmentCo and intellectual property rights to IPCo, will be first applied to satisfy and discharge all such encumbrances. However, unless and until such encumbrances are satisfied and discharged in full, there is risk that the equipment could be subject to seizure or forfeiture. Any loss of equipment could have an adverse effect on the Company’s business, operating results and financial condition.

In addition, the License Holder’s assets are also subject to the same liens and charges in respect of unpaid taxes of the License Holder. Unless and until such encumbrances are satisfied and discharged in full, there is risk that the License Holder’s assets could be subject to seizure or forfeiture. Any loss of such assets could have an adverse effect on the License Holder, and therefore, have an adverse effect on the Company’s business, operating results and financial condition.

Probable lack of business diversification.

Because the Company is focused on developing its business ancillary to the cannabis industry, the hemp business, and potentially directly in the cannabis industry, the prospects for the Company’s success are dependent upon the future performance and market acceptance of the Company’s intended facilities, products, processes, and services. Unlike certain entities that have the resources to develop and explore numerous product lines, operating in multiple industries or multiple areas of a single industry, the Company does not anticipate the ability to immediately diversify or benefit from the possible spreading of risks or offsetting of losses. Again, the prospects for the Company’s success may become dependent upon the development or market acceptance of a very limited number of facilities, products, processes or services.

Rapid growth and consolidation of the cannabis industry.

The cannabis industry and businesses ancillary to and directly involved with cannabis businesses are undergoing rapid growth and substantial change, which has resulted in an increase in competitors, consolidation and formation of strategic relationships. Acquisitions or other consolidating transactions could harm the Company in a number of ways, including by losing strategic partners if they are acquired by or enter into relationships with a competitor, losing customers, revenue and market share, or forcing the Company to expend greater resources to meet new or additional competitive threats, all of which could harm the Company’s operating results. As competitors enter the market and become increasingly sophisticated, competition in the Company’s industry may intensify and place downward pressure on retail prices for its products and services, which could negatively impact its profitability. The Company continues to sell shares for cash to fund operations, capital expansion, mergers and acquisitions that will dilute the current shareholders.

There is no guarantee that the Company will be able to achieve its business objectives. The continued development of the Company may require additional financing. The failure to raise such capital could result in the delay or indefinite postponement of current business objectives or the Company going out of business. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favorable to the Company.

If additional funds are raised through issuances of equity or convertible debt securities, existing shareholders could suffer significant dilution, and any new equity securities issued could have rights, preferences and privileges superior to those of holders of Common Shares. In addition, from time to time, the Company may enter into transactions to acquire assets or the shares of other companies. These transactions may be financed wholly or partially with debt, which may temporarily increase the Company's debt levels above industry standards. The Company will require additional financing to fund its operations to the point where it is generating positive cash flows. Negative cash flow may restrict the Company's ability to pursue its business objectives. See "*Risk Factors – Future issuances or actual or potential sales of securities*", "*Risk Factors – Additional Financing*" and "*Risk Factors – Negative Cash Flow from Operations*".

COVID-19

The outbreak of the novel coronavirus, or COVID-19, which was declared a pandemic by the World Health Organization in March 2020, has spread across the globe and is impacting economic activity worldwide. In response to the outbreak, governmental authorities in Canada and internationally have introduced various recommendations and measures to try to limit the pandemic, including travel restrictions, border closures, non-essential business closures, quarantines, self-isolations, shelters-in-place and social distancing. The COVID-19 pandemic and the response of governmental authorities to try to limit it have had, and continue to have, a significant impact on the private sector and individuals, including unprecedented business, employment and economic disruptions.

The Company expects to experience some short to medium term negative impacts from the COVID-19 outbreak; however, the extent of such impacts is currently unquantifiable, but may be significant. Such impacts include, with respect to its operations, its suppliers' operations and its customers' operations, forced closures, mandated social distancing, isolation and/or quarantines, impacts of declared states of emergency, public health emergency and similar declarations and could include other increased government regulations, a material reduction in demand for the Company's products and services, reduced sales, higher costs for new capital, licensing delays, increased operating expenses, delayed performance of contractual obligations, and potential supply and staff shortages, all of which are expected to negatively impact the business, financial condition and results of operations of the Company and thus may impact the ability of the Company to comply with financial covenants, and its ability to satisfy its obligations to its lenders and other parties, which may in turn may adversely impact, among other things, the ability the Company to access debt or equity capital on acceptable terms or at all.

DESCRIPTION OF SECURITIES BEING DISTRIBUTED

The Offering consists of up to \$10,000,000 of Common Shares.

Common Shares

The Company is authorized to issue an unlimited number of the Common Shares without par value. As of November 12, 2021, there were 57,629,584 Common Shares issued and outstanding.

Each Common Share carries the right to attend and vote at all general meetings of shareholders. Holders of Common Shares are entitled to dividends, if any, as and when declared by the directors, and to one vote per Common Share at meetings of shareholders. In the event of liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, subject to prior rights of the holders of the preferred shares, if any, holders of Common Shares are entitled to receive the remaining property and assets of the Company on a pro rata basis. The Common Shares are not subject to call or assessment rights, redemption rights, rights regarding purchase for cancellation or surrender, or any pre-emptive or conversion rights.

The Company has applied to list the Offered Shares for trading on the CSE. Listing will be subject to the Company fulfilling all of the requirements of the CSE.

USE OF PROCEEDS

The net proceeds of the Offering are currently intended to be used for product development, improving facility production, marketing, mergers & acquisitions and general and administrative expenses.

The net proceeds from the Offering, if any, are not determinable in light of the nature of the distribution. Sales of Offered Shares, if any, will be made in transactions that are deemed to be "at-the-market distributions" as defined in NI 44-102, including sales made by the Agent directly on the CSE or on any other recognized Marketplace. Any proceeds that the Company receives will depend on the number of Offered Shares actually sold and the offering price of such Offered Shares. The net

proceeds to the Company of any given distribution of Offered Shares through the Agent under the Distribution Agreement will represent the gross proceeds of the Offering, after deducting the applicable Placement Fee, any transaction or filing fees imposed by any governmental, regulatory, or self-regulatory organization in connection with any such sales of Offered Shares and the expenses of the Offering. The gross proceeds of the Offering will be up to \$10,000,000. The Agent will receive the Placement Fee of 2.0% of the gross proceeds from the sale of Offered Shares. Any Placement Fee paid to the Agent will be paid out of the proceeds from the sale of Offered Shares. There is no minimum amount of funds that must be raised under the Offering. This means that the Offering may terminate after raising only a portion of the Offering amount set out above, or none at all. See “Plan of Distribution”.

The actual amount that the Company spends in connection with each of the intended uses of proceeds may vary from the amounts specified above, and will depend on a number of factors, including those listed under the heading “Risk Factors” in, or incorporated by reference in, this Prospectus Supplement.

CONSOLIDATED CAPITALIZATION

There has not been any material change in the share and loan capital of the Company, on a consolidated basis, since June 30, 2021, being the date of the Interim Financial Statements, except as described under “Prior Sales” in this Prospectus Supplement or the Shelf Prospectus.

As a result of the Offering, the shareholders’ equity of the Company will increase by the amount of the net proceeds, less expenses, of the Offering and the number of Common Shares issued and outstanding will increase by the number of Offered Shares distributed under the Offering.

PRIOR SALES

The table contained under the heading “Prior Sales” in the accompanying Shelf Prospectus sets forth, for the 12-month period prior to the date of the Shelf Prospectus, details of the price at which securities have been issued or are to be issued by the Company, the number of securities issued at that price and the date on which the securities were issued.

The following table sets out details of the securities issued by the Company after the date of the accompanying Shelf Prospectus and before the date of this Prospectus Supplement:

Issue Date	Number of Securities	Type of Security	Issue Price per Security	Aggregate Issue Price	Nature of consideration
November 1, 2021	420,000	Agent Warrants ⁽¹⁾	\$0.25	Nil	Consideration for services provided in connection with the November 2021 Offering
November 1, 2021	6,000,000	Units ⁽²⁾	\$0.25	\$1,500,000	Cash pursuant to November 2021 Offering
September 22, 2021	500,000	Stock options	\$0.28	Nil	Stock options issued
August 5, 2021	200,000	Common Shares	\$0.40	\$80,000	Cash for exercise of warrants

Notes:

- (1) Issued pursuant to the November 2021 Offering. Each agent’s warrant is exercisable until November 1, 2023 to acquire one unit of the company on the same terms as the units offered under the November 2021 Offering.
- (2) Issued pursuant to the November 2021 Offering. Units are comprised of one Common Share and one half of one common share purchase warrant of the Company, each warrant exercisable into one Common Share at an exercise price of \$0.40 per Common Share until November 1, 2023.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following is a general summary, as of the date hereof, of the principal Canadian federal income tax considerations under the *Income Tax Act* (Canada) and the regulations thereunder (collectively, the “**Tax Act**”) generally applicable to a holder who acquires Offered Shares as beneficial owner pursuant to this Offering and who, for the purposes of the Tax Act and at all relevant times, (i) holds Common Shares as capital property, (ii) deals at arm’s length with the Company and the Agent, and (iii) is not affiliated with the Company, the Agent or any subsequent purchaser of such securities (a “**Holder**”). Common Shares will generally be considered to be capital property to a Holder provided the Holder does not acquire or hold such Common

Shares in the course of carrying on a business of buying or selling securities or as part of one or more transactions considered to be an adventure or concern in the nature of trade.

This summary does not apply to a Holder (i) that is a “financial institution” as defined in the Tax Act for the purposes of the mark-to-market rules contained in the Tax Act; (ii) that is a “specified financial institution” as defined in the Tax Act; (iii) an interest in which would be a “tax shelter investment” as defined in the Tax Act; (iv) that makes or has made a functional currency reporting election under the Tax Act; (v) that is exempt from tax under the Tax Act; (vi) that has entered or will enter into a “derivative forward agreement” or “synthetic disposition arrangement”, as those terms are defined in the Tax Act, with respect to the Common Shares; (vii) that is a partnership, (viii) that receives dividends on Common Shares under or as part of a “dividend rental arrangement”, as defined in the Tax Act, or (ix) that is a “foreign affiliate” as defined in the Tax Act of a taxpayer resident in Canada. Such Holders should consult their own tax advisors with respect to an investment in Offered Shares.

Additional considerations, not discussed herein, may be applicable to a Holder that is a corporation resident in Canada and is, or becomes, or does not deal at arm’s length for purposes of the Tax Act with a corporation resident in Canada that is or becomes, as part of a transaction or series of transactions or events that includes the acquisition of Common Shares, controlled by a non-resident person or group of non-resident persons not dealing with each other at arm’s length for purposes of the “foreign affiliate dumping” rules in section 212.3 of the Tax Act. Such Holders should consult their own tax advisors with respect to the consequences of acquiring Common Shares.

This summary is based upon the current provisions of the Tax Act in force as of the date hereof and an understanding of the current administrative policies and assessing practices of the Canada Revenue Agency (“CRA”) published in writing prior the date hereof. The summary also takes into account all specific proposals to amend the Tax Act that have been publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the “Tax Proposals”), and assumes that all such Tax Proposals will be enacted in the form proposed. No assurance can be given that the Tax Proposals will be enacted in the form proposed or at all. This summary does not otherwise take into account or anticipate any changes in law or any changes in the CRA’s administrative policies or assessing practices, whether by way of legislative, judicial or administrative action or decisions, nor does it address any provincial, territorial or foreign tax considerations, which considerations may differ significantly from the Canadian federal income tax considerations discussed in this summary.

This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Holder and no representations with respect to the income tax consequences to any particular holder are made. This summary is not exhaustive of all Canadian federal income tax considerations and does not describe the income tax considerations relating to the deductibility of interest on money borrowed to acquire Common Shares. Accordingly, prospective investors in Offered Shares should consult their own tax advisors with respect to their own particular circumstances.

Residents of Canada

This portion of the summary is generally applicable to a Holder who, for the purposes of the Tax Act, and at all relevant times, is, or is deemed to be, resident in Canada (“**Resident Holder**”).

Certain Resident Holders whose Common Shares might not otherwise qualify as capital property may, in certain circumstances, make the irrevocable election pursuant to subsection 39(4) of the Tax Act to have their Common Shares, and every other “Canadian security”, as defined in the Tax Act, owned by such Resident Holder in the taxation year of the election and in all subsequent taxation years, deemed to be capital property. Resident Holders should consult their own tax advisors for advice as to whether an election under subsection 39(4) of the Tax Act is available and advisable in their own circumstances.

Dividends on Common Shares

A Resident Holder will be required to include in computing its income for a taxation year any dividends received or deemed to be received in the year by the Resident Holder on the Common Shares.

In the case of a Resident Holder who is an individual (other than certain trusts), such dividends will be subject to the gross-up and dividend tax credit rules normally applicable under the Tax Act to taxable dividends received from taxable Canadian corporations, including the enhanced gross-up and dividend tax credit in respect of dividends designated by the Company as “eligible dividends”. There may be limitations on the ability of the Company to designate dividends as “eligible dividends”.

In the case of a Resident Holder that is a corporation, the amount of any such taxable dividend that is included in its income for a taxation year will generally be deductible in computing its taxable income for that taxation year. In certain circumstances, a dividend received or deemed to be received by a Resident Holder that is a corporation may be deemed to be proceeds of disposition or a capital gain pursuant to subsection 55(2) of the Tax Act. Resident Holders should consult their own tax advisors regarding their particular circumstances.

A Resident Holder that is a “private corporation” or a “subject corporation” (each as defined in the Tax Act) will generally be liable to pay an additional tax under Part IV of the Tax Act on dividends received or deemed to be received on a Common Share in a year to the extent such dividends are deductible in computing the Resident Holder’s taxable income for the year. Such additional tax may be refundable in certain circumstances.

Disposition of a Common Share

Generally, on a disposition, or a deemed disposition, of a Common Share (other than to the Company unless purchased by the Company in the open market in the manner in which shares are normally purchased by a member of the public in an open market), a Resident Holder will realize a capital gain (or a capital loss) equal to the amount by which the proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of the Common Share to the Resident Holder immediately before the disposition or deemed disposition. Such capital gain (or capital loss) will be subject to the treatment described below under “Taxation of Capital Gains and Capital Losses”.

Taxation of Capital Gains and Capital Losses

Generally, one-half of any capital gain (a “**taxable capital gain**”) realized by a Resident Holder for a taxation year must be included in computing the Resident Holder’s income for the year. Subject to and in accordance with the provisions of the Tax Act, a Resident Holder is required to deduct one-half of any capital loss (an “**allowable capital loss**”) realized in a taxation year against taxable capital gains realized by the Resident Holder in that taxation year. Allowable capital losses in excess of taxable capital gains for the taxation year of disposition may be carried back and deducted in any of the three preceding taxation years, or carried forward and deducted in any subsequent year against net taxable capital gains realized in such years, to the extent and under the circumstances described in the Tax Act.

If the Resident Holder is a corporation, any such capital loss realized on the sale of a Common Share may be reduced by the amount of any dividends which have been received by the Resident Holder on such Common Share to the extent and in circumstances prescribed by the Tax Act. Similar rules may apply where a corporation is a member of a partnership or a beneficiary of a trust that owns Common Shares, directly or indirectly through a partnership or a trust. Resident Holders to whom such rules may be relevant should consult their own tax advisors.

Refundable Tax

A Resident Holder that is throughout the relevant taxation year a “Canadian-controlled private corporation” (as defined in the Tax Act) may be liable to pay an additional tax (refundable in certain circumstances) on its “aggregate investment income”, which is defined in the Tax Act to include net taxable capital gains and dividends received or deemed to be received on the Common Shares to the extent that such dividends are not deductible in computing the Resident Holder’s taxable income for the taxation year. Such Resident Holders should consult their own tax advisors.

Alternative Minimum Tax

Capital gains realized and dividends received or deemed to be received by a Resident Holder that is an individual (other than certain specified trusts) may give rise to liability for alternative minimum tax as calculated under the detailed rules set out in the Tax Act. Resident Holders that are individuals should consult their own tax advisors.

Non-Residents of Canada

This portion of the summary is generally applicable to a Holder who, at all relevant times, is not, and is not deemed to be, resident in Canada for the purposes of the Tax Act or any applicable income tax treaty or convention, and will not use or hold (and will not be deemed to use or hold) the Common Shares in, or in the course of, carrying on a business or part of a business in Canada (a “**Non-Resident Holder**”).

Special rules, which are not discussed in this summary, may apply to a Non-Resident Holder that is an insurer that carries on business in Canada and elsewhere or an “authorized foreign bank” (as defined in the Tax Act) and such Non-Resident Holders should consult their own tax advisors.

Dividends on Common Shares

Dividends paid or credited, or deemed to be paid or credited, on a Common Share to a Non-Resident Holder will generally be subject to Canadian withholding tax at the rate of 25% on the gross amount of the dividend, subject to any reduction in the rate of withholding to which that Non-Resident Holder may be entitled under an applicable income tax treaty or convention. For example, under the Canada-U.S. Tax Convention (1980), as amended (the “**Treaty**”), the rate of Canadian withholding tax on dividends paid or credited to a Non-Resident Holder who is a resident of the U.S. for purposes of the Treaty and entitled to benefits under the Treaty (a “**U.S. Holder**”) is generally reduced to 15% of the gross amount of the dividend (or 5% in the case of a U.S. Holder that is a corporation beneficially owning at least 10% of the Corporation’s voting shares). Non-Resident Holders should consult their own tax advisors in this regard.

Disposition of a Common Share

A Non-Resident Holder generally will not be subject to tax under the Tax Act in respect of any capital gain realized by such Non-Resident Holder on a disposition or deemed disposition of a Common Share nor will capital losses arising therefrom be recognized under the Tax Act, unless such Common Share, as the case may be, constitutes “taxable Canadian property” (as defined in the Tax Act) of the Non-Resident Holder at the time of disposition and the gain is not exempt from tax pursuant to the terms of an applicable income tax treaty or convention between Canada and the country in which the Non-Resident Holder is resident.

Provided the Common Shares are listed on a “designated stock exchange”, as defined in the Tax Act (which currently includes the CSE) at the time of disposition, the Common Shares will generally not constitute taxable Canadian property of a Non-Resident Holder at that time unless at any time during the 60-month period immediately preceding the disposition the following two conditions are satisfied concurrently: (a) 25% or more of the issued shares of any class or series of the capital stock of the Company were owned by or belonged to any combination of (x) the Non-Resident Holder, (y) persons with whom the Non-Resident Holder did not deal at arm’s length (for the purposes of the Tax Act), and (z) partnerships in which the Non-Resident Holder or a person described in (y) holds a membership interest directly or indirectly through one or more partnerships; and (b) more than 50% of the fair market value of the Common Shares was derived directly or indirectly from one, or any combination of, real or immovable property situated in Canada, “Canadian resource property” (as defined in the Tax Act), “timber resource property” (as defined in the Tax Act) or options in respect of, interests in or for civil law rights in, any such property (whether or not such property exists). Notwithstanding the foregoing, a Common Share may also be deemed to be “taxable Canadian property” in certain circumstances.

A Non-Resident Holder’s capital gain (or capital loss) in respect of Common Shares that constitute or are deemed to constitute taxable Canadian property (and are not “treaty-protected property” as defined in the Tax Act) will generally be computed in the manner described above under the subheading “*Residents of Canada — Disposition of a Common Share*”. Non-Resident Holders for whom a Common Share is, or may be, taxable Canadian property should consult their own tax advisors.

NON-CANADIAN INVESTORS ARE ADVISED TO CONSULT WITH THEIR OWN TAX ADVISOR REGARDING THE SPECIFIC TAX CONSEQUENCES OF THE ACQUISITION, OWNERSHIP AND DISPOSITION OF OFFERED SHARES INCLUDING CANADIAN, DOMESTIC, TREATY AND OTHER TAX CONSEQUENCES OF SUCH ACQUISITION, OWNERSHIP AND DISPOSITION AND OF POTENTIAL CHANGES IN APPLICABLE TAX LAWS.

PRICE RANGE AND TRADING VOLUME

Trading Price and Volume

The outstanding Common Shares are listed on the CSE under the trading symbol “NLV” and on the OTC PINK under the trading symbol “NLVVF”. The following tables set forth information relating to the trading of the Common Shares on the CSE and OTC PINK for the dates indicated.

Month	CSE			OTC PINK		
	High C\$	Low C\$	Total Volume	High US\$	Low US\$	Total Volume
November 1-12 2021	\$0.26	\$0.205	2,602,014	\$0.2243	\$0.16357	4,885,993
October , 2021	\$0.27	\$0.19	7,426,513	\$0.26	\$0.1453	7,067,900
September 2021	\$0.36	\$0.24	1,995,543	\$0.2885	\$0.18	4,827,584
August 2021	\$0.47	\$0.32	1,815,620	\$0.401	\$0.2475	4,462,968
July 2021	\$0.50	\$0.42	3,187,191	\$0.41	\$0.323	6,302,395
June 2021	\$0.49	\$0.42	3,151,128	\$0.42	\$0.3422	5,688,126
May 2021	\$0.52	\$0.42	1,939,347	\$0.4216	\$0.335	4,737,075
April 2021	\$0.60	\$0.44	3,410,201	\$0.4825	\$0.358	5,135,042
March 2021	\$0.66	\$0.28	3,782,236	\$0.5309	\$0.2535	6,475,522
February 2021	\$0.78	\$0.27	8,468,822	\$0.7309	\$0.1853	11,245,364
January 2021	\$0.33	\$0.25	434,259	\$0.26	\$0.1912	611,778
December 2020	\$0.40	\$0.25	794,523	\$0.30486	\$0.184	722,519
November 2020	\$0.35	\$0.22	1,028,024	\$0.29	\$0.161	893,779

On November 12, 2021, the last full trading day before the date of this Prospectus Supplement, the closing price of the Common Shares on the CSE was \$0.25 per Common Share and on OTC PINK was US\$0.1999 per Common Share.

PLAN OF DISTRIBUTION

In accordance with the terms of the Distribution Agreement, and except as noted herein, the Company may distribute up to \$10,000,000 of Common Shares from time to time through the Agent, as agent for the Offering.

Sales of Offered Shares, if any, are anticipated to be made in transactions that are deemed to be “at-the-market distributions” as defined in NI 44-102, involving sales made directly on the CSE or any other recognized Marketplace. The Agent will use its commercially reasonable efforts, consistent with its sales and trading practices, to solicit offers to purchase Offered Shares under the terms and subject to the conditions set forth in the Distribution Agreement. The Offered Shares will be distributed at market prices prevailing at the time of the sale. As a result, prices may vary as between purchasers and during the period of distribution.

The Company will instruct the Agent as to the number of Offered Shares to be sold by the Agent from time to time by sending the Agent a notice (a “Placement Notice”) that requests that the Agent sell up to a specified dollar amount or a specified number of Offered Shares and specifies any parameters in accordance with which the Company requires that the Offered Shares be sold. The parameters set forth in a Placement Notice may not conflict with the provisions of the Distribution Agreement. The Company may instruct the Agent not to sell Offered Shares if the sales cannot be effected at or above the price designated by the Company in a particular Placement Notice. The Company or the Agent may suspend the Offering upon proper notice and subject to other conditions set forth in the Distribution Agreement.

Settlement for sales of Offered Shares will occur on the second business day following the date on which any sales are made, or on such earlier date as is then current industry practice for regular-way trading, in return for payment of the net proceeds to the Company. There is no arrangement for funds to be received in an escrow, trust or similar arrangement. Sales of Offered Shares will be settled through the facilities of CDS Clearing and Depository Services Inc. ("CDS") or by such other means as permitted by the Distribution Agreement.

As sales agent, the Agent will not engage in any transactions to stabilize or maintain the price of the Common Shares. Neither the Agent nor any person or company acting jointly or in concert with the Agent may, in connection with the Offering, enter into any transaction that is intended to stabilize or maintain the market price of the Common Shares or securities of the same class as the Common Shares, including selling an aggregate number or principal amount of securities that would result in the Agent creating an over-allocation position.

The Company will also disclose the number and average price of Offered Shares sold, as well as the total gross proceeds, commission and net proceeds from sales hereunder, in the ordinary course in its annual and interim financial statements or associated management's discussion and analysis filed on SEDAR.

There is no minimum amount of funds that must be raised under the Offering. This means that the Offering may terminate after only raising a small portion of the offering amount set out herein, or none at all. An investor will not be entitled to a return of its investment if only a portion of the disclosed maximum offering amount set out herein is in fact raised.

Pursuant to the terms of the Distribution Agreement, the Company will compensate the Agent for its services in acting as agent in the sale of Offered Shares in an amount equal to 2.0% of the gross proceeds from sales of Offered Shares made on the CSE or another applicable Marketplace. The Company estimates that the total expenses that it will incur for the Offering (including fees payable to stock exchanges, securities regulatory authorities, its counsel, its auditors and counsel to the Agent, but excluding compensation payable to the Agent under the terms of the Distribution Agreement) will be approximately \$70,000.

The Offering will terminate upon the earlier of: (i) the sale of all Offered Shares subject to the Distribution Agreement by the Agent; (ii) August 26, 2023; and (iii) termination of the Distribution Agreement in accordance with its terms. The Company and the Agent may each terminate the Distribution Agreement in certain circumstances specified in the Distribution Agreement.

The Company has agreed to indemnify and provide contribution to the Agent against or in respect of, among other things, certain civil liabilities, including liabilities under applicable securities legislation in Canada.

The Company has applied to list the Offered Shares for trading on the CSE. Listing will be subject to the Company fulfilling all of the requirements of the CSE.

It is anticipated that the Offered Shares will be delivered under the book-based system through CDS or its nominee and deposited in electronic form, or will otherwise be delivered registered as directed by the Agent. Except in limited circumstances, a purchaser of Offered Shares will receive only a customer confirmation from the registered dealer from or through which the Offered Shares are purchased and who is a CDS depository service participant. CDS will record the CDS participants who hold Offered Shares on behalf of owners who have purchased Offered Shares in accordance with the book-based system. No definitive certificates will be issued unless specifically requested or required.

The Offered Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws and may not be offered, sold or delivered, directly or indirectly, to, or for the account or benefit of, a person in the United States or a U.S. Person unless exemptions from the registration requirements of the U.S. Securities Act and any applicable state securities laws are available.

This Prospectus Supplement does not constitute an offer to sell or a solicitation of an offer to buy any of the Offered

Shares to, or for the account or benefit of, a person in the United States or a U.S. Person. In addition, until 40 days after the commencement of the Offering, an offer or sale of Offered Shares within the United States by any dealer (whether or not participating in the Offering) may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with exemptions from registration under the U.S. Securities Act and applicable state securities laws.

A copy of the Distribution Agreement can be obtained on SEDAR under the Company's profile at www.sedar.com

LEGAL MATTERS

Certain legal matters related to the Offered Shares pursuant to this Prospectus Supplement will be passed upon on behalf of the Company by Miller Thomson LLP with respect to Canadian legal matters and on behalf of the Agent by Vantage Law Corporation with respect to Canadian legal matters. At the date of this Prospectus Supplement, the designated professionals of Miller Thomson LLP as a group beneficially own less than 1% of the Company's outstanding securities. At the date of this Prospectus Supplement, the designated professionals of Vantage Law Corporation as a group beneficially own less than 1% of the Company's outstanding securities.

DOCUMENTS INCORPORATED BY REFERENCE

This prospectus supplement is deemed to be incorporated by reference into the accompanying Shelf Prospectus solely for the purposes of the Offering. Other documents are also incorporated, or are deemed to be incorporated by reference, into the accompanying Shelf Prospectus and reference should be made to the accompanying Shelf Prospectus for full particulars thereof.

Information has been incorporated by reference in this Prospectus Supplement from documents filed with the securities commissions or similar regulatory authorities in each of the provinces and territories of Canada (the "Commissions"). Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of New Leaf at 1910 – 1030 W Georgia St, Vancouver, British Columbia V6E 2Y3, Telephone: (778) 930-1321 and are also available electronically on SEDAR which can be accessed electronically at www.sedar.com. Information contained or featured on the Company's website shall not be deemed to be part of this Prospectus Supplement or the accompanying Shelf Prospectus.

The following documents, which have been filed by the Company with the Commissions, are specifically incorporated by reference into, and form an integral part of, the accompanying Shelf Prospectus, as supplemented by this Prospectus Supplement:

1. the material change report of the Company dated November 11, 2021 with an effective date of November 1, 2021, announcing the completion of a prospectus supplement offering pursuant to which it sold an aggregate of 6,000,000 units of the Company, at a price per unit of \$0.25 for gross proceeds of \$1,500,000 (the "**November 2021 Offering**");]
2. the Notice of Change of Auditor dated September 15, 2021 and related letter from the successor auditor, Smythe LLP, dated September 15, 2021, and letter from the former auditor, Davidson & Company, dated September 22, 2021;
3. the unaudited (reviewed) condensed interim consolidated financial statements of the Company for the three and six month periods ended June 30, 2021 and 2020 and related notes attached thereto (the "**Interim Financial Statements**");
4. the management's discussion and analysis of the financial condition and results of operations of the Company for the three months ended June 30, 2021 and 2020 (the "**Interim MD&A**");
5. the audited annual consolidated financial statements of the Company for the years ended December 31, 2020 and 2019 and the auditor's report thereon (the "**Audited Financial Statements**");

6. management's discussion and analysis of financial condition and results of operations of the Company for the years ended December 31, 2020 and 2019 (the "**Annual MD&A**");
7. the annual information form of the Company dated June 29, 2021 in respect of the year ended December 31, 2020 (the "**AIF**"); and
8. the business acquisition report in respect of the acquisition of New Leaf USA Inc. dated September 8, 2020 (the "**Business Acquisition Report**").

Any document of the type referred to in section 11.1 of Form 44-101F1 of National Instrument 44-101 – *Short Form Prospectus Distributions* and required to be filed by the Company with the securities commissions or similar regulatory authorities in Canada after the date of this Prospectus Supplement and before the termination of the distribution under the Offering shall be deemed to be incorporated by reference in this Prospectus Supplement for the purposes of the Offering.

Any statement contained in this Prospectus Supplement, the accompanying Shelf Prospectus or in a document incorporated or deemed to be incorporated by reference in the accompanying Shelf Prospectus shall be deemed to be modified or superseded for purposes of the Offering to the extent that a statement contained in this Prospectus Supplement or in any other subsequently filed document which also is or is deemed to be incorporated by reference in the accompanying Shelf Prospectus modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not constitute a part of this Prospectus Supplement or the accompanying Shelf Prospectus, except as so modified or superseded.

References to the Company's website in any documents that are incorporated by reference into this Prospectus Supplement and the accompanying Shelf Prospectus do not incorporate by reference the information on such website into this Prospectus Supplement or the accompanying Shelf Prospectus, and the Company disclaims any such incorporation by reference.

AUDITORS

Davidson & Company LLP has performed the audit in respect of certain financial statements incorporated by reference herein. Effective September 15, 2021, Davidson & Company LLP resigned as auditors of the Company, and the directors of the Company appointed Smythe LLP as successor auditors in their place. Davidson & Company LLP, Certified Public Accountants, was independent in accordance with Code of Professional Conduct of the Chartered Professional Accountants of British Columbia and the Canadian Securities Authority up to the date of the Notice of Change of Auditor on September 15, 2021.

The external auditor of the Company is Smythe LLP at its principal office located at 1700 – 475 Howe St., Vancouver, BC V6C 2B3, V6C 1T2.

TRANSFER AGENT AND REGISTRAR

The registrar and transfer agent of the Company is Odyssey Trust Company at its principal office in Vancouver, BC.

ENFORCEMENT OF JUDGMENTS AGAINST FOREIGN PERSONS

Robert Colwell, Lee White and Boris Gorodnitsky, who are each current directors of the Company, reside outside of Canada. Although our current directors and officers who reside outside Canada either have an office in Canada or have appointed Miller Thomson LLP, Pacific Centre, 400 – 725 Granville Street, Vancouver, British Columbia V7Y 1G5, as their agent for service of process in Canada, it may not be possible for purchasers to enforce against such persons judgments obtained in Canadian courts.

STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in some provinces and territories of Canada provides purchasers of securities with the right to withdraw from an agreement to purchase securities and with remedies for rescission or, in some jurisdictions, revisions of the price, or damages if the Shelf Prospectus, Prospectus Supplement, and any amendment relating to securities purchased by a purchaser are not sent or delivered to the purchaser. However, purchasers of Offered Shares distributed under an at-the-market distribution by the Company do not have the right to withdraw from an agreement to purchase the Offered Shares and do not have remedies of rescission or, in some jurisdictions, revisions of the price, or damages for non-delivery of the Shelf Prospectus, Prospectus Supplement, and any amendment relating to Offered Shares purchased by such purchaser because the Shelf Prospectus, Prospectus Supplement, and any amendment relating to the Offered Shares purchased by such purchaser will not be sent or delivered, as permitted under Part 9 of National Instrument 44-102 *Shelf Distributions*.

Securities legislation in some provinces and territories of Canada further provides purchasers with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the Shelf Prospectus, Prospectus Supplement, and any amendment relating to securities purchased by a purchaser contains a misrepresentation. Those remedies must be exercised by the purchaser within the time limit prescribed by securities legislation. Any remedies under securities legislation that a purchaser of Offered Shares distributed under an at-the-market distribution by the Company may have against the Company or its agents for rescission or, in some jurisdictions, revisions of the price, or damages if the Shelf Prospectus, Prospectus Supplement, and any amendment relating to securities purchased by a purchaser contain a misrepresentation will remain unaffected by the non-delivery of the prospectus referred to above.

A purchaser should refer to applicable securities legislation for the particulars of these rights and should consult a legal adviser.

EXEMPTION FROM NATIONAL INSTRUMENT 44-101

Pursuant to a decision of Autorité des marchés financiers included in the Base Shelf Prospectus dated July 26, 2021, the Company was granted a permanent exemption from the requirement to translate into French (and to file French translations of) this Prospectus Supplement, the accompanying Shelf Prospectus and the documents incorporated by reference herein and therein.

ELIGIBILITY FOR INVESTMENT

In the opinion of Miller Thomson LLP, counsel to the Company with respect to Canadian legal matters, based on the provisions of the Tax Act in force as of the date hereof, the Offered Shares, if issued on the date hereof, would be “qualified investments” under the Tax Act for a trust governed by a registered retirement savings plan (a “RRSP”), a registered retirement income fund (a “RRIF”), a deferred profit sharing plan, a registered education savings plan (a “RESP”), a registered disability savings plan (a “RDSP”), and a tax-free savings account (a “TFSA”) (collectively, the “Deferred Plans”) provided that, at such time the Common Shares are listed on a “designated stock exchange” as defined in the Tax Act (which currently includes the CSE).

Notwithstanding that the Offered Shares may be qualified investments for a Deferred Plan, the annuitant under an RRSP or RRIF, the holder of a TFSA or RDSP, or the subscriber of an RESP, as the case may be, will be subject to a penalty tax as set out in the Tax Act if such Offered Shares are a “prohibited investment” (as defined in the Tax Act) for the RRSP, RRIF, RESP, RDSP or TFSA. The Offered Shares will generally not be a prohibited investment for a particular RRSP, RRIF, RESP, RDSP or TFSA provided that the annuitant under the RRSP or RRIF, the holder of the

TFSA or RDSP, or the subscriber of the RESP, as the case may be, (a) deals at arm's length with the Company for the purposes of the Tax Act, and (b) does not have a "significant interest" (as defined in the Tax Act) in the Company. In addition, the Offered Shares will not be a prohibited investment if such securities are "excluded property" (as defined in the Tax Act) for the particular RRSP, RRIF, RESP, RDSP or TFSA.

Prospective purchasers who intend to hold Offered Shares in a Deferred Plan should consult their own tax advisors with respect to the application of these rules in their particular circumstances.

CERTIFICATE OF THE COMPANY

Dated: November 15, 2021

The short form prospectus, together with the documents incorporated in the prospectus by reference, as supplemented by the foregoing, will, as of the date of a particular distribution of securities under the prospectus, constitute full, true and plain disclosure of all material facts relating to the securities offered by the prospectus and the supplement as required by the securities legislation of each of the provinces and territories of Canada.

(Signed) "Michael Stier"

Michael Stier
Chief Executive Officer

(Signed) "Terence Lee"

Terence Lee
Chief Financial Officer

On behalf of the Board of Directors

(Signed) "Robert Colwell"

Robert Colwell
Director

(Signed) "Boris Gorodnitsky"

Boris Gorodnitsky
Director

CERTIFICATE OF THE AGENT

Dated: November 15, 2021

To the best of our knowledge, information and belief, the short form prospectus, together with the documents incorporated in the prospectus by reference, as supplemented by the foregoing, will, as of the date of a particular distribution of securities under the prospectus, constitute full, true and plain disclosure of all material facts relating to the securities offered by the prospectus and the supplement as required by the securities legislation of each of the provinces and territories of Canada.

RESEARCH CAPITAL CORPORATION

(Signed) "Jovan Stupar"

Name: Jovan Stupar

Title: Managing Director, Investment Banking