No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This short form 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.

*The securities offered hereby have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or the securities laws of any state of the United States, and may not be offered, sold or delivered, directly or indirectly, in the United States of America, its territories, possessions or the District of Columbia (the "**United States**"), or to or for the account or benefit of a U.S. person (as such term is defined in Regulation S under the U.S. Securities Act) (a "**U.S. Person**") except in accordance with the Underwriting Agreement (as defined herein) and pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws. This short form prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of these securities within the United States or to, or for the account or benefit of, any U.S. Person. See "Plan of Distribution".*

***Information has been incorporated by reference in this short form prospectus from documents filed with securities commissions or similar authorities in Canada.** Copies of the documents incorporated herein by reference may be obtained on request without charge from the Chief Financial Officer of Havn Life Sciences Inc., at its registered and records office at Suite 2200, 885 West Georgia Street, Vancouver, British Columbia V6C 3E8, telephone (604) 687-7130, and are also available electronically at www.sedar.com.*

SHORT FORM PROSPECTUS

New Issue January 4, 2021

HAVN LIFE SCIENCES INC.

$10,000,220

9,346,000 Units

This short form prospectus (the "**Prospectus**") qualifies the distribution (the "**Offering**") of 9,346,000 units (the "**Units**") of Havn Life Sciences Inc. ("**Havn**" or the "**Company**") at a price of $1.07 per Unit (the "**Offering Price**") for aggregate gross proceeds to the Company of $10,000,220.00 pursuant to an underwriting agreement (the "**Underwriting Agreement**") dated December 18, 2020 between the Company and Eight Capital (the "**Underwriter**"). The Offering Price was determined by arm's length negotiation between the Company and the Underwriter, with reference to the prevailing market price of the Shares (as defined herein) on the Canadian Securities Exchange (the "**CSE**"). The Units will be offered in each of the provinces of Canada, other than Québec (collectively, the "**Offering Jurisdictions**"). See "*Plan of Distribution*".

Each Unit consists of one common share in the capital of the Company (each, a "**Share**") and one common share purchase warrant (each, a "**Warrant**"), with each Warrant entitling the holder thereof to acquire, subject to adjustment in certain circumstances, one additional Share (each, a "**Warrant Share**") at an exercise price of $1.34 (the "**Exercise Price**") until the date that is thirty-six (36) months following the Closing Date (as defined herein) (the "**Warrant Expiry Date**"). The Warrants will be governed by a warrant indenture (the "**Warrant Indenture**") to be entered into on the Closing Date between the Company and Odyssey Trust Company (the "**Warrant Agent**"), as warrant agent. See "*Description of Securities Being Distributed*".

The Shares are currently listed for trading on the CSE under the symbol "HAVN" and on the Frankfurt Stock Exchange in Germany (the "**FSE**") under the symbol "5NP". The closing price of the Shares on the CSE and FSE on December 14, 2020, the last trading day prior to the announcement of the Offering, was $1.26 and €0.88, respectively.

The Company has given notice to the CSE to list the Shares, the Warrants, the Warrant Shares, the Compensation Option Shares, the Compensation Option Warrants and the Compensation Option Warrant Shares (as defined herein) on the CSE. Listing will be subject to the Company fulfilling all of the listing requirements of the CSE. **There is**

currently no market through which the Warrants may be sold and purchasers may not be able to resell such Warrants purchased under this Prospectus. This may affect the pricing of the Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of the Warrants, and the extent of issuer regulation. See "*Risk Factors*".

	Price to the Public[(1)]	Underwriter's Fee[(2)]	Net Proceeds to the Company
Per Unit	$1.07	$0.0642	$1.0058
Total	$10,000,220.00	$600,013.20	$9,400,206.80

(1) The Offering Price was determined by arm's length negotiation between the Company and the Underwriter with reference to the prevailing market price of the Shares.

(2) Pursuant to the terms of the Underwriting Agreement, the Company has agreed to pay the Underwriter a cash fee (the "**Underwriter's Fee**") equal to $0.0642 per Unit, or 6.0% of the gross proceeds of the Offering (including in respect of any gross proceeds raised on the exercise of the Over-Allotment Option (as defined herein)). As additional consideration, the Company has also agreed to issue to the Underwriter such number of compensation options (the "**Compensation Options**") as is equal to 6.0% of the number of Units issued pursuant to the Offering, including any Units sold on the exercise of the Over-Allotment Option. Each Compensation Option is exercisable to purchase one unit of the Company on the same terms as the Units (each, a "**Compensation Option Unit**"), at the Offering Price, for a period of thirty-six (36) months following the Closing Date. Each Compensation Option Unit consists of one Share (each, a "**Compensation Option Share**") and one Warrant (each, a "**Compensation Option Warrant**"). Each Compensation Option Warrant will entitle the holder thereof to acquire, subject to adjustment in certain circumstances, one Share (each, a "**Compensation Option Warrant Share**") at the Exercise Price until the Warrant Expiry Date. This Prospectus qualifies the distribution of the Compensation Options. See "*Plan of Distribution*".

(3) After deducting the Underwriter's Fee, but before deducting the expenses of the Offering (estimated to be approximately $450,000), which together with the Underwriter's Fee, will be paid from the gross proceeds of the Offering, the net proceeds to the Company will be approximately $8,950,206.80 (prior to giving effect to the exercise of the Over-Allotment Option).

(4) The Company has granted to the Underwriter an option (the "**Over-Allotment Option**"), exercisable in whole or in part in the sole discretion of the Underwriter at any time up to 30 days from and including the Closing Date, to purchase up to an additional 1,401,900 Units (the "**Additional Units**"), at the Offering Price, to cover over-allocations, if any, and for market stabilization purposes. A person who acquires securities forming part of the Underwriter's over-allocation position acquires those securities under this Prospectus regardless of whether the Underwriter's over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. If the Over-Allotment Option is exercised in full, the total price to the public, Underwriter's Fee and net proceeds to the Company (before deducting expenses of the Offering) will be $11,500,253.00, $690,015.18 and $10,810,237.82, respectively. This Prospectus also qualifies the distribution of the Over-Allotment Option and the issuance of the Additional Units pursuant to the exercise of the Over-Allotment Option. See "*Plan of Distribution*" and the table below.

The following table sets out the maximum number of securities under options issuable to the Underwriter in connection with the Offering (assuming the Over-Allotment Option is exercised in full):

Underwriter's Position	Maximum Number of Securities Available	Exercise Period	Exercise Price
Over-Allotment Option	1,401,900 Additional Units	Up to 30 days following the Closing Date	$1.07 per Additional Unit
Compensation Options	Options to purchase up to 560,760 Compensation Option Units[(1)]	36 months following the Closing Date	$1.07 per Compensation Option Unit

Note:

(1) 644,874 Compensation Option Units if the Over-Allotment Option is exercised in full. This Prospectus qualifies the distribution of the Compensation Options in full. See "*Plan of Distribution*".

Unless the context otherwise requires, when used herein, all references to the "Offering", "Units", "Shares", "Warrants" and "Warrant Shares" assume the exercise of the Over-Allotment Option and includes the Additional Units and the additional Shares and additional Warrants underlying such Additional Units and the additional Warrant Shares underlying such additional Warrants.

The Underwriter, as principal, conditionally offers the Units, subject to prior sale, if, as and when issued by the Company and accepted by the Underwriter in accordance with the conditions contained in the Underwriting Agreement referred to under "Plan of Distribution" and subject to the approval of certain legal matters by Cassels Brock & Blackwell LLP, on behalf of the Company, and by Blake, Cassels & Graydon LLP, on behalf of the Underwriter.

Subscriptions for Units will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. It is expected that closing of the Offering will occur on January 7, 2021 or such other date as the Company and the Underwriter may agree, but in any event, not more than 42 days after the date of the receipt for the final short form prospectus (the "**Closing**" or "**Closing Date**"). It is anticipated that the Units will be issued in "book-entry only" form and may be represented by one or more global certificates or be represented by uncertificated securities, issued in the name of CDS Clearing and Depository Services Inc. ("**CDS**") or its nominee. No certificates evidencing the Shares and Warrants comprising the Units will be issued to subscribers except in certain limited circumstances, and registration will be made in the depository service of CDS. Subscribers for Units will receive only a customer confirmation from the Underwriter or other registered dealer who is a CDS participant and from or through whom a beneficial interest in the Units is purchased. Notwithstanding the foregoing, all Shares and Warrants offered and sold, and all Warrant Shares, if applicable, issued, in the United States or to, or for the account or benefit of, U.S. Persons pursuant to available exemptions from the registration requirements of the U.S. Securities Act and applicable state securities laws to investors who do not qualify as "qualified institutional buyers" within the meaning of Rule 144A under the U.S. Securities Act ("**Qualified Institutional Buyers**") will be represented by definitive physical certificates. See "*Plan of Distribution*".

Subject to applicable laws, the Underwriter may, in connection with the Offering, over-allot or effect transactions which stabilize or maintain the market price of the Shares at levels other than those which might otherwise prevail on the open market. Such transactions, if commenced, may be discontinued at any time. See "Plan of Distribution".

This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any Units offered by this Prospectus in any jurisdiction in which such an offer or a solicitation is unlawful.

Investing in the Units is speculative and involves a high degree of risk and should only be made by persons who can afford the total loss of their investment. A prospective purchaser should therefore review this Prospectus and the documents incorporated by reference herein in their entirety and carefully consider the risk factors described under the section "Risk Factors" in this Prospectus and in the AIF (as defined herein) which is available under the Company's issuer profile on SEDAR at www.sedar.com, prior to investing in the Units. See "*Caution Regarding Forward-Looking Statements*" and "*Risk Factors*".

Prospective purchasers should rely only on the information contained or incorporated by reference in this Prospectus. The Company and the Underwriter have not authorized anyone to provide prospective purchasers with information different from that contained or incorporated by reference in this Prospectus. Investors should not assume that the information contained in this Prospectus is accurate as of any date other than the date on the front page of this Prospectus.

Prospective purchasers should be aware that the acquisition or disposition of securities described herein may have tax consequences in Canada and in the United States. This Prospectus may not describe these tax consequences fully. **Prospective purchasers should rely on their own tax advisors with respect to their own particular circumstances**. See "*Certain Canadian Federal Income Tax Considerations*".

The Company's head office is located at 3800 Wesbrook Mall, Vancouver, British Columbia V6S 2L9 and the Company's registered office is located at Suite 2200, 885 West Georgia Street, Vancouver, British Columbia V6C 3E8.

In Canada, the federal government regulates drug substances deemed to be high risk under the Controlled Drugs and Substances Act, SC 1996, c 19 (the "Act"). The Act classifies regulated drug substances into five schedules, with Schedule I containing the highest risk substances. Certain psychedelic substances, including psilocybin and psilocin, are classified as Schedule III drugs. The Act prohibits the possession of a Schedule III drug absent authorization under the Act or a related regulation (either via a license or an authorized exemption). To date, Health Canada has not approved for sale any prescription drug product that contains psilocybin or psilocin as the active ingredient.

For these reasons, the Company's operations may be subject 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 "Risk Factors" herein and within the AIF (as defined herein).

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ABOUT THIS SHORT FORM PROSPECTUS

An investor should rely only on the information contained in this Prospectus (including the documents incorporated by reference herein). The Company and the Underwriter have not authorized anyone to provide investors with additional or different information. The Company and the Underwriter take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may provide prospective purchasers. Information contained on, or otherwise accessed through, the Company's website shall not be deemed to be a part of this Prospectus and such information is not incorporated by reference, despite any references to such information in this Prospectus or the documents incorporated by reference herein, and prospective purchasers should not rely on such information when deciding whether or not to invest in the Units. Other than this Prospectus in electronic format, the information on the Underwriter's website and any information contained in any other website maintained by the Underwriter or its affiliates is not part of this Prospectus, has not been approved and/or endorsed by the Company or the Underwriter and should not be relied upon by prospective purchasers.

The Company and the Underwriter are not offering to sell the Units in any jurisdictions where the offer or sale of the Units is not permitted. The information contained in this Prospectus (including the documents incorporated by reference herein) is accurate only as of the date of this Prospectus (or the date of the document incorporated by reference herein, as applicable), regardless of the time of delivery of this Prospectus or any sale of the Units. The business, 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 shall 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 contain meaningful and material information relating to the Company and readers of this Prospectus should review all information contained in this Prospectus and the documents incorporated or deemed to be incorporated by reference herein and therein.

MEANING OF CERTAIN REFERENCES AND CURRENCY PRESENTATION

References to dollars or "$" are to Canadian currency unless otherwise indicated.

In this Prospectus, unless the context otherwise requires, references to "Havn", the "Company", "we", "us", "it", "its", "our" or similar terms refer to Havn Life Sciences Inc. and includes its subsidiary entities, including its main operating subsidiary Havn Research Inc. ("**Havn Research**"), a corporation governed by the laws of the Province of British Columbia.

MARKET AND INDUSTRY DATA

Unless otherwise indicated, the market and industry data contained or incorporated by reference in this Prospectus is based upon information from independent industry publications, market research, analyst reports and surveys and other publicly available sources. Although the Company and the Underwriter believe these sources to be generally reliable, market and industry data is subject to interpretation and cannot be verified with complete certainty due to limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in any survey. Neither the Company nor the Underwriter have independently verified any of the data from third party sources referred to or incorporated by reference herein and accordingly, the accuracy and completeness of such data is not guaranteed.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This Prospectus contains "forward-looking statements" or "forward-looking information" within the meaning of applicable Canadian securities legislation (collectively, "**forward-looking statements**"), based on current expectations, estimates, forecasts, projections, beliefs and assumptions made by management of the Company including about the industry in which it operates. Forward-looking statements are not guarantees of future performance and involve assumptions and risks and uncertainties that are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed, implied or forecast in such forward-looking statements. The Company does not intend, and disclaims any obligation, to update any forward-looking statements after it files this Prospectus, whether as a result of new information, future events or otherwise, except as required by applicable securities laws.

In some cases, forward-looking statements can be identified by words or phrases such as "may", "might", "will", "expect", "anticipate", "estimate", "intend", "plan", "indicate", "seek", "believe", "predict" or "likely", or the negative of these terms, or other similar expressions (or variations of such words or phrases). The Company has based these forward-looking statements on its current expectations and projections about future events and financial trends that it believes might affect its financial condition, results of operations, business strategy and financial needs. These forward-looking statements include, among other things, statements relating to:

- the completion and expected timing of the Offering;
- the receipt of the required regulatory approvals (including stock exchange) in respect of the Offering;
- the net proceeds of the Offering and the Company's use of the net proceeds of the Offering;
- the Company's expectations regarding its revenues, expenses and operations;
- the Company's anticipated cash needs and its needs for additional financing;
- the Company's intention to grow the business and operations;
- expectations with respect to future production costs and capacity;
- the grant and impact of any license or supplemental license to conduct activities with psychopharmacological products or any amendments thereof;
- the Company's competitive position and the regulatory environment in which the Company operates;
- the Company's expectation that available funds will be sufficient to cover its expenses over the next 12 months;
- the Company's expected business objectives and milestones, including costs of the foregoing, for the next 12 months;
- the Company's ability to obtain additional funds through the sale of equity or debt commitments;
- the timing, progress and timely completion of various stages of the regulatory approval process;
- projections for development plans and progress of products and technologies, including with respect to timely and successful completion of studies and trials and availability of results from such studies and trials;
- expectations regarding product safety and efficacy;
- expectations regarding acceptance of products and technologies by the market;
- expectations about clinical and regulatory milestones being achieved; and
- the intentions of the board of directors of the Company (the "**Board**") with respect to executive compensation and corporate governance plans.

Certain of the forward-looking statements and other information contained in this Prospectus concerning our industry and the markets in which we will operate, including our general expectations and market position, market opportunities and market share, are based on estimates prepared by the Company using data from publicly available governmental sources, as well as from market research and industry analyses, and on assumptions based on data and knowledge of the psychopharmacological industry which the Company believes to be reasonable. While the Company is not aware of any misstatement regarding any industry or government data presented herein, it is noted that the psychopharmacological industry involves risks and uncertainties that are subject to change based on various factors and the Company has not independently verified such third-party information.

Forward-looking statements are based on certain assumptions and analyses made by the Company in light of the experience and perception of historical trends, current conditions and expected future developments and other factors it believes are appropriate and are subject to risks and uncertainties. In making the forward-looking statements included in this Prospectus, the Company has made various material assumptions, including but not limited to: (i) obtaining necessary regulatory approvals; (ii) that regulatory requirements will be maintained; (iii) regarding general business, economic and political conditions; (iv) regarding the Company's ability to successfully execute its plans and intentions; (v) regarding the availability of financing on reasonable terms; (vi) regarding the Company's ability to attract and retain skilled staff; (vii) regarding market competition; (viii) regarding 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) regarding the continued growth of the psychopharmacological industry; and (xi) that there exists positive public opinion with respect to the psychopharmacological industry. 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 (as defined herein) 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 impacted, and could further impact, 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.

Whether actual results, performance or achievements will conform to the Company's expectations and predictions is subject to a number of known and unknown risks, uncertainties, assumptions and other factors, including those listed under "*Risk Factors*" in the AIF and are incorporated by reference in this Prospectus, which include:

- the Company has minimal operating history;
- the Company has negative cash flow;
- uncertainty about the Company's ability to continue as a going concern;
- the Company's actual financial position and results of operations may differ materially from the expectations of management;
- the Company expects to incur future losses and may never become profitable;
- there is no assurance that the Company will turn a profit or generate revenues;
- the Company expects to incur significant ongoing costs and obligations;
- the psychopharmacological industry is a relatively new market and new industry that may not succeed in the long term;
- the Company's prospects depend on the consumer perception of fungus-based products and brand awareness;
- the Company's prospects depend on the success of its products/compounds which are not yet in development;
- the Company will rely on third parties to plan and conduct preclinical and clinical trials;
- the Company expects to rely on contract manufacturers over whom it will have limited control;
- the Company will require commercial scale and quality manufactured product to be available for pivotal or registration clinical trials;
- clinical trials of the Company's product/compound candidates may fail to demonstrate safety and efficacy to the satisfaction of regulatory authorities or not otherwise produce positive results;
- there could be delays in clinical testing;
- the Company may not be able to file appropriate clinical trial or regulatory approval applications;
- if the Company (or a third party conducting clinical trials) has difficulty enrolling patients in clinical trials, the completion of the trials may be delayed or cancelled;
- the expansion of the use of psychedelics in the medical industry may require new clinical research into effective medical therapies;
- negative results from clinical trials or studies of others and adverse safety events involving the targets of the Company's products/compounds may have an adverse impact on the Company's future commercialization efforts;
- the Company may be subject to product recalls for product defects self-imposed or imposed by regulators;

- the Company does not carry product liability insurance;
- unfavourable publicity and consumer perception;
- in certain circumstances, the Company's reputation could be damaged;
- regulatory approval processes are lengthy, expensive and inherently unpredictable, and the Company may not be able to obtain all necessary licenses and permits in a timely manner, which could, among other things, delay or prevent the Company from becoming profitable;
- the Company will be subject to government regulation, as well as subject to changes (including uncertainty regarding any such changes) in laws, regulations and guidelines, which could adversely affect the Company's future business, financial condition and results of operations, and the enforcement of relevant laws is a significant risk, with any violations of laws and regulations potentially resulting in serious repercussions;
- regulatory scrutiny of the Company's industry may negatively impact its ability to raise additional capital;
- the Company may not achieve its publicly announced milestones according to schedule, or at all;
- the Company will face competition from other companies (including other natural health product, biotechnology and pharmaceutical companies) that may have a higher capitalization, more experienced management or may be more mature as a business;
- there are factors which may prevent the Company from the realization of growth targets;
- the Company may not be able to effectively manage its growth and operations, which could materially and adversely affect its business;
- the Company may be unable to adequately protect its proprietary and intellectual property rights;
- the Company may be forced to litigate to defend its intellectual property rights, or to defend against claims by third parties against the Company relating to intellectual property rights;
- the Company may require additional third-party licenses to effectively develop and manufacture its key products/compounds and is currently unable to predict the availability or cost of such licenses;
- changes in patent law and its interpretation could diminish the value of patents in general, thereby impairing the Company's ability to protect its product/compound candidates;
- the Company may become subject to litigation, which may have a material adverse effect on the Company's reputation, business, results from operations and financial condition;
- the Company's reliance on third parties requires the Company to share its trade secrets, which increases the possibility that a competitor will discover them;
- if the Company is unable to attract and retain key personnel, it may not be able to compete effectively in the psychopharmacological market;
- the size of the Company's target market is difficult to quantify, and investors will be reliant on their own estimates as to the accuracy of market data;
- the Company could be liable for fraudulent or illegal activity by its employees, contractors and consultants resulting in significant financial losses to claims against the Company;
- need for additional financing and issuance of additional securities;
- the Company will continue to sell securities for cash to fund operations, capital expansion, mergers and acquisitions that will dilute the current shareholders;
- discretion and uncertainty in use of available funds;
- if there is a material weakness in our internal controls over financial reporting, investors could lose confidence in the reliability of our financial statements, which could result in a decrease in the value of our securities;
- novel coronavirus ("**COVID-19**");
- risk of high bonding and insurance costs;

- the Company will be reliant on information technology systems, and may be subject to damaging cyberattacks;
- the Company may be subject to breaches of security at its facilities, or in respect of electronic documents and data storage, and may face risks related to breaches of applicable privacy laws;
- there are constraints on marketing products;
- the market price for Shares may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond our control;
- the Company does not anticipate paying cash dividends;
- the forward-looking statements may prove to be inaccurate; and
- other factors discussed under "*Risk Factors*" in the AIF, which are incorporated by reference in this Prospectus.

Prospective purchasers are cautioned that the factors identified above are not intended to represent a complete list of the risks and factors that could affect the Company. Some of the important risks and factors that could affect forward-looking statements are discussed under the section entitled "*Risk Factors*" in this Prospectus and in the AIF, which is incorporated by reference in this Prospectus. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

These forward-looking statements are based on the beliefs of the Company's management as well as on assumptions, which such management believes to be reasonable based on information currently available at the time such statements were made. Although the Company believes its expectations are based upon reasonable assumptions and have attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended.

Investors are cautioned not to put undue reliance on forward-looking statements. The forward looking-statements contained herein are made as of the date of this Prospectus and, accordingly, are subject to change after such date. The Company disclaims any intent or obligation to update publicly or otherwise revise any forward-looking statements or the foregoing list of assumptions or factors, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws. Investors are urged to read the Company's filings with Canadian securities regulatory agencies, which can be viewed online under the Company's profile on SEDAR at www.sedar.com.

ELIGIBILITY FOR INVESTMENT

In the opinion of Cassels Brock & Blackwell LLP, counsel to the Company, and Blake, Cassels & Graydon LLP, counsel to the Underwriter, based on the current provisions of the *Income Tax Act* (Canada) (the "**Tax Act**") and the regulations thereunder, in force as of the date hereof, the Shares, Warrants, and Warrant Shares, if issued on the date hereof, would be qualified investments under the Tax Act for trusts governed by a registered retirement savings plan, registered retirement income fund, registered education savings plan, registered disability savings plan, tax-free savings account (collectively, "**Registered Plans**") or a deferred profit sharing plan ("**DPSP**"), provided that:

(i) in the case of the Shares and the Warrant Shares, (a) the Shares or Warrant Shares are listed on a "designated stock exchange" for the purposes of the Tax Act (which currently includes the CSE and FSE) or (b) the Company qualifies as a "public corporation" (as defined in the Tax Act); and

(ii) in the case of the Warrants, (a) the Warrants are listed on a designated stock exchange or (b) the Warrant Shares are qualified investments as described in (i) above and the Company is not, and deals at arm's length with each person who is, an annuitant, a beneficiary, an employer or a subscriber under or a holder of such Registered Plan or DPSP.

Notwithstanding the foregoing, the holder of, or annuitant or subscriber under, a Registered Plan (the "**Controlling Individual**") will be subject to a penalty tax in respect of Shares, Warrant Shares or Warrants held in the Registered Plan if such securities are a prohibited investment for the particular Registered Plan. A Share, Warrant Share or Warrant generally will be a "prohibited investment" for a Registered Plan if the Controlling Individual does not deal at arm's length with the Company for the purposes of the Tax Act or the Controlling Individual has a "significant interest" (as defined in subsection 207.01(4) of the Tax Act) in the Company. In addition, the Shares and Warrant Shares will generally not be a "prohibited investment" if such securities are "excluded property" (as defined in the Tax Act) for a Registered Plan.

Persons who intend to hold Shares, Warrants or Warrant Shares in a Registered Plan or DPSP, should consult their own tax advisors in regard to the application of these rules in their particular circumstances.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this Prospectus from documents filed with the securities commissions or similar regulatory authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Chief Financial Officer of the Company at Suite 2200, 885 West Georgia Street, Vancouver, British Columbia V6C 3E8, telephone (604) 687-7130, and are also available electronically at www.sedar.com.

As of the date hereof, the following documents (or the sections or sub-sections thereof set out below), filed with the various securities commissions or similar authorities in certain of the provinces of Canada, are specifically incorporated by reference into and form an integral part of this Prospectus:

1. the annual information form of the Company dated October 20, 2020 in respect of the year ended April 30, 2020 (the "**AIF**");

2. the audited annual consolidated financial statements of the Company for the period from incorporation on April 8, 2020 to April 30, 2020 and the related notes attached thereto, together with the auditor's report thereon;

3. management's discussion and analysis of financial condition and results of operations of the Company for the period from incorporation on April 8, 2020 to April 30, 2020;

4. the material change report dated September 14, 2020 regarding the Company's completion of the acquisition of Havn Research Inc. ("**Havn Research**"), listing and commencement of trading of the Shares on the CSE;

5. the material change report dated October 15, 2020 regarding the departure of Mr. Robert Nygren as Co-Head of Corporate Development and as a director of the Company;

6. the material change report dated October 26, 2020 regarding the Company's receipt of approval from Health Canada for six natural health product formulations;

7. the material change report dated October 26, 2020 regarding the appointment of Dennis Staudt as a director of the Company and the reorganization of the Company's senior management structure;

8. the unaudited (reviewed) condensed interim consolidated financial statements of the Company for the three and six months ended October 31, 2020 and related notes attached thereto;

9. management's discussion and analysis of the financial condition and results of operations of the Company for the three and six months ended October 31, 2020;

10. the material change report dated December 1, 2020 regarding the Company becoming a voting member of the Conservative Drug Policy Reform Group ("**CDPRG**") and David King, a director of research for CDPRG, joining the Company's advisory board;

11. the material change report dated December 4, 2020 regarding the Company entering into investor relations agreements with Media Relations Publishing and Midam Ventures, LLC, respectively;

12. the material change report dated December 11, 2020 regarding the exercise of 10,927,856 common share purchase warrants, resulting in proceeds to the Company of $5.46 million[1];

13. the "template version" (as such term is defined in National Instrument 41-101 – *General Prospectus Requirements*) of the term sheet for the Offering dated December 15, 2020 (the "**Initial Term Sheet**");

14. the amended and restated template version of the Initial Term Sheet for the Offering dated December 15, 2020 (the "**Amended and Restated Term Sheet**");

15. the material change report dated December 17, 2020 regarding the Offering; and

16. the business acquisition report in respect of the acquisition of Havn Research dated January 4, 2021 (the "**Business Acquisition Report**").

Any document of the type required by National Instrument 44-101 — *Short Form Prospectus Distributions* to be incorporated by reference into a short form prospectus, including any annual information forms, material change reports (except confidential material change reports), business acquisition reports, interim financial statements, annual financial statements and the auditor's report thereon, management's discussion and analysis and information circulars of the Company filed by the Company with securities commissions or similar authorities in Canada after the date of this Prospectus and prior to the completion or withdrawal of any offering under this Prospectus shall be deemed to be incorporated by reference into this Prospectus.

Any statement contained in this Prospectus or in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded, for purposes of this Prospectus, to the extent that a statement contained herein or in any other subsequently filed document incorporated or deemed to be incorporated by reference herein modifies or supersedes such prior 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 that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purpose 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 thereafter neither constitute, nor be deemed to constitute, a part of this Prospectus, except as so modified or superseded.

THE COMPANY

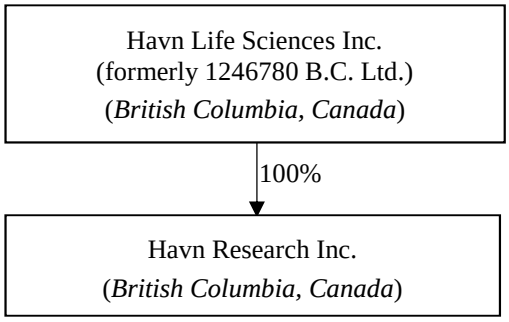
The Company was incorporated under the laws of British Columbia on April 8, 2020 under the name "1246780 B.C. Ltd." On June 4, 2020, the Company changed its name to "Havn Life Sciences Inc." The Company is a reporting issuer in the Provinces of British Columbia, Alberta, Saskatchewan and Ontario.

On September 4, 2020, the Company completed the acquisition of all of the outstanding shares of Havn Research in exchange for the issuance of 15,233,333 Shares to the shareholders of Havn Research on a pro rata basis, pursuant to which Havn Research became a wholly-owned subsidiary of the Company.

The Company's head office is located at 3800 Wesbrook Mall, Vancouver, British Columbia V6S 2L9 and the Company's registered office is located at Suite 2200, 885 West Georgia Street, Vancouver, British Columbia V6C 3E8.

The following diagram illustrates the intercorporate relationships among the Company and its subsidiary, as well as the jurisdiction of incorporation of each entity.

[1] $300,000 of such warrant exercises, representing 600,000 warrants, were unintended and the Company is the process of unwinding such transaction.



SUMMARY DESCRIPTION OF THE BUSINESS

Overview

The Company is a biotechnology company engaged in the scientific research and development of psychopharmacological products, including the formulation of standardized psychoactive compounds derived from fungi, which the Company intends to supply to third parties for use in clinical trials and for production of natural health products ("**NHPs**"). The Company intends for its compounds to be used to develop innovative therapies to improve mental health and human performance. The Company is also focused on developing methodologies for the standardized, quality-controlled extraction of psychoactive compounds from plants and fungi, including Psilocybe spp. mushrooms and the genera directive compounds, such as psilocybin, psilocin and baeocystin, and the development of natural health care products from non-regulated compounds. With this dual focus, the Company has two principal business divisions: Havn Labs and Havn Retail.

Principal Products and Services

HAVN Labs Business Division - Controlled Psychoactive Products

There has been significant recent interest in the use of psychedelics for various indications, including mental health care, post-traumatic stress disorder and anti-inflammatory therapies, which interest is reflected in the increase in number of clinical trials of psychoactive compounds underway and proposed in Canada. As demand for standardized psychoactive compounds increases, the supply of such compounds remains limited. To date, the Company is not aware of any standardized or quality control methods for the production of compounds derived from Psilocybe spp. mushrooms for use in medical research, including in clinical trials with animals or humans.

For researchers to fully understand the therapeutic potential of psychoactive compounds, and how a particular fungi genus can be utilized to treat disease and mental conditions, methods must be developed to ensure the researchers have access to safe, standardized, quality-controlled derivatives and formulations. Standardized methodology is essential for growing, extracting and synthesizing these compounds. The Company is working to fill this gap by developing a set of methods to enable the safe, standardized, quality-controlled growing and production of Psilocybe spp. mushrooms and the extraction of compounds found in the Psilocybe spp. genus. To this end, the Company is engaged in the development of research protocols to cover the production of Psilocybe spp. mushrooms in sterile conditions, the extraction and purification of psilocybin, psilocin, baeocystin and other compounds found in the genus, and quality control and testing necessary for safety and formulation protocols with Psilocybe spp. and/or constituents. The Company plans to develop a compound library designed to support the science of safe, quality-controlled psychoactive compounds for formulation to supply researchers with compounds for clinical trials.

The Company notes that in order to conduct any scientific research, including pre-clinical and clinical trials, using psychoactive compounds listed as controlled substances under the Controlled Drugs and Substances Act (Canada) (the "**CDSA**"), an exemption under Section 56 of the CDSA ("**Section 56 Exemption**") is required. This exemption allows the holder to possess and use the controlled substance without being subject to the restrictions set out in the CDSA. Havn Research received a Section 56 Exemption from Health Canada on August 31, 2020, permitting Havn Research to possess Psilocybin for scientific and research purposes.

The Company anticipates that development of the research protocols described above will be completed by August, 2021, after which approximately an additional four months will be required for the protocols to be published. The Company's research is expected to be split into two 17-week phases and one 18-week phase.

The Company has also made an application to Health Canada for a Dealer's License under the Food and Drugs Regulations (Part J) to the Food and Drugs Act (Canada) (the "**Dealer's License**") for standardized psychoactive compounds (including the compound Psilocybe spp.) to permit sale of proprietary formulations to third parties for use in research and clinical trials, and eventually for sale to healthcare practitioners once permitted by health authorities. If necessary, the Company may utilize contract manufacturing services to scale production to meet demand.

HAVN Retail Business Division - Regulated Natural Health Products

The HAVN Retail business division intends to formulate and sell NHPs using compounds, the safety and efficacy of which have already been established and approved by Health Canada, and in respect of which Health Canada has published pre-approved data documents entitled the "Compendium of Monographs" (the "**Monographs**"). To this end, the Company has secured seven product licenses under the *Natural Health Products Regulations* for the sale of its products (the "**Product Licenses**"). The Product Licenses are focused on four broad categories of human health and performance: immunity support, cognitive support, stress prevention, and energy support. Each of the seven initial products developed by HAVN Retail will contain a foundational medicinal mushroom (Chaga, Cordyceps, Lion's Mane, Reishi, Shiitake, or Turkey Tail), together with other herbs that have been selected for each of the seven products based on an evidence-informed model following the Health Canada regulatory framework. A brief description of these seven product lines is set forth below[2].

1. Mind Mushroom – a blend of four mushrooms, this product is designed to help balance the immune system, fight cell damage and increase energy.

2. Bacopa Brain – Bacopa is a powerful plant extract that is clinically proven to support cognitive function and the nervous system.

3. Rhodiola Relief – formulated to support mental focus and mental stamina.

4. Cordyceps Perform – Cordyceps mushrooms help support a healthy immune system.

5. Chaga Immunity – Chaga mushrooms help stimulate the immune system and control inflammation in the body.

6. Reishi Recharge – this multi-purpose mushroom has also been used in Traditional Chinese Medicines to strengthen the heart to reduce fatigue, insomnia and appetite as well as coughs and wheezing.

7. Lion's Mane Memory – Lion's man helps maintain and balance the immune system.

The Company expects to initially utilize contract manufacturing services, and more specifically, one (or more) of the thirty existing facilities in British Columbia that already hold a Site License granted by Health Canada, which permits the manufacturing, labelling and importing of NHPs. The Company is in the process of issuing purchase orders in anticipation of its expected product launch in early 2021, as further described below. The Company may, in the future, move manufacturing of such natural health products to its own facility (subject to obtaining required licenses).

Because the NHPs described above are be based on existing Monographs, they are not subject to clinical trials into safety and efficacy (subject to Health Canada's residual discretion to require clinical trials), which is expected to significantly reduce the timeline for getting these products to market, with the aim to have them ready for market in early 2021. The Company expects to market its proprietary NHPs under the Havn brand through a direct to consumer market model and through third party point of sale locations of NHPs. The HAVN Retail business is positioned to generate revenues from its NHPs on a faster timeline with higher potential product sales than the HAVN Labs business division, which will generate revenues on a slower timeline with lower product sales as controlled psychoactive compounds attain approval from health authorities over time. The Company expects that the clinical research to be carried out by its HAVN Labs division (pursuant to the Section 56 Exemption) will generate significant brand awareness and value for HAVN Retail's NHPs.

[2] The Company is in the process of applying to Health Canada to amend its filings in respect of the Product Licenses in order reflect the brand names set out in the list above.

In addition, the HAVN Retail business division also plans to utilize the psychedelics research experience of Dr. Ivan Casselman, particularly with respect to his ability to discern which psychoactive compounds are not listed as controlled substances under the CDSA, to formulate additional NHPs using psychoactive compounds for mental health and human performance that are derived from fungi and plants that are currently not listed as controlled substances under the CDSA. The NHP formulations are intended to focus on compounds that have been the subject of peer-reviewed published research into their effectiveness on immunity support, cognitive support, stress prevention, and energy support, but yet have not been published in the Monographs and remain underutilized by the NHP industry at large.

Data Collection Project

Pursuant to a Memorandum of Understanding signed in September 2020, the Company is collaborating with the Heroic Hearts Project ("**HHP**"), a registered non-project charity that connects military veterans struggling with mental trauma to psychedelic therapy options. The HHP is also working to advance the body of scientific evidence around psychoactive compounds through institutional review board approved research studies with The University of Georgia and The University of Colorado Boulder. The collaboration project between the Company and HHP will deploy a pharmacology management platform and utilize surveys to collect pharmacology usage data from the veterans, including details on the current pharmaceuticals (if any) used by the veterans (the "**Data Collection Project**"). The results of the Data Collection Project will then be utilized to define future clinical studies to investigate the effects that low dosage psychoactive compounds which are listed as controlled substances under the CDSA and low dosage psychoactive compounds which are not listed as controlled substances under the CDSA (i.e. NHPs), in each case to be administered in the form of microdosing of psilocybin, may have in terms of mitigating symptoms associates with trauma, including Post Traumatic Stress Disorder (the "**Clinical Study Plan**"). The Company plans to submit an application for authorization from Health Canada (under Part IV of the *Natural Health Products* Regulations) to conduct the Clinical Study Plan following completion of the Data Collection Project and the launch of its four initial NHPs.

The Company believes that its research into safe, quality-controlled production of Psilocybe spp. mushrooms may be incorporated into the future clinical studies involving use of psychoactive compounds by veterans. The Company aims to enter into a detailed collaboration research agreement with HHP prior to the commencement of these projects, and it is anticipated that the Company will receive a perpetual, royalty-free license to use all de-identified data obtained from the research projects for its commercial use.

Sales for the HAVN Labs and HAVN Retail Business Divisions

The Company expects to generate revenue from any or all of the following:

HAVN Retail Business Division:

1. Sales of regulated NHP compounds through direct to consumer sales and through third party point of sale locations, inclusive of white label manufacturing arrangements with third party retailers and distributors that lack research capacity or expertise in formulations.

HAVN Labs Business Division:

1. Sales of controlled psychoactive compounds to third parties for research and clinical studies, and to healthcare practitioners once health authorities approve such compounds for patient use; and

2. Licensing and consulting fees from pharmaceutical companies and other psychedelic companies seeking assistance in understanding standardization, production and protocols for human and animal trials.

Business Plan

First Quarter 2021

During the first quarter of 2021 the Company expects to launch an e-commerce platform in order to facilitate direct-to-consumer sales of the seven NHPs for which it has secured Product Licenses (See "*Principal Products and Services – HAVN Retail Business Division - Regulated Natural Health Products*"). The Company anticipates completing initial production and sale of such seven NHPs during the same quarter.

By the end of the first quarter of 2021 the Company also aims to have completed the Data Collection Project (See "*Summary Description of the Business – Principal Products and Services – Data Collection Project*").

Second Quarter 2021

During the second quarter of 2021 the Company anticipates completing the construction and buildout of a GMP compliant laboratory at the East Georgia Facility for the purposes of cultivation, extraction, dosing, manufacturing and packaging. During this quarter, the Company will also focus on expanding the consumer base for the seven NHPs for which it has secured Product Licenses through targeted advertising and promotional campaigns. The Company also intends during the second quarter of 2021 to apply for Product Licenses for additional NHPs.

By the end of the second quarter of 2021 the Company also aims to have published the results of the Data Collection Project in an academic or similar journal.

Third Quarter 2021

During the third quarter of 2021 the Company expects to have secured the aforementioned Product Licenses for additional NHPs and to have commenced production and sales in respect thereof. In addition, the Company expects during this quarter to complete its development of safety and other protocols in relation to the cultivation, extraction and refinement of psilocybin compounds pursuant to its Section 56 Exemption.

By the end of the third quarter of 2021 the Company also aims to have secured a Dealer's License from Health Canada (See "*Summary Description of the Business – Licenses*") and to have commenced production of its first crop of mushrooms at the East Georgia Facility.

Fourth Quarter 2021

During the fourth quarter of 2021, assuming the aforementioned Dealer's License has been secured, and assuming that the Company has successfully produced its mushrooms at the East Georgia Facility, the Company expects to commence the process of extracting, refining and dosing of psilocybin compounds derived from mushrooms grown at the East Georgia Facility.

By the end of the fourth quarter of 2021 the Company aims to have completed the Clinical Study Plan.

Licenses

The following table summarizes the licenses that the Company currently holds as well as the licenses the Company intends to obtain to support the HAVN Labs and HAVN Retail business divisions (the "**Licenses**"):

Description of type and purpose of License	Jurisdiction and applicable governmental authority	Grant Date/Anticipated timeline to apply for and obtain License[(1)]	Description of application process
Section 56 Exemption under the Controlled Substances and Drugs Act (Canada) for the HAVN Labs business division. This license is required for the possession, transport or production of a controlled substance for medical or scientific purposes.	Government of Canada through Health Canada	The Company obtained the Section 56 Exemption on August 31, 2020, permitting the Company to possess Psilocybin for scientific and research purposes	The Company prepares and submits application to Health Canada.
Dealer's License under the *Food and Drugs Regulations* (Part J) for the HAVN Labs business division. This license is required to	Government of Canada through Health Canada	The Company has submitted the application on October 6, 2020 with an anticipated eleven-month approval process by Health Canada.	The Company prepares and submits application to Health Canada.

Description of type and purpose of License	Jurisdiction and applicable governmental authority	Grant Date/Anticipated timeline to apply for and obtain License[(1)]	Description of application process
transport and sell controlled substances.			
Product License under the *Natural Health Products Regulations* for the HAVN Retail business division. This license is required to sell any NHPs to consumers in Canada.	Government of Canada through Health Canada	The Company received (7) Product Licenses on October 26, 2020 and November 11, 2020, respectively.	The Company prepares and submits application to Health Canada.
Authorization under Part IV the *Natural Health Product Regulations* for the HAVN Retail business division. This authorization is required in order to test the safety and efficacy of a novel NHP in a clinical trial (note that this is not required if the safety and efficacy of the NHP has already been established and approved by Health Canada and published as Monographs).	Government of Canada through Health Canada	The Company plans to submit the application after the completion of the Data Collection Project. The Company notes that the timing to receive such authorization can vary on a case by case basis.	The Company and any clinical site partners and investigators prepare and submit application for authorization to Health Canada

Notes:

(1) Although the Company does not currently anticipate that the COVID-19 pandemic will cause material delays in the timelines set out above, due to the evolving nature of COVID-19 and its impacts, these timelines may require adjustment in the future.

Facilities

The Company currently sub-leases a facility at 3800 Wesbrook Mall, Vancouver, British Columbia V6S 2L9 (the "**Wesbrook Facility**") under a sublease agreement between the Company and ETC3 Holdings Ltd. dated April 15, 2020 (the "**SubLease**"). The Company currently pays $2,000 (plus tax) per month in rent under the SubLease.[3]

The initial term of the SubLease was to end on April 30, 2021, however, it has been extended to September 1, 2021.

The Wesbrook Facility has the following characteristics that make it an advantageous location for the business of the Company:

- is located in the Vancouver Campus of The University of British Columbia, which facilitates access to academic resources for research collaboration and access to university student hires;
- is housed within an 81,000 square foot multi-tenanted research building that contains over 60 offices, 20 wet labs, a 150-person auditorium and a pilot plant;
- includes other life science research tenants that have received licenses from Health Canada to handle controlled substances, which licenses required security reviews of the Wesbrook Facility. All security requirements for the Wesbrook Facility will conform to Health Canada's Directive on Physical Security

[3] The Company originally paid $3,000 (plus GST) per month to sub-lease two offices within the Wesbrook Facility. However, the Company and ETC3 Holdings Ltd. entered into an amended lease agreement in December 2020, pursuant to which the Company no longer sub-leases one of the two office spaces which comprised a total of 160 square feet. The Company continues to lease the second space which comprises a total of 320 square feet. Correspondingly, the monthly rent was reduced to $2,000 (plus GST).

Requirements for Controlled Substances. The Wesbrook Facility will comply with category B "Researchers and Analytical Firms - no distribution"; and

- provides the Company with opportunity for expansion.

The Company notes that it had initially intended to improve the Wesbrook Facility to make it good manufacturing practices ("**GMP**") compliant. However, due to the recent strides by the HAVN Retail division, and the corresponding needs and opportunities arising therefrom, the Company has secured an alternative facility located at 1410 East Georgia Street, Vancouver, British Columbia, V5L 2A8 (the "**East Georgia Facility**") which it believes will be better-suited for the construction and buildout of a GMP compliant laboratory to support processes such as cultivation, extraction, dosing, manufacturing and packaging. The Company has leased the East Georgia Facility under a lease agreement among Holok Holdings Ltd., Havn Research and the Company (the "**East Georgia Lease**"). The Company will commence paying monthly rent of $8,195 under the East Georgia Lease on February 1, 2021. The East Georgia Lease will expire on January 31, 2026, unless renewed for an additional five (5) year term pursuant to the terms of the East Georgia Lease.

Competitive Conditions

Controlled Psychoactive Product Market

The market for psychoactive compounds is nascent, given the illegality of most such compounds since the 1960's. As a result, there currently are few legal sources of psychoactive compounds for use in medical research. The FDA's recent granting of Breakthrough Therapy designations to the Usona Institute for psilocybin for the treatment of major depressive disorder and to COMPASS Pathways for psilocybin for the treatment-resistant depression, appears to have increased interest and the number of clinical studies of psilocybin and other psychedelic compounds.

Regulated Natural Health Product Market

The market for NHP is already established for compounds derived from fungi. The global functional mushroom industry is valued at over US$15.1 billion and projected to increase to US$34.3 billion by 2024[4]. The Company intends to develop NHPs to serve an emerging niche segment of consumers seeking NHPs that provide the benefit of psychoactive compounds that are not currently considered controlled substances.

More detailed information regarding the business of the Company as well as its operations, assets, and properties can be found in the AIF and other documents incorporated by reference herein, as supplemented by the disclosure herein. See "*Documents Incorporated by Reference*".

The Team and Development of the Business

The underpinnings of the Company's business plans and path to potential commercialization of its planned research efforts stretch back a number of years through the collective academic research, psychedelic industry initiatives and experience of its founders and scientific team. Below is a brief biographical description of each relevant member of the team, highlighting such individual's credentials.

Mr. Vic Neufeld, Chairman and a director of the Company, served as the Chief Executive Officer of Jamieson Laboratories ("**Jamieson**"). During his 21-year tenure with Jamieson, Canada's largest manufacturer and distributor of natural vitamins, minerals, concentrated food supplements, herbs and botanical medicines, the company went from $20 million in annual sales to over an estimated $250 million and expanded Jamieson's distribution network to over 40 countries, building Jamieson to a globally recognized brand name. Mr. Vic Neufeld is also the former President and Chief Executive Officer of Aphria Inc., a medical marijuana and cannabis oil company ("**Aphria**"). Mr. Neufeld's educational background includes a Bachelor's degree in Economics from Western University, a Honours degree in Business from the University of Windsor and a MBA from the University of Windsor. Mr. Neufeld is also a chartered professional accountant.

Mr. Tim Moore, Chief Executive Officer of the Company, served as the former President and General Manager of The Clorox Company of Canada, a chemicals company, as well as the former Chief Operating Officer and Synnex Canada Limited, a technology product distributor. Mr. Moore was also the Managing Director of Brita North America, Consumer and Foodservice (Water Filtration) division for seven years from 2009 to 2015. In addition, he is the former

[4] Functional Mushroom Market – Growth, Trends, and Forecast (2020-2025), published by Research and Markets.

Chief Executive Officer of Green Growth Brands, a US multi-state cannabis operator, which operated over 200 mall-based cannabidiol kiosks that rose from its initial public offering to reach a peak valuation of over an estimated US$1.2 billion.

Mr. Eli Dusenbury, CPA, CA has extensive public and private company chief financial officer and audit experience in accounting, providing services to reporting issuers in Canada and the U.S. over a broad range of industries including, but not limited to, technology, agriculture, engineering, mining & exploration, manufacturing and financing. Mr. Dusenbury obtained his Chartered Accountant designation in 2011 and holds a BBA in business and accounting from Capilano University.

Ms. Barinder Rasode, President of the Company, has extensive experience in business development and founding non-for-profit organizations, politics as a two-term elected Councillor for the City of Surrey and has served on numerous boards in the health industry including serving on the Board of British Columbia's largest health authority, Fraser Health, where she was responsible for a budget of $3 billion. Ms. Rasode obtained her Bachelor of Arts in Political Science at Simon Fraser University. Since 2018, Barinder Rasode, has operated GrowTech Labs, a cannabis industry incubator. GrowTech Labs launched an online educational site in September 2019 named TruHavn, which explored the science and healing nature of plants and fungi and also launched the BC Craft Farmers Co-op, a non-profit cooperative society approved by the British Columbia government in April 2020, to advance the interests of micro-cultivators and processors in the province. A cannabis industry advocate, Ms. Rasode believed that the US Food & Drug Administration's grant of Breakthrough Therapy designations for psychoactive compounds in 2019 signalled the emergence of a new psychedelics industry with potential for commercialization of products.

The Company's Chief Psychedelic Officer, Dr. Ivan Casselman, is an ethnobotanist, analytical phytochemist, and plant geneticist with over 15 years' experience working in the cannabis industry. Dr. Casselman obtained his Ph.D in Plant Science from Southern Cross University in Australia in 2015, and his MSc in Ethnobotany from Kent University in the United Kingdom in 2009. He has experience in the development of herbal formulations, authentication, and quality control as a Laboratory Analyst in the Southern Cross Plant Science Analytical Research Laboratory and as Herbal Product Development advisor at Happy Herb Company; both positions were held from 2011 to 2015. Dr. Casselman was a named co-inventor in US Patent #10,569,189B1 issued on February 25, 2020 for "Method for acetylation of cannabinoids". Dr. Casselman has over five years of experience as a psychedelics researcher at Southern Cross University in Australia, where he conducted research into the psychoactive properties of certain plant species, including *Salvia Divinorum*, resulting in the publication of three papers on his research (Casselman, I., and M. Heinrich. 2011. "Novel Use Patterns of Salvia Divinorum: Unobtrusive Observation Using YouTube." Journal of Ethnopharmacology 138: 662–227; Casselman, Ivan, Catherine J. Nock, Hans Wohlmuth, Robert P. Weatherby, and Michael Heinrich. 2014. "From Local to Global—Fifty Years of Research on Salvia Divinorum." Journal of Ethnopharmacology 151 (2); and Henrich, Michael, Casselman, Ivan. 2017. "Ethnopharmacology – From Mexican hallucinogen to a global transdisciplinary science" Ethnopharmacologic Search for Psychoactive Drugs Volume 2).

Dr. Ivan Casselman is recognized as a thought leader in the field of psychedelic research and is widely regarded as being at the forefront with respect to the potential development of psychedelic compounds for consumer and therapeutic use. As a result of his extensive study of the discipline, Dr. Casselman has developed a unique ability to discern those psychoactive compounds that exhibit psychoactive characteristics but that are not listed as controlled substances under the CDSA. Through the Invention and Intellectual Property Assignment Agreement (which is available electronically on SEDAR www.sedar.com), Dr. Casselman has assigned to the Company all current and future right, title and interest to the formulation and microdosing protocol trade secrets and the current and future non-public information associated with the formulation, extraction and production of psilocybin compounds including the non-public methodologies, recipes, processes and other know-how held by Dr. Ivan Casselman and the Phytoconfluence Labs Inc., a company wholly-owned by Dr. Casselman. The Company believes that such intellectual property and know-how is a key differentiator for the Company and its ability to formulate NHPs using psychoactive compounds for mental health and human performance that are derived from fungi and plants that are currently not listed as controlled substances under the CDSA.

In early 2019, Dr. Casselman and Ms. Rasode commenced discussions as a result of Dr. Casselman's interest in GrowTech Labs' micro-cultivators project; subsequent to this, the scientists described above began to assemble around Dr. Casselman with a desire to bring to bear their specific expertise to support his visions for research and development in the psychedelic-assisted therapy industry. In addition, Ms. Rasode furnished Dr. Casselman and the scientific team with business support and assisted in evaluating his ideas for commercial viability. Thereafter, the team embarked on an initiative to develop a set of methodologies to ensure the safe, quality-controlled production of Psilocybe spp.

mushrooms and the genera directive compounds, such as psilocybin, psilocin and baeocystin, believing that these methodologies could ensure the establishment of quality control, product safety and formulation protocols in a manner consistent with traditional pharmaceutical compound research and development.

The Company's Chief Science Officer, Gary Leong, has over 30 years of experience in the pharmaceutical and the natural health product ("**NHP**") industry. He served as the Chief Scientific Officer of Jamieson for 14 years. He also managed the scientific and quality function for Boehringer Ingelheim, a global pharmaceutical, animal health and biopharmaceuticals company, Natural Factors, one of the largest manufacturers of nutritional products in North America, and Nordion, a health science company that provides products for prevention, diagnosis and treatment of disease. Mr. Leong was also the Chief Scientific Officer of Aphria from its incorporation in 2014 to 2019. At Aphria, Mr. Leong established and oversaw the Quality Assurance, Quality Control, Regulatory Affairs and Research and Development functions. Mr. Leong's educational background includes a B.Sc. in Chemistry and a M.B.A. in Quality Management. In addition, he has served on the Board of Directors of several public companies and research societies as well as an advisor to several Canadian government regulatory advisory committees, including serving as a member of the Government of Canada's Natural and Non-prescription Health Products Directorate ("**NHPD**"), as well as two of the three advisory working groups for the NHPD (the Product Testing Requirements Connected to Good Manufacturing Practice Requirements for Natural Health Products and Compliance and Enforcement for Natural Health Products working groups) and as a board member of the Ontario Ginseng Innovation and Research Consortium.

The Company's Chief Research Officer, Alexzander Samuelsson, is a chemist with a Bachelor of Science in Chemistry from Ryerson University (2014) and specializes in regulatory compliance, formulations, and the development of intellectual property leading to patented extraction technology and processes. From 2017 to 2019, Mr. Samuelsson was Lead Chemist with regulatory compliance and formulation responsibilities at Nextleaf Solutions Ltd., a public cannabis extraction company, and was a named co-inventor in US Patent #CA3063960A1 issued on April 4, 2019 for "Cannabinoid extraction process using brine". Dr. Casselman and Mr. Samuelsson worked together at Nextleaf Solutions Ltd., where they performed literature reviews and collaborated on patents for cannabinoid extraction processing with brine and methods for acetylation of cannabinoids. In December 2019, they jointly launched an educational podcast to raise general public awareness of developments in the cannabis and psychedelics industries for the online plant science community in British Columbia named "High on Plants, Stoked on Science", which published seven episodes until March 2020. Mr. Samuelsson acted as a Lab Assistant for Ryerson University, the Ontario Ministry of Environment, Johnson Matthey and Opalux during the period from 2011 to 2013, during which he gained experience in column chromatography with strict sanitation and quality control standards, sample preparation for trace analysis, extraction techniques and polymer test cell fabrication.

The Company's Vice-President (Research and Development), Susan Chapelle has 30 years of practical, research and teaching experience, and has owned and operated multidisciplinary healthcare clinics for 30 years. Ms. Chappelle obtained an Executive Masters in Business Administration from the Beedie School of Business at Simon Fraser University in 2018. Ms. Chapelle also has extensive experience in day-to-day lab and clinic management and was a Municipal Councilor for the District of Squamish, British Columbia from 2011 to 2018. In 2012, Ms. Chapelle became a research colleague of Dr. Mokler with respect to a scientific collaboration through the National Institute of General Medical Science, supported by a grant provided through the U.S .National Institute of Health. They co-authored two papers examining the effect of manual therapy on a model of adhesion formation, and the effect of morphine on intestinal transit times leading to adhesion formation (Bove GM, Chapelle SL, Boyle E, Mokler DJ, and Hartvigsen J. A Novel Method for Evaluating Postoperative Adhesions in Rats. J Invest Surg 30: 88-94, 2017; and Bove GM, Chapelle SL, Hanlon KE, Diamond MP, and Mokler DJ. Attenuation of postoperative adhesions using a modeled manual therapy. PLOS ONE 12: e0178407, 2017). Dr. Mokler's research into hallucinogenic drugs and Ms. Chapelle's clinical research experience alongside Dr. Mokler are expected to help the Company bring novel hypotheses to the therapeutic psychedelic industry through examining methodology and extraction of Psilocybe spp. compounds.

The Company's scientific advisor, Dr. David Mokler, has published widely on the serotonergic system of the brain since 1981, including how the 5-hydroxytryptamine (5-HT, serotonin) and dopamine neurotransmitter systems of the brain work. Dr. Mokler has served as Professor Emeritus of Biomedical Sciences at The University of New England since 2018 and as Professor in the university's pharmacology faculty since 1986. Dr. Mokler obtained his Ph.D, Pharmacology/Toxicology and Neuroscience from Michigan State University in 1984. Since 1981, Dr. Mokler has published 59 academic papers, including Commissaris RL, Mokler DJ, Lyness WH, Moore KE, Rech RH. The behavioral effects of hallucinogens in rats following 5,7-dihydroxytryptamine administration into the medial forebrain bundle. Pharmacol Biochem Behav. 1981 Jun;14(6):915-8. doi: 10.1016/0091-3057(81)90384-1. PubMed PMID: 6973157; Mokler DJ, Stoudt KW, Rech RH. The 5HT2 antagonist pirenperone reverses disruption of FR-40 by

hallucinogenic drugs. Pharmacol Biochem Behav. 1985 May;22(5):677-82. doi: 10.1016/0091-3057(85)90512-x. PubMed PMID: 3859879 and Rech RH, Mokler DJ, Briggs SL. Effects of combined opioids on pain and mood in mammals. Pain Res Treat. 2012;2012:145965. doi: 10.1155/2012/145965. Epub 2012 Mar 21. PubMed PMID: 22550575; PubMed Central PMCID.

The Company has also appointed the Honorable Sheila Copps, OC, PC, to its advisory board. Ms. Copps was the Deputy Prime Minister of Canada from November 1993 to April 1996, and June 1996 to June 1997, a Member of the Canadian Parliament for Hamilton East from November 1984 to May 2004, the Minister of Canadian Heritage from 1996 to 2003, the Minister of Environment from 1993 to 1996 and an Ontario Member of Parliament from 1981 to 1984. Ms. Copps is an experienced advisor to public companies, including European Electric Metals Inc., an early stage mineral exploration company focusing on projects in Europe and Hemostemix Inc., a clinical-stage biotechnology company focused on developing, manufacturing and commercializing blood-derived cell therapies for medical conditions. Ms. Copps earned a Bachelor of Arts (Honors) in French and English from the University of Western Ontario in London and pursued further studies at McMaster University in Hamilton and the University of Rouen in France.

Recent Developments

On October 26, 2020, the Company received approval from Health Canada for six of its NHP formulations. On November 11, 2020, the Company received approval from Health Canada for a seventh NHP formulation.

On November 24, 2020, 10,327,856 issued and outstanding common share purchase warrants were exercised resulting in proceeds to the Company of $5.16 million[5]. The warrants had originally been issued by the Company pursuant to a private placement that closed on June 5, 2020 and were subject to an accelerated exercise period as a result of the Company's trading price on the CSE remaining above $0.75 for a period of 10 consecutive trading days, which such accelerated exercise period expired on November 24, 2020.

On December 1, 2020, David King, a director of research for CDPRG, joined the Company's advisory board.

On December 24, 2020, the Company and Havn Research entered into the East Georgia Lease with Holok Holdings Ltd.

[5] $300,000 of such warrant exercises, representing 600,000 warrants, were unintended and the Company is the process of unwinding such transaction.

REGULATORY OVERVIEW

The Company's business involves the use of psychoactive compounds or materials that contain psychoactive compounds, namely the transportation, testing, storage and sale of such compounds and product, and as such, will be subject to various regulatory authorities.

Certain psychoactive compounds, such as psilocybin, are considered controlled substances under the CDSA. Specifically, Psilocin (3–[2–(dimethylamino)ethyl]–4–hydroxyindole) and any salt thereof and Psilocybin (3–[2–(dimethylamino)ethyl]–4–phosphoryloxyindole) and any salt thereof, are listed under Schedule III of the CDSA. The possession, sale or distribution of controlled substances is prohibited unless specifically permitted by the government of Canada. Penalties for contravention of the CDSA related to Schedule I substances are the most punitive, with Schedule II being less punitive than Schedule I, Schedule III being less punitive than Schedule I and II and so forth. A party may seek government approval for a Section 56 Exemption to allow for the possession, transport or production of a controlled substance for medical or scientific purposes.

Products that contain a controlled substance such as psilocybin cannot be made, transported or sold without proper authorization from the government of Canada. A party can apply for Dealer's License under the *Food and Drug Regulations* (Part J) which would permit a party to perform authorized activities in relation to a restricted drug. In order to qualify for Dealer's License, a party must meet all regulatory requirements mandated by the regulations including having compliant facilities, compliant materials and staff that meet the qualifications under the regulations of a senior person in charge and a qualified person in charge. Assuming compliance with all relevant laws (*Controlled Drugs and Substances Act and Food and Drugs Regulations*) and subject to any restrictions placed on the license by Health Canada, an entity with a Dealer's License may produce, assemble, sell, provide, transport, send, deliver, import or export a restricted drug (as listed in Part J in the *Food and Drugs Regulations* – which includes psilocybin and psilocin) (see s. J.01.009 (1) of the *Food and Drug Regulations*).

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

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

For a drug product to be approved in Canada, it must provide sufficient evidence of safety, efficacy and chemical quality based on preclinical investigation and Phase I, II and III clinical trials using approved and compliant manufacturing and clinical sites. Upon satisfying Health Canada of compliance with regulatory compliance, a Notice of Compliance will be issued, and a Drug Identification Number will be assigned to that product. The regulatory approval process is generally lengthy and expensive, with no guarantee of a positive result. Once approved, Health Canada continues to monitor the product and license holders have obligations related to reporting to Health Canada, record keeping and ensuring continued safety and efficacy of the product.

Failure to comply with any of the above applicable regulations, regulatory authorities or other requirements may result in civil or criminal penalties, recall or seizure of products, injunctive relief including partial or total suspension of production, or withdrawal of a product from the market. Such risks and other risks associated with the Company's business are described under the section "*Risk Factors*" in this Prospectus and in the AIF.

DESCRIPTION OF SECURITIES BEING DISTRIBUTED

Offering

The Offering consists of Units, each of which is comprised of one Share and one Warrant. The Units will separate into Shares and Warrants immediately upon the closing of the Offering. The Units are offered at the Offering Price of $1.07 per Unit. This Prospectus qualifies the distribution of the Units, including the Shares, the Warrants, the Warrant Shares and the grant of the Compensation Options.

Shares

The Company's authorized share capital consists an unlimited number of Shares without par value, of which 77,934,068 Shares are issued and outstanding as the date hereof.

All of the issued Shares rank equally as to voting rights, participation and a distribution of the Company's assets on liquidation, dissolution or winding-up and the entitlement to dividends. Holders of Shares are entitled to receive notice of, attend and vote at all meetings of shareholders of the Company. Each Share carries one vote at such meetings. Holders of Shares are entitled to dividends if and when declared by the Board and, upon liquidation, to receive such portion of the assets of the Company as may be distributable to such holders. There are currently no other series or class of shares which rank senior, in priority to, or pari passu with the Shares. The Shares do not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any sinking or purchase fund provisions.

Warrants

The following is a summary of the principal attributes of the Warrants and certain anticipated provisions of the Warrant Indenture mentioned herein. The summary does not purport to be complete and is qualified in its entirety by the detailed provisions of the Warrant Indenture. A copy of the Warrant Indenture may be obtained on request from the Company's Chief Financial Officer and will be available electronically at www.sedar.com and reference should be made to the Warrant Indenture for the full text of the attributes of the Warrants.

Each whole Warrant entitles its holder, upon the payment of the exercise price of $1.34, to purchase one Warrant Share for a period of 36 months from the Closing Date. See "*Plan of Distribution*".

The Warrants will be governed by the Warrant Indenture. The Company will designate the Warrant Agent, in its Vancouver, British Columbia office, as agent for the Warrants. Prior to the closing of the Offering, the Company may name any other agent with respect to the Warrants.

The Warrant Indenture will provide for adjustment in the number of Warrant Shares issuable upon the exercise of the Warrants and/or the exercise price per Warrant Share upon the occurrence of certain events, including:

(i) the issuance of Shares or securities exchangeable for or convertible into Shares to all or substantially all of the holders of Shares by way of a stock dividend or other distribution (other than a dividend paid in the ordinary course or a distribution of Shares upon the exercise of any outstanding warrants or options);

(ii) the subdivision, redivision or change of the Shares into a greater number of shares;

(iii) the consolidation, reduction or combination of the Shares into a lesser number of shares;

(iv) the issuance to all or substantially all of the holders of Shares of rights, options or warrants under which such holders are entitled, during a period expiring not more than 45 days after the record date for such issuance, to subscribe for or purchase Shares, or securities exchangeable for or convertible into Shares, at a price per Share to the holder (or at an exchange or conversion price per share) of less than 95% of the "current market price", as defined in the Warrant Indenture, of Shares on such record date; and

the issuance or distribution to all or substantially all of the holders of Shares of securities, including rights, options or warrants to acquire shares of any class or securities exchangeable for or convertible into any such shares or property or assets, including evidences of indebtedness.

The Warrant Indenture will also provide for adjustment in the class and/or number of securities or other property issuable upon the exercise of the Warrants and/or the exercise price per security upon the occurrence of the following additional events:

(i) the reclassification of the Shares;

(ii) the amalgamation, arrangement or merger with or into any other corporation or other entity (other than an amalgamation, arrangement or merger which does not result in any reclassification of the Company's outstanding Shares or a change of the Shares into other shares); or

(iii) the transfer of the Company's undertakings or assets as an entirety or substantially as an entirety to another corporation or other entity.

No adjustment in the exercise price or number of Warrant Shares will be required to be made unless the cumulative effect of such adjustment or adjustments would result in a change of at least 1% in the exercise price or a change in the number of Warrant Shares purchasable upon exercise by at least one one-hundredth ($1/100^{th}$) of a Share, as the case may be.

The Company will covenant in the Warrant Indenture that, during the period in which the Warrants are exercisable, the Company will give notice to Warrant holders of certain stated events, including events that would result in an adjustment to the exercise price for the Warrants or the number of Warrant Shares issuable upon exercise of the Warrants, at least 14 days prior to the record date or effective date, as the case may be, of such event.

No fraction of a Warrant Share will be issued upon the exercise of a Warrant and no cash payment will be made in lieu thereof. Warrant holders are not entitled to any voting rights or pre-emptive rights or any other rights conferred upon a person as a result of being a holder of Shares.

From time to time, the Company and the Warrant Agent, without the consent of the holders of Warrants, may amend or supplement the Warrant Indenture for certain purposes, including curing defects or inconsistencies or making any change that does not adversely affect the rights of any holder of Warrants. Any amendment or supplement to the Warrant Indenture that adversely affects the interests of the holders of the Warrants may only be made by "extraordinary resolution", which will be defined in the Warrant Indenture as a resolution either (1) passed at a meeting of the holders of Warrants at which there are holders of Warrants present in person or represented by proxy representing at least 20% of the aggregate number of the then outstanding Warrants and passed by the affirmative vote of holders of Warrants representing not less than $66^{2}/_{3}$% of the aggregate number of all the then outstanding Warrants represented at the meeting and voted on the poll for such resolution, or (2) adopted by an instrument in writing signed by the holders of not less than $66^{2}/_{3}$% of the aggregate number of all then outstanding Warrants.

The Warrants and the Warrant Shares have not been and will not be registered under the U.S. Securities Act or any applicable state securities laws, and the Warrants will not be exercisable by or on behalf of a person in the United States or a U.S. Person, nor will certificates representing the Warrant Shares be registered or delivered to an address in the United States, unless an exemption from registration under the U.S. Securities Act and any applicable state securities laws is available and the Company has received an opinion of counsel of recognized standing or other evidence to such effect in form and substance reasonably satisfactory to the Company; provided, however, that a Qualified Institutional Buyer or an "accredited investor" (a "**U.S. Accredited Investor**") within the meaning of Rule 501(a) of Regulation D under the U.S. Securities Act that purchased Warrants in the Offering for its own account, or for the account of another Qualified Institutional Buyer or U.S. Accredited Investor for which it exercised sole investment discretion with respect to such original purchase (an "**Original Beneficial Purchaser**"), will not be required to deliver an opinion of counsel or such other evidence if it exercises those Warrants for its own account or for the account of the Original Beneficial Purchaser, if any, if each of it and such Original Beneficial Purchaser, if any, is a Qualified Institutional Buyer or a U.S. Accredited Investor at the time of exercise of such Warrants. Certificates representing Shares issued in the United States or to, or for the account or benefit of, U.S. persons will bear a legend restricting the transfer and exercise of such securities under applicable United States federal and state securities laws.

Compensation Options

For its service in connection with the Offering, the Underwriter will receive Compensation Options exercisable to purchase an aggregate of 560,760 Compensation Option Units (or 644,874 Compensation Option Units if the Over-Allotment Option is exercised in full) at a price of $1.07 per Compensation Option Unit. The Compensation Options will have a term of thirty-six (36) months from the Closing Date. The terms to be set out in the certificates representing the Compensation Options will include, among other things, customary provisions for the appropriate adjustment of the

number of Compensation Option Units issuable pursuant to any exercise of the Compensation Options upon the occurrence of certain events, including any subdivision, consolidation or reclassification of the Shares, any capital reorganization of the Company, or any arrangement, merger, consolidation or amalgamation of the Company with or into another corporation or entity, as well as customary amendment provisions.

CONSOLIDATED CAPITALIZATION

There have been no material changes in the share and loan capital of the Company, on a consolidated basis, since October 31, 2020, the date of the most recently filed financial statements of the Company, which are incorporated by reference in this Prospectus, other than the following:

Exercise of Warrants

On November 24, 2020, 10,327,856 issued and outstanding common share purchase warrants were exercised resulting in proceeds to the Company of $5.16 million[6]. The warrants had originally been issued by the Company pursuant to a private placement that closed on June 5, 2020 and were subject to an accelerated exercise period as a result of the Company's trading price on the CSE remaining above $0.75 for a period of 10 consecutive trading days, which such accelerated exercise period expired on November 24, 2020. After the conversion of such common share purchase warrants and expiration of the accelerated exercise period, the Company has nil common share purchase warrants issued and outstanding.

Issuance of Shares

On December 4, 2020, the Company issued 35,212 Shares in respect of marketing services at a fair value of $0.82 per Share.

As of December 18, 2020, there are 77,934,068 Shares issued and outstanding[7]. Following completion of the Offering, an additional 9,346,000 Shares, 9,346,000 Warrants (exercisable for 9,346,000 Shares) and 560,760 Compensation Options (exercisable for 560,760 Compensation Option Units) will be issued and outstanding. If the Over-Allotment Option is exercised in full, following completion of the Offering, an additional 1,401,900 Shares, 1,401,900 Warrants (exercisable for 1,401,900 Shares) and 84,114 Compensation Options (exercisable for 84,114 Compensation Option Units) will be issued and outstanding.

PLAN OF DISTRIBUTION

Pursuant to the terms and conditions contained in the Underwriting Agreement, the Company has agreed to sell and the Underwriter has agreed to purchase, as principal, on a "bought deal" basis, on the Closing Date, 9,346,000 Units for consideration of $10,000,220.00, payable in cash to the Company against delivery by the Company of the Shares and Warrants comprising the Units. The obligations of the Underwriter under the Underwriting Agreement are subject to certain closing conditions and may be terminated at its discretion on the basis of customary termination provisions in the Underwriting Agreement (including those relating to "material adverse changes", "disasters", and "breaches") and may also be terminated upon the occurrence of certain other stated events. The Underwriter is obligated to take up and pay for all of the Units if any of the Units are purchased under the Underwriting Agreement.

The Offering Price was determined by arm's length negotiation between the Company and the Underwriter with reference to the prevailing market price of the Shares on the CSE.

Each Unit will consist of one Share and one Warrant. Each Warrant will entitle the holder thereof to purchase one Warrant Share at the Exercise Price at any time up to the Warrant Expiry Date, subject to adjustment in certain events. Any unexercised Warrants shall automatically expire on the Warrant Expiry Date. The Warrants will be governed by the Warrant Indenture to be dated as of the Closing Date and to be entered into between the Company and the Warrant Agent.

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[6] The Company notes that an additional $300,000 of warrant exercises, representing 600,000 warrants, had been made but were unintended and that the Company is the process of unwinding such transaction.

[7] Pursuant to the notes above, 600,000 Shares were issued from treasury in connection with an unintended warrant exercise and the Company is the process of unwinding such transaction by returning such Shares to treasury.

The Company has granted to the Underwriter an Over-Allotment Option, exercisable in whole or in part in the sole discretion of the Underwriter at any time up to 30 days from and including the Closing Date, to purchase up to an additional 1,401,900 Additional Units, at the Offering Price, to cover over-allocations, if any, and for market stabilization purposes. A person who acquires securities forming part of the Underwriter's over-allocation position acquires those securities under this Prospectus regardless of whether the Underwriter's over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. If the Over-Allotment Option is exercised in full, the total price to the public, Underwriter's Fee and net proceeds to the Company (before deducting expenses of the Offering) will be $11,500,253.00, $690,015.18 and $10,810,237.82, respectively. This Prospectus also qualifies the distribution of the Over-Allotment Option and the issuance of the Additional Units pursuant to the exercise of the Over-Allotment Option.

Pursuant to the terms of the Underwriting Agreement, the Company has agreed to pay the Underwriter the Underwriter's Fee, equal to $0.0642 per Unit, or 6.0% of the gross proceeds of the Offering (including in respect of any gross proceeds raised on the exercise of the Over-Allotment Option). The aggregate Underwriter's Fee will be $600,013.20 (assuming no exercise of the Over-Allotment Option). If the Over-Allotment Option is exercised in full, the aggregate Underwriter's Fee will be $690,015.18. As additional consideration, the Company has also agreed to issue to the Underwriter such number of Compensation Options as is equal to 6.0% of the number of Units issued pursuant to the Offering, including any Units sold on the exercise of the Over-Allotment Option. Each Compensation Option is exercisable to purchase one Compensation Option Unit, at the Offering Price, for a period of thirty-six (36) months following the Closing Date.

Pursuant to the terms of the Underwriting Agreement, the Company has agreed not to directly or indirectly issue, or announce an intention to offer, agree to issue (or announce an intention to do any of the foregoing) any additional debt, Shares or securities or other financial instruments convertible into, or exercisable to acquire, Shares for a period of 90 days after the Closing Date, without the prior written consent of the Underwriter, such consent not to be unreasonably withheld, conditioned or delayed, other than (i) in connection with the Offering; (ii) pursuant to the Company's share-based compensation plan or any other share compensation arrangement of the Company, (iii) in connection with the exchange, transfer, conversion or exercise rights of existing outstanding securities or existing commitments to issue securities; or (iv) the issuance of securities in connection with any arm's length acquisition.

Additionally, pursuant to the Underwriting Agreement, each officer and director of the Company will enter into lock-up agreements pursuant to which such persons, for a period of 90 days from the Closing Date, agree not to, directly or indirectly, sell, transfer or pledge, or otherwise dispose of, any securities of the Company, except with the prior written consent of the Underwriter, not to be unreasonably withheld, conditioned or delayed.

Pursuant to the rules and policy statements of certain Canadian securities regulators, the Underwriter may not, throughout the period of distribution under this Prospectus, bid for or purchase Shares for their own account or for accounts over which they exercise control or direction. The foregoing restriction is subject to certain exceptions, on the condition that the bid or purchase not be engaged in for the purpose of creating actual or apparent active trading in or raising the price of the Shares. These exceptions include a bid or purchase permitted under the Universal Market Integrity Rules for Canadian marketplaces administered by the Investment Industry Regulatory Organization of Canada relating to market stabilization and passive market-making activities and a bid or purchase made for or on behalf of a client where the client's order was not solicited during the period of distribution. Subject to applicable laws and in connection with the Offering, the Underwriter may over-allot or effect transactions in connection with the Offering intended to stabilize or maintain the market price of the Shares at levels other than those which otherwise might prevail on the open market. Such transactions, if commenced, may be discontinued at any time.

The Underwriter propose to offer the Units initially at the Offering Price specified above. After a reasonable effort has been made to sell all of the Units at the Offering Price specified, the Underwriter may subsequently reduce the selling price to investors from time to time in order to sell any of the Units remaining unsold. Any such reduction will have the effect of reducing the compensation realized by the Underwriter by the amount that the aggregate price paid by the purchasers for the Units is less than the gross proceeds paid by the Underwriter to the Company and will not affect the proceeds received by the Company.

Subscriptions for the Units will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. It is anticipated that the Units will be delivered under the book-based system through CDS or its nominee and deposited in registered or electronic form with CDS on the Closing Date, or such other date as may be agreed upon by the Company and the Underwriter, provided that the Units are to be taken up by the Underwriter on or before the date that is not later than 42 days after the date of the receipt

for the (final) short form prospectus relating to the Offering. No certificates evidencing the Shares and Warrants comprising the Units will be issued to subscribers, except in certain limited circumstances, and as such a purchaser of Units will receive only a customer confirmation from the registered dealer through which the Units are purchased. Notwithstanding the foregoing, all Shares and Warrants offered and sold, and all Warrant Shares, if applicable, issued, in the United States or to, or for the account or benefit of, U.S. Persons pursuant to available exemptions from the registration requirements of the U.S. Securities Act and applicable state securities laws to investors who do not qualify as Qualified Institutional Buyers will be represented by definitive physical certificates.

The Shares and the Warrants comprising the Units offered hereby and the Warrant Shares issuable upon exercise of the Warrants have not been and will not be registered under the U.S. Securities Act or any United States state securities laws and, subject to registration under the U.S. Securities Act and applicable United States state securities laws or certain exemptions therefrom, may not be offered, sold, transferred, delivered or otherwise disposed of, directly or indirectly, within the United States or to, or for the account or benefit of, a U.S. Person.

The Units will be offered in each of the provinces of Canada, other than Québec, through the Underwriter or their affiliates who are registered to offer the Units for sale in such provinces and such other registered dealers as may be designated by the Underwriter. Subject to applicable law, the Underwriter may offer the Units in the United States or to, or for the account or benefit of, U.S. Persons and such other jurisdictions outside of Canada and the United States as agreed between the Company and the Underwriter, in each case in accordance with applicable laws provided that no prospectus, registration statement or similar document is required to be filed in any such jurisdiction.

The Company has given notice to the CSE to list the Shares, the Warrants, the Warrant Shares, the Compensation Option Shares, the Compensation Option Warrants and the Compensation Option Warrant Shares on the CSE. Listing will be subject to the Company fulfilling all of the listing requirements of the CSE. There is currently no market through which the Warrants may be sold and purchasers may not be able to resell such Warrants purchased under this Prospectus. This may affect the pricing of the Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of the Warrants, and the extent of issuer regulation. See "*Risk Factors*".

Selling and Transfer Restrictions Outside of Canada

Other than in the Offering Jurisdictions, no action has been taken by the Company or the Underwriter that would permit a public offering of the Units offered by this Prospectus in any jurisdiction where action for that purpose is required. The Units offered by this Prospectus may not be offered or sold, directly or indirectly, nor may this Prospectus or any other offering material or advertisements in connection with the offer and sale of any Units be distributed or published in any jurisdiction, except under circumstances that will result in compliance with the applicable rules and regulations of that jurisdiction. Persons into whose possession this Prospectus comes are advised to inform themselves about and to observe any restrictions relating to the offering and the distribution of this Prospectus.

The Shares, Warrants and Warrant Shares have not been and will not be registered under the U.S. Securities Act or any securities or "blue sky" laws of any of the states of the United States, and may not be offered or sold, directly or indirectly, within the United States or to, or for the account or benefit of, U.S. Persons except in accordance with an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws. Except as permitted in the Underwriting Agreement, and as expressly permitted by applicable laws of the United States, the Underwriter will not offer or sell the Units within the United States or to, or for the account or benefit of, U.S. Persons. The Underwriting Agreement will enable the Underwriter, by or through certain United States registered broker-dealers that may be appointed by the Underwriter as sub-agents, to (i) offer and resell the Units that they have acquired pursuant to the Underwriting Agreement in the United States or to, or for the account or benefit of, U.S. Persons or persons in the United States who are Qualified Institutional Buyers pursuant to Rule 144A under the U.S. Securities Act, and (ii) offer the Units in the United States or to, or for the account or benefit of, U.S. Persons or persons in the United States to whom the Company will sell the Units directly on a substituted purchaser basis pursuant to Rule 506(b) of Regulation D under the U.S. Securities Act and/or Section 4(a)(2) of the U.S. Securities Act and similar exemptions under applicable state securities laws and where such persons are U.S. Accredited Investors. Moreover, the Underwriting Agreement will provide that the Underwriter will offer and sell the Units outside the United States to non-U.S. Persons only in accordance with Rule 903 of Regulation S under the U.S. Securities Act.

The Units, Shares, Warrants and any Warrant Shares offered and sold to persons in the United States or to, or for the account or benefit of, U.S. Persons will be "restricted securities" within the meaning of Rule 144(a)(3) of the U.S. Securities Act. Any certificates representing such securities will bear or be deemed to bear a legend to the effect that

the securities represented thereby are not registered under the U.S. Securities Act or any applicable U.S. state securities laws and may only be offered, sold, pledged or otherwise transferred pursuant to certain exemptions from the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws.

This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any Units offered by this Prospectus in any jurisdiction in which such an offer or a solicitation is unlawful.

Until 40 days after the commencement of the Offering, an offer or sale of the Units within the United States or to, or for the account or benefit of, U.S. Persons 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 reliance on an exemption from the registration requirements of the U.S. Securities Act.

USE OF PROCEEDS

Offering Proceeds

The net proceeds to the Company from the Offering will be approximately $8,950,206.80, after deducting the Underwriter's Fee of $600,013.20, and the estimated expenses of the Offering of $450,000.00. As at December 31, 2020, the Company had working capital of approximately $4,489,915. The Company's approximate use of proceeds from the Offering (assuming no exercise of the Over-Allotment Option) is as follows:

Use of Proceeds	Amount Allocated (1)(2)
General corporate and working capital purposes, including:	
Lab buildout and equipment	**$1,500,000**
Research & development	**$1,440,000**
Expenses of the Offering	**$450,000**
General and Administration(3)	**$4,222,350**
Working capital	**$1,337,856.80**
Total	**$8,950,206.80**

Notes:

(1) Based on anticipated net proceeds of the Offering.

(2) If the Over-Allotment Option is exercised in full, the additional net proceeds from the exercise of the Over-Allotment Option are intended to be used by the Company for general corporate and working capital purposes.

(3) Comprised of: $182,350 (office and rent); $540,000 (professional fees); $1,500,000 (management and director compensation fees); and $2,000,000 (marketing and promotional campaigns).

If the Underwriter exercises the Over-Allotment Option in full, the estimated net proceeds to the Company from the Offering, after deducting the Underwriter's Fee of $690,015.18 and the expenses of the Offering estimated to be approximately $450,000.00, will be approximately $10,360,237.82.

Lab Buildout & Equipment

The business objective for constructing a GMP compliant laboratory at the East Georgia Facility is to permit the Company to, subject to receipt of all regulatory approvals, cultivate mushrooms and process the extraction, dosing and manufacturing of psilocybin compounds and NHPs. Construction of the laboratory will involve the following: (i) construction of a modular control room at an estimated cost of $1,000,000, and with an estimated completion schedule of three (3) months and estimated completion date to occur at the end of the second quarter of 2021; (ii) construction of an extraction lab, and acquisition of related analytical and mycology equipment, at an estimated cost of $360,000, and with an estimated completion schedule of four (4) months and estimated completion date to occur at the end of the second quarter of 2021; and (iii) the acquisition of ancillary equipment for use in the modular control room and extraction lab, at an estimated cost of $140,000.

Research and Development

The Company is presently conducting the following research and development activities:

- research activities pursuant to the Section 56 Exemption (See "*Summary Description of the Business – Principal Products and Services – HAVN Labs Business Division – Controlled Psychoactive Products*");

- the Data Collection Project (See "*Summary Description of the Business – Principal Products and Services – Data Collection Project*"); and
- formulating additional NHPs (See "*Summary Description of the Business – Business Plan – Second Quarter 2021*).

Each of the aforementioned research and development activities is being carried out substantially in-house. As a result, substantially all of the costs associated therewith are related to salaries paid to Havn's team of scientists, which such salaries aggregate to approximately $540,000 per annum.

The following are research and development activities the Company's intends to conduct over the following 12 months:

- the Clinical Study Plan (See "*Summary Description of the Business – Principal Products and Services – Data Collection Project*");
- outsourced scientific analysis (chemistry and genome sequencing) in relation to cultivated mushrooms at an estimated cost of $650,000 (See "*Summary Description of the Business – Business Plan – Third Quarter 2021*); and
- ongoing operational, equipment replacement / maintenance and material input costs associated with cultivation of mushrooms and extraction processes related thereto (See "*Summary Description of the Business – Facilities*") at an estimated cost of $250,000.

The Company intends to use the data generated from the aforementioned research and development programs in order to enhance its product offerings, to identify potential new products for further research and development, and to further define future studies and trials.

The Company has negative cash flow from operating activities and has historically incurred net losses. To the extent that the Company has negative operating cash flows in future periods, it may need to deploy a portion of its existing working capital to fund such negative cash flows. The Company will be required to raise additional funds through the issuance of additional equity securities, through loan financing, or other means, such as through partnerships with other pharmaceutical companies and research and development reimbursements. There is no assurance that additional capital or other types of financing will be available if needed or that these financings will be on terms at least as favourable to the Company as those previously obtained, or at all. See "*Risk Factors*".

The expected use of net proceeds from the Offering represents the Company's current intentions based upon its present plans and business conditions, which could change in the future as its plans and business conditions evolve. The amounts and timing of the actual use of the net proceeds will depend on multiple factors and there may be circumstances where, for sound business reasons, a reallocation of funds may be necessary in order for the Company to achieve its stated business objectives. The Company may also require additional funds in order to fulfill its expenditure requirements to meet existing and any new business objectives, and the Company expects to either issue additional securities or incur debt to do so. As a result, management will retain broad discretion in the application of the net proceeds, and investors will be relying on management's judgment regarding the application of the net proceeds from the Offering.

Pending the use of the net proceeds from the Offering, the Company may plan to invest the net proceeds in short- and intermediate-term, interest-bearing obligations, investment-grade instruments, certificates of deposit or government securities, or hold them as cash.

The actual amount that the Company spends in connection with each of the intended uses of proceeds will depend on a number of factors, including those listed under "*Risk Factors*" in, or incorporated by reference in, this Prospectus or unforeseen events.

Prior Use of Proceeds

The table below summarizes the expected use of proceeds and the actual use of proceeds raised by the Company from the Unit Offering and the Special Warrant Offering:

Item **(Expenditures from June 2020 to December 2020) [(1)]**	**Expected Use of Proceeds from Unit Offering and Special Warrant Offering[(2)]**	**Actual Use of Proceeds**	**Variance**
Cost associated with achieving business objectives and milestones	$2,050,000	$156,000	$1,894,000[(3)]
General and administrative expenses	$1,002,345	$1,455,185	$(452,840)[(4)]
Investor Relations	$100,000	$990,574	$(890,574)[(5)]
Marketing plan	$266,600	$169,899	$96,701
Expenses related to the Long Form Prospectus dated September 1, 2020 and the acquisition of Havn Research	$148,909	$200,000	$(51,091)[(6)]
Travel and marketing	$30,000	$13,613	$16,387
Unallocated working capital	$221,789	834,372.00	$(612,583)

Notes:

(1) Actual Use of Proceeds includes actual costs from June to November, and estimated costs for December.

(2) The amounts presented under this column are for a 12-month period.

(3) Variance results from business objective expenditures that will be incurred during the next six (6) months during which, the Company's laboratory will be built, and the Company will have executed further research and development programs.

(4) Variance is due to higher than expected compensation for directors and officers of the Company.

(5) Variance is due to the Company investing greater resources to build awareness of the Company, which in turn resulted from a better than expected market opportunity for companies in the psychedelics industry.

(6) Variance is due to higher than anticipated professional fees, particularly in relation to Health Canada regulatory matters.

PRIOR SALES

The Company issued the following Shares and securities convertible into or exercisable for Shares since the Company's incorporation on April 8, 2020:

Security	**Date of Issue**	**Aggregate Number Issued**	**Issue / Exercise Price**
Shares[(1)]	April 20, 2020	4,000,000	$0.25
warrants[(1)]	April 20, 2020	4,000,000	$0.50
Shares[(1)]	April 29, 2020	2,924,000	$0.25
warrants[(1)]	April 29, 2020	2,924,000	$0.50

Shares[(1)]	May 27, 2020	3,340,000	$0.25
warrants[(1)]	May 27, 2020	3,340,000	$0.50
special warrants[(2)]	May 28, 2020	33,906,667	$0.02
special warrants[(3)]	June 1, 2020	249,000	$0.10
finder units[(4)]	June 3, 2020	798,000	$0.25
performance warrants[(5)]	June 4, 2020	9,000,000	$0.05
restricted share rights [(6)]	June 4, 2020	150,000	N/A
restricted share rights[(7)]	June 4, 2020	500,000	N/A
options[(8)]	June 4, 2020	750,000	$0.25
finder warrants[(9)]	June 4, 2020	198,000	$0.50
Shares[(1)]	June 5, 2020	6,210,000	$0.25
warrants[(1)]	June 5, 2020	6,210,000	$0.50
finder units[(10)]	June 5, 2020	110,000	$0.25
Shares[(11)]	September 3, 2020	34,155,667	N/A
Shares[(12)]	September 4, 2020	15,233,333	$0.25
options[(13)]	September 4, 2020	1,400,000	$0.25
options[(14)]	September 4, 2020	200,000	$0.50
performance warrants[(15)]	September 4, 2020	5,500,000	$0.05
restricted share rights [(16)]	September 4, 2020	100,000	N/A
restricted share rights [(17)]	September 10, 2020	500,000	N/A
options[(18)]	September 10, 2020	2,135,000	$0.65
Shares[(19)]	September 14, 2020	200,000	$0.70
restricted share rights [(20)]	October 4, 2020	3,090,000	N/A
options[(20)]	October 4, 2020	1,750,000	$0.79
restricted share rights [(21)]	October 11, 2020	250,000	N/A
restricted share rights [(22)]	October 18, 2020	39,130	N/A
Shares[(23)]	November 24, 2020	10,927,856	$0.50
Shares[(24)]	December 4, 2020	35,212	$0.82

Notes:

(1) Issued in connection with an offering of units (the "**Unit Offering**"), at a price of $0.25 per unit, where each unit was comprised of one Share and one warrant entitling the holder to purchase an additional Share at a price of $0.50 per additional Share for a period of two years from issuance, subject to adjustments and acceleration.

(2) Issued at a price of $0.02 per special warrant (the "**$0.02 Special Warrant**") for aggregate proceeds of $678,133.34 (the "**$0.02 Special Warrant Offering**"). The $0.02 Special Warrants granted the holder the right to acquire, without additional payment, one Share qualified under the Company's long form non-offering prospectus dated September 1, 2020, for each $0.02 Special Warrant held.

(3) Issued at a price of $0.10 per special warrant (the "**$0.10 Special Warrant**") for aggregate proceeds of $24,900 (the "**$0.10 Special Warrant Offering**", and together with the $0.02 Special Warrant Offering, the "**Special Warrant Offering**"). The $0.10 Special Warrants granted the holder the right to acquire, without additional payment, one Share qualified under the Company's long form non-offering prospectus dated September 1, 2020, for each $0.10 Special Warrant held.

(4) 798,000 finder units were issued to finders in consideration for identifying potential targets for the purposes of negotiating the acquisition of Havn Research. The finders units have the same terms as the units issued pursuant to the Unit Offering.

(5) Issued to consultants of the Company.

(6) Issued to consultants of the Company.

(7) Issued to an employee of the Company.

(8) Issued to two employees of the Company.

(9) 198,000 finder warrants issued to certain finders in connection with the Unit Offering. Each finder warrant has the same terms as the warrants comprising the units issued pursuant to the Unit Offering.

(10) 110,000 finder units were issued to finders in connection with the Unit Offering and. The finder units have the same terms as the units issued pursuant to the Unit Offering.

(11) Issued in connection with the exercise of the $0.02 Special Warrants and the $0.10 Special Warrants.

(12) Issued in connection with the acquisition of Havn Research.

(13) Issued to new employees and consultants of the Company.

(14) Issued to a consultant of the Company.

(15) Issued to new employees of the Company.

(16) Issued to an officer of the Company.

(17) Issued to consultants of the Company.

(18) 1,500,000 of these options were issued to directors and officers of the Company with the remainder issued to consultants of the Company.

(19) Issued in settlement of outstanding debt in the amount of $97,600.

(20) Issued to the chairman and vice-chairman of the Company.

(21) Issued to a director of the Company.

(22) Issued to an officer of the Company.

(23) Issued in connection with the exercise of 10,927,856 common share purchase warrants of the Company issued pursuant to private placement which closed June 5, 2020. The Company notes that $300,000 of such warrant exercises, representing 600,000 warrants, were unintended. As such, 600,000 Shares were issued from treasury in connection with the unintended warrant exercise and the Company is the process of unwinding such transaction by returning such Shares to treasury.

(24) Issued in connection with certain marketing services.

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

Escrow Agreements

As of the date of this Prospectus, 13,432,968 Shares (the "**Escrow Shares**") and 4,950,000 performance warrants, including any Shares received upon exercise thereof, (the "**Escrow Warrants**", together with the Escrow Shares, the "**Escrow Securities**") are held in escrow pursuant to an escrow agreement with Odyssey Trust Company (the "**Escrow Agreement**") pursuant to National Policy 46-201 – *Escrow for Initial Public Offerings* ("**NP 46-201**") and CSE policies.

The Escrow Securities are subject to the release schedule specified in NP 46-201 for emerging issuers and as set out in the form of escrow required by Policy 2 – *Qualifications for Listing of the CSE*. Ten (10%) percent of the Escrow Securities were released on September 8, 2020, the date on which the Company listed on the CSE and an additional 15% will be released every 6 months thereafter until all Escrow Securities have been released (36 months following the date of listing on the CSE).

The following table sets out the Escrowed Securities held:

Designation of Class	Number of Securities held in Escrow[(1)] or that are subject to a contractual restriction on transfer	Percentage of Class[(2)(3)]
Shares	13,432,968	17.24%
Performance Warrants	4,950,000	34.14%

Notes:
(1) The Escrow agent under the escrow agreement is Odyssey Trust Company.
(2) Based on 77,934,068 issued and outstanding Shares (on a non-diluted basis).
(3) Based on 14,500,000 issued and outstanding Performance Warrants (on a non-diluted basis).

Voluntary Escrow

An aggregate of 15,233,333 Shares issued to the former shareholders of Havn Research in connection with the acquisition of Havn Research by the Company, a portion of which are not Escrowed Shares for the purposes of NP 46-201, are subject to restrictions whereby such Shares are to be released over a period of 36 months from the date the Company's Shares were listed on the CSE (September 8, 2020) with 10% being released on the date of listing on the CSE, an additional 15% released six months after listing on the CSE, an additional 15% released12 months after listing on the CSE, an additional 15% released 18 months after listing on the CSE, an additional 15% released 24 months after listing on the CSE, an additional 15% released 30 months after listed on the CSE and the remaining 15% released 36 months after listing on the CSE.

In addition, 16,474,000 Shares issued in connection with the Unit Offering are subject to voluntary restrictions whereby the trading of such Shares is restricted until January 8, 2021.

Moreover, 1,500,000 Shares issued in connection with $0.02 Special Warrant Offering remain subject to voluntary restrictions whereby one-half (1/2) of the remaining Shares will be released on March 3, 2021 and the remaining one-half (1/2) of the Shares will be released on June 3, 2021.

TRADING PRICE AND VOLUME

The Shares were listed on the CSE on September 8, 2020 under the symbol "HAVN". The Shares commenced trading in Germany on the FSE on September 15, 2020 under the stock symbol "5NP". The following tables sets forth trading information for the Shares on the CSE on a monthly basis since September 8, 2020.

	Price Range		CSE
Month	**High C$**	**Low C$**	**Monthly Trading Volume**
September 8-30, 2020	$0.94	$0.50	9,489,279
October 2020	$1.00	$0.75	5,746,479
November 2020	$0.94	$0.77	6,640,611
December 2020	$1.52	$0.76	29,264,270

On December 14, 2020, the last full trading day before the announcement of the Offering, the closing price per Share on the CSE was $1.26.

CORPORATE GOVERNANCE

National Policy 58-201 - *Corporate Governance Guidelines* of the Canadian Securities Administrators has set out best practice guidelines for effective corporate governance (the "**Guidelines**"). The Guidelines address matters such as the constitution and independence of corporate boards, the functions to be performed by boards and their committees and the effectiveness and education of board members.

Set out below is a description of the Company's corporate governance practices in accordance with NI 58-101 – *Disclosure of Corporate Governance Practices* ("**NI 58-101**"), based on the Guidelines.

Board of Directors

For the purposes of NI 58-101, a director is considered to be independent if he or she does not have any direct or indirect material relationship with the Company. A material relationship is in turn defined as a relationship which could, in the view of the Board, be reasonably expected to interfere with such member's independent judgement. The Board has determined that a majority of the directors of the Company are "independent" within the meaning of NI 58-101.

Pursuant to NI 52-110 – *Audit Committees* ("**NI 52-110**"), a director is considered independent if he or she has no direct or indirect material relationship with the Company that the Board believes could reasonably be perceived to materially interfere with his or her ability to exercise independent judgment. NI 52-110 sets out certain situations where a director is deemed to have a material relationship with the Company.

The Board is currently comprised of five directors, four of whom are independent within the meaning of NI 52-110. Ricky Brar, Tim Laidler, Vic Neufeld and Dennis Staudt are independent directors. Barinder Rasode, President of Havn, is not considered to be independent.

Directorships

Currently none of the directors of the Company are directors of other reporting issuers (or equivalent) in a jurisdiction or a foreign jurisdiction. However, the directors of the Company may become directors of other reporting issuers (or equivalent) in a jurisdiction or a foreign jurisdiction in the future.

Orientation and Continuing Education

While the Company currently has no formal orientation and education program for new Board members, sufficient information is provided to any new Board member to ensure that new directors are familiarized with the Company's business and the procedures of the Board. In addition, new directors are encouraged to visit and meet with management and the Company's professional advisors on a regular basis.

Ethical Business Conduct

The Board monitors the ethical conduct of the Company and ensures that it complies with applicable legal and regulatory requirements, such as those of relevant securities commissions and stock exchanges. The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

Under corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, and disclose to the Board the nature and extent of any interest of the director in any material contract or material transaction, whether made or proposed, if the director is a party to the contract or transaction, is a director or officer (or an individual acting in a similar capacity) of a party to the contract or transaction or has a material interest in a party to the contract or transaction.

Nomination of Directors

The Board has established a corporate governance and nominating committee comprised of Tim Laidler, Barinder Rasode and Dennis Staudt, which has the responsibility for the appointment and assessment of directors. When considering and identifying new candidates for membership to the Board, the committee takes into consideration the independence of the candidate, the competencies, skills and experience the Board, as a whole, possesses and the competencies, skills and experience that the candidate possesses. This process begins by all directors and senior management providing the committee with a list of candidates, the resumes of all director candidates are reviewed by the committee to determine which candidates the committee wishes to interview with due consideration given to the experience, skills, background, diversity and independence of each candidate, applicable regulatory requirements and such other criteria as may be established by the Board or the committee from time to time. The committee then interviews the short-listed candidates and conducts reference and background checks. Prior to making any recommendation to the Board, the committee ensures that the candidate selected is able to devote the time necessary to perform the required duties and responsibilities.

Compensation

The Company has estimated a compensation committee comprised of Dennis Staudt, Rick Brar and Tim Laidler, which has the responsibility for determining the compensation of directors and the Chief Executive Officer and for reviewing and consulting with the Chief Executive Officer in respect of recommendations regarding compensation of the other executive officers of the Company all while having regard to the compensation paid to such individuals at comparable companies in the same or similar industry as the Company, which is periodically selected based on a number of criteria, but not limited to: (a) market capitalization; (b) the stage of development of operations; (c) the size allotments, type and jurisdiction of the comparable company's operational licenses.

Other Board Committees

The Board has no committees other than the audit committee (which is comprised of Dennis Staudt, Barinder Rasode and Rick Brar), the corporate governance and nominating committee and the compensation committee. Going forward, the Board will review its corporate governance practices and consider, among other matters, whether it would be desirable to establish additional committees of the Board.

Assessments

The corporate governance and nominating committee of the Board is responsible for the formal performance review process for assessing the effectiveness of the Board, the audit committee, the corporation governance and nominating committee, the compensation committee and the individual directors, the results of which are provided to the Board for its review. The Company will continue to develop its approach to corporate governance in light of its own circumstances and what are recognized as best practices in this area.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Cassels Brock & Blackwell LLP counsel to the Company, and Blake, Cassels & Graydon LLP, counsel to the Underwriter, the following is a summary, as of the date hereof, of the principal Canadian federal income tax considerations under the Tax Act generally applicable to a holder who acquires Units as beneficial owner pursuant to this Offering and who, for the purposes of the Tax Act and at all relevant times, holds Shares and Warrants, and will hold their Warrant Shares issued on the exercise of Warrants as capital property, deals at arm's length with the Company and the Underwriter, and is not affiliated with the Company or the Underwriter (a "**Holder**"). For purposes of this summary, references to "Shares" include Warrant Shares unless the context requires otherwise.

Shares and Warrants will generally be considered to be capital property to a Holder provided the Holder does not acquire or hold such Shares and Warrants 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 is not applicable to a Holder: (i) that is a "financial institution" (as defined in the Tax Act) for purposes of the mark-to-market provisions of the Tax Act; (ii) that is a "specified financial institution" as defined in the Tax Act; (iii) that has made a functional currency reporting election under section 261 of the Tax Act to report its "Canadian tax results" as defined in the Tax Act in a currency other than Canadian currency; (iv) an interest in which is, or for whom a Share or Warrant would be, a "tax shelter investment" for the purposes of the Tax Act; (v) that has entered into or will enter into a "derivative forward agreement" or "synthetic disposition arrangement", as defined in the Tax Act, in respect of Shares or Warrants; or (vi) that receives dividends on the Shares under or as part of a "dividend rental arrangement" (as defined in the Tax Act).

This summary is based upon the current provisions of the Tax Act and counsel's understanding of the current published administrative policies and assessing practices of the Canada Revenue Agency ("**CRA**"). 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, whether by way of legislative, judicial or administrative action or interpretation, nor does it address any provincial, territorial or foreign tax considerations.

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 Units or to exercise Warrants. Accordingly, prospective investors in Units should consult their own tax advisors with respect to their own particular circumstances.

Allocation of Cost

Holders will be required to allocate on a reasonable basis their cost of each Unit between the Share and the Warrant in order to determine their respective costs for purposes of the Tax Act. For its purposes, the Company intends to allocate $1.06 to each Share and $0.01 to each Warrant. Although the Company believes that its allocation is reasonable, it is not binding on the CRA or a Holder.

The adjusted cost base to a Holder of each Share comprising a part of a Unit acquired pursuant to this Offering will be determined by averaging the cost of such Share with the adjusted cost base to such Holder of all other common shares in the capital of the Company (if any) held by the Holder as capital property immediately prior to the acquisition.

Exercise of Warrants

No gain or loss will be realized by a Holder upon the exercise of a Warrant to acquire a Warrant Share. When a Warrant is exercised, the Holder's cost of the Warrant Share acquired thereby will be the aggregate of the Holder's adjusted cost base of such Warrant and the exercise price paid for the Warrant Share. The Holder's adjusted cost base of the Warrant Share so acquired will be determined by averaging such cost with the adjusted cost base (determined immediately before the acquisition of the Warrant Share) to the Holder of all common shares in the capital of the Company owned by the Holder as capital property immediately prior to such acquisition.

Holders Residents in 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 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 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. Such election is not available in respect of the Warrants. 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 Shares

A Resident Holder will be required to include in computing its income for a taxation year dividends received or deemed to be received on the 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 also 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 Shares to the extent such dividends are deductible in computing the Resident Holder's taxable income. Such additional tax may be refundable in certain circumstances.

Disposition of a Share or a Warrant

Generally, on a disposition, or a deemed disposition, of a Share or a Warrant (which does not include the exercise of a Warrant), 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 Share or the Warrant, as the case may be, 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 "*Capital Gains and Capital Losses*".

Expiry of Warrants

In the event of the expiry of an unexercised Warrant, a Resident Holder generally will realize a capital loss equal to the Resident Holder's adjusted cost base of such Warrant. The tax treatment of capital gains and capital losses is discussed in greater detail below under "*Capital Gains and Capital Losses*".

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 from taxable capital gains realized 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 in any subsequent year against net taxable capital gains realized in such years, to the extent and under the circumstances specified in the Tax Act. If the Resident Holder is a corporation, any such capital loss realized on the sale of a Share may be reduced by the amount of any dividends which have been received by the Resident Holder on

such Share to the extent and in circumstances prescribed by the Tax Act. Similar rules may apply where a Resident Holder that is a corporation is a member of a partnership or a beneficiary of a trust that owns a Share, directly or indirectly through a partnership or a trust. Resident Holders to whom these rules may be relevant should consult their own tax advisors.

Refundable Tax

A Resident Holder that is throughout the year a "Canadian-controlled private corporation" (as defined in the Tax Act) may be liable to pay a refundable tax on its "aggregate investment income", which is defined in the Tax Act to include taxable capital gains.

Alternative Minimum Tax

Capital gains or dividends realized or deemed to be realized by a Resident Holder that is an individual (including certain trusts) may give rise to liability for 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.

Holders Not Resident in 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 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 Shares or Warrants in, or in the course of, carrying on a business or part of a business in Canada (a "**Non-Resident Holder**"). This summary does not apply to a Non-Resident Holder that carries on an insurance business in Canada and elsewhere or to an "authorized foreign bank" (as defined in the Tax Act) and such Non-Resident Holders should consult their own tax advisors.

Expiry of Warrants

In the event of the expiry of an unexercised Warrant, a Non-Resident Holder will generally realize a capital loss equal to the Non-Resident Holder's adjusted cost base of such Warrant. The tax treatment of capital losses by a Non-Resident Holder is discussed in greater detail below under the subheading "*Disposition of a Share or a Warrant*".

Dividends on Shares

Dividends paid or credited, or deemed to be paid or credited, on a Share to a Non-Resident Holder will generally be subject to Canadian withholding tax at the rate of 25%, 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, where a Non-Resident Holder is a resident of the United States, is fully entitled to the benefits under the *Canada-U.S. Income Tax Convention (1980)*, as amended, and is the beneficial owner of the dividend, the applicable rate of Canadian withholding tax is generally reduced to 15% of the amount of such dividend.

Disposition of a Share or a Warrant

A Non-Resident Holder 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 Share or a Warrant, nor will capital losses arising therefrom be recognized under the Tax Act, unless the Share or the Warrant, 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 Non-Resident Holder is not entitled to relief under an applicable income tax treaty or convention between Canada and the country in which the Non-Resident Holder is resident.

Generally, a Share or a Warrant, as the case may be, will not constitute taxable Canadian property of a Non-Resident Holder at any particular time provided that the Shares are listed on a "designated stock exchange" for the purposes of the Tax Act (which currently includes the CSE and FSE), unless at any time during the 60-month period immediately preceding such time: (i) at least 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 (a) the Non-Resident Holder, (b) persons with whom the Non-Resident Holder did not deal at arm's length (for the purposes of the Tax Act), and (c) partnerships in which the Non-Resident Holder or a person described in (b) holds a membership interest directly or indirectly through one or

more partnerships; and (ii) more than 50% of the fair market value of such 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 Share or Warrant may also be deemed to be "taxable Canadian property" in certain circumstances.

In cases where a Non-Resident Holder disposes (or is deemed to have disposed) of a Share or a Warrant that is taxable Canadian property to that Non-Resident Holder, and the Non-Resident Holder is not entitled to an exemption under an applicable income tax treaty or convention, the consequences described above under the headings "*Holders Resident in Canada – Disposition of a Share or a Warrant*" and "*Capital Gains and Capital Losses*" will generally be applicable to such disposition. Non-Resident Holders for whom a Share or a Warrant is, or may be, taxable Canadian property should consult their own tax advisors.

RISK FACTORS

There are certain risks inherent in an investment in the Units and in the activities of the Company. In addition to the risks described herein, reference is made to the section entitled "Risk Factors" in the AIF, which is incorporated herein by reference. Prospective investors should carefully consider, in light of their own financial circumstances, the risk factors set forth in the information incorporated by reference herein and all of the other information contained in this Prospectus (including without limitation the documents incorporated herein by reference) before purchasing any of the securities distributed under this Prospectus. The risks described herein are not the only risks faced by the Company and securityholders of the Company. Additional risks and uncertainties not currently known by the Company, or that the Company currently deems immaterial, may also materially and adversely affect its business. The business, financial condition, revenues or profitability of the Company could be materially adversely affected by any of the risks set forth in this Prospectus, in the documents incorporated by reference herein or such other risks. The trading price of the Shares could decline due to any of these risks and investors could lose all or part of their investment. This Prospectus contains forward-looking statements that involve risks and uncertainties. The Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the risks faced by the Company described below and elsewhere in this Prospectus. See "*Forward-Looking Statements*". No inference should be drawn, nor should an investor place undue importance on, the risk factors that are included in this Prospectus as compared to those included in the documents incorporated by reference herein, as all risk factors are important and should be carefully considered by a potential investor.

An investment in the Units is speculative

An investment in the Units and the Company's prospects generally are speculative due to the risky nature of its business and the present stage of its development. Investors may lose their entire investment and should carefully consider the risk factors described below and under the headings "Risk Factors" in the AIF. The risks described below and in the AIF are not the only ones faced by the Company. Additional risks not currently known to the Company, or that the Company currently deems immaterial, may also impair the Company's operations. There is no assurance that risk management steps taken will avoid future loss due to the occurrence of the risks described below (or incorporated by reference herein) or other unforeseen risks. If any of the risks described below or in the AIF actually occur, then the Company's business, financial condition and operating results could be adversely affected. Investors should carefully consider the risks below and in the AIF and the other information elsewhere in this Prospectus and consult with their professional advisors to assess any 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 Prospectus under the heading "Forward-Looking Statements".

Future issuances or actual or potential sales of securities

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

The market price of the Shares could decline as a result of future issuances by the Company, including issuances of shares in connection with strategic alliances, or sales by its existing holders of Shares, or the perception that these sales could occur. Sales by shareholders might also make it more difficult for Havn 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.

Negative operating cash flow and going concern

The Company has negative cash flow from operating activities and has historically incurred net losses. There is no assurance that sufficient revenues will be generated in the near future. To the extent that the Company has negative operating cash flows in future periods, it may need to deploy a portion of its existing working capital to fund such negative cash flows. The Company will be required to raise additional funds through the issuance of additional equity securities or through loan financing. There is no assurance that additional capital or other types of financing will be available if needed or that these financings will be on terms at least as favourable to the Company as those previously obtained, or at all.

The Company's auditor has indicated in the financial statements that there is substantial doubt about the Company's ability to continue as a going concern. Importantly, the inclusion in the Company's financial statements of a going concern opinion may negatively impact the Company's ability to raise future financing and achieve future revenue. The threat of the Company's ability to continue as a going concern will be removed only when, in the opinion of the Company's auditor, the Company's revenues have reached a level that is able to sustain its business operations. If the Company is unable to obtain additional financing from outside sources and eventually generate enough revenues, the Company may be forced to sell a portion or all of the Company's assets, or curtail or discontinue the Company's operations. If any of these events happen, you could lose all or part of your investment. The Company's financial statements do not include any adjustments to the Company's recorded assets or liabilities that might be necessary if the Company becomes unable to continue as a going concern.

Discretion over the use of proceeds

The Company will have discretion concerning the use of the net proceeds of the Offering as well as the timing of their expenditures, and may apply the net proceeds of the Offering in ways other than as described under "*Use of Proceeds*". As a result, an investor will be relying on the judgment of the Company for the application of the net proceeds of the Offering. The Company may use the net proceeds of the Offering in ways that an investor may not consider desirable. 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 business, prospects, financial position, financial condition or results of operations may suffer.

Unpredictability and volatility of the Shares

Publicly-traded securities such as those of the Company will not necessarily trade at values determined by reference to the underlying value of its business. The prices at which the Shares will trade cannot be predicted. The market price of the Shares could be subject to significant fluctuations in response to a variety of factors, including the following: actual or anticipated fluctuations in the Company's quarterly results of operations; recommendations by securities research analysts; changes in the economic performance or market valuations of companies in the industry in which the Company

operates; additions or departures by the Company's executive officers and other key personnel; significant acquisitions or business combinations, strategic partnerships, joint ventures or capital commitments by or involving the Company or its competitors; operating and share price performance of other companies that investors deem comparable to the Company; and news reports relating to trends, concerns, technological or competitive developments, regulatory changes and other related issues in the Company's industry or target markets.

In addition, the securities markets have experienced significant price and volume fluctuations from time to time in recent years that often have been unrelated or disproportionate to the operating performance of particular issuers. These broad fluctuations may adversely affect the market price of the Shares. Accordingly, prospective purchasers may not be able to sell their Shares at or above the Offering Price.

Listing of the Warrants for trading

The Company intends to apply to list the Warrants on the CSE. However, approval of the CSE for such listing has not been received and there is currently no public market for the Warrants. There can be no assurance that a secondary market for the Warrants will develop or be sustained after the closing of the Offering. Even if a market develops for the Warrants, there can be no assurance that it will be liquid and that the price of the Warrants will be the same as the price allocated for the Warrants partially comprising the Units. If an active market for the Warrants does not develop, the liquidity of an investor's investment in the Warrants may be limited and the price may decline below the portion of the offering price allocated to the Warrants.

Warrants are speculative in nature and may not have any value

The Warrants do not confer any rights of Share ownership on their holders, such as voting rights or the right to receive dividends, but rather merely represent the right to acquire Shares at a fixed price for a limited period of time. Specifically, commencing on the date of issuance, holders of the Warrants may exercise their right to acquire Warrant Shares and pay an exercise price of $1.34 per Warrant Share, subject to certain adjustments, prior to the date that is thirty-six (36) months following the Closing Date, subject to acceleration in certain circumstances, after which date any unexercised Warrants will expire and have no further value. Moreover, following completion of the Offering, the market value of the Warrants, if any, is uncertain and there can be no assurance that the market value of the Warrants will equal or exceed their imputed offering price. There can be no assurance that the market price of the Shares will ever equal or exceed the exercise price of the Warrants, and consequently, whether it will ever be profitable for holders of the Warrants to exercise the Warrants.

AUDITORS, TRANSFER AGENT AND REGISTRAR

De Visser Gray, LLC, Certified Public Accountants, is independent of the Company in accordance with Code of Professional Conduct of the Chartered Professional Accountants of British Columbia and the Canadian Securities Authority. De Visser Gray, LLC has performed the audit in respect of certain financial statements incorporated by reference herein or attached hereto. As of the date hereof, De Visser Gray, LLC, and its partners and associates, beneficially own, directly or indirectly, in their respective groups, less than 1% of any class of outstanding securities of the Company.

The transfer agent and registrar for the Shares is Odyssey Trust Company at its principal offices in Vancouver, British Columbia. The warrant agent and registrar for the Warrants is Odyssey Trust Company at its principal offices in Vancouver, British Columbia.

INTEREST OF EXPERTS

Certain legal matters relating to the Offering will be passed upon on behalf of the Company by Cassels Brock & Blackwell LLP and on behalf of the Underwriter by Blake, Cassels & Graydon LLP. As of the date of this Prospectus, the partners and associates of Cassels Brock & Blackwell LLP and Blake, Cassels & Graydon LLP, respectively, beneficially own, directly or indirectly, less than 1% of the outstanding securities of any class issued by the Company or any associates or affiliates of the Company.

PURCHASERS' STATUTORY RIGHTS

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal advisor.

In an offering of Warrants, investors are cautioned that the statutory right of action for damages for a misrepresentation contained in this Prospectus is limited, in certain provincial securities legislation, to the price at which the Warrant is offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces, if the purchaser pays additional amounts upon the exercise of the security, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of this right of action for damages or consult with a legal advisor.

CERTIFICATE OF THE COMPANY

Dated January 4, 2021

This short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of each of the provinces of Canada, other than Québec.

"Tim Moore"
Chief Executive Officer

"Eli Dusenbury"
Chief Financial Officer

On behalf of the Board of Directors

"Vic Neufeld"
Director

"Ricky Brar"
Director

CERTIFICATE OF THE UNDERWRITER

Dated: January 4, 2021

To the best of our knowledge, information and belief, this short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of each of the provinces of Canada, other than Québec.

EIGHT CAPITAL

"Elizabeth Staltari"
Elizabeth Staltari
Principal, Managing Director