A copy of this preliminary prospectus has been filed with the securities regulatory authorities in Alberta, British Columbia, Nova Scotia, Ontario and Saskatchewan but has not yet become final for the purpose of the sale of securities. Information contained in this preliminary prospectus may not be complete and may have to be amended. The securities may not be sold until a receipt for the prospectus is obtained from the securities regulatory authorities.

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. These securities have not been, and will not be, registered under the United States Securities Act of 1933, as amended, or any state securities laws and may not be offered or sold in the United States. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby within the United States.

PRELIMINARY PROSPECTUS

Non-Offering Prospectus **February 11, 2021**

LEVITEE LABS

No securities are being offered pursuant to this Prospectus

This Prospectus is being filed by Levitee Labs Inc. (formerly Fibonacci Capital Corp, the "**Corporation**" or **"Levitee Labs**") to qualify the distribution of up to 21,140,000 units (each, a "**Subscription Receipt Unit**") of the Corporation and the common shares in the capital of the Corporation (the "**Subscription Receipt Shares**") and common share purchase warrants (the "**Subscription Receipt Warrants**") issuable for no additional consideration upon the deemed exercise or exchange of up to 21,140,000 subscription receipts of the Corporation (each a "**Subscription Receipt**"). The Subscription Receipts were issued pursuant to non-brokered private placements (the "**Private Placements**") that were completed on January 20, 2021 and February 4, 2021 at a price of $0.50 per Subscription Receipt for aggregate gross proceeds of $10,570,000. Each Subscription Receipt Unit will be composed of one (1) Subscription Receipt Share and one half of one (1/2) Subscription Receipt Warrant, each Subscription Receipt Warrant exercisable at an exercise price for 36 months from issuance. The Subscription Receipts are not available for purchase pursuant to this prospectus and no additional funds are to be received by the Corporation from the distribution of the Subscription Receipt Shares upon the deemed exercise or exchange of the Subscription Receipts. As no securities are being sold pursuant to this Prospectus, no proceeds will be raised, and all expenses incurred in connection with the preparation and filing of this Prospectus will be paid by the Corporation from its general funds.

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

No underwriter has been involved in the preparation of the Prospectus or performed any review or independent

due diligence of the contents of the Prospectus.

As at the date of this prospectus, Levitee Labs does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, Aequitas NEO Exchange Inc., a U.S. marketplace, or a marketplace outside Canada and the United States of America (other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc.).

An investment in the securities of the Corporation is highly speculative and involves significant risks that should be carefully considered by prospective purchasers before purchasing such securities. The risks outlined in this prospectus should be carefully reviewed and considered by prospective purchasers in connection with an investment in such securities. An investment in the Subscription Receipt Shares and Subscription Receipt Warrants is suitable only for those purchasers who are willing to risk a loss of some or all of their investment and who can afford to lose some or all of their investment. See "*Risk Factors*".

$10,554,700 (the "**Escrowed Funds**"), being the gross proceeds from the sale of the Subscription Receipts pursuant to the Private Placements, less the BMO Commission, were deposited in escrow and are held by Odyssey Trust Company, as escrow agent (the "**Subscription Receipt Escrow Agent**"), pursuant to the terms of an escrow agreement dated January 13, 2021 among the Corporation and the Subscription Receipt Escrow Agent (the "**Subscription Receipt Escrow Agreement**"). The Escrowed Funds will be released from escrow upon satisfaction of the Escrow Release Conditions (as defined herein) and the balance of the Escrowed Funds together with interest earned thereon will be paid to the Corporation. The Corporation will use the Escrowed Funds, once released, for sales and marketing, strategic acquisitions, general, administrative, and other costs, and for general working capital purposes. See "*Use of Proceeds*".

The Finder's Fee (as defined herein) will be payable by the Corporation to Haywood Securities Inc., PI Financial Corp., Echelon Wealth Partners Inc., Canaccord Genuity Corp., Leede Jones Gable Inc. and Mackie Research Capital Corp. (collectively, the "**Finders**") in connection with the issuance of the Subscription Receipt Shares and Subscription Receipt Warrants upon deemed exercise or exchange of the Subscription Receipts on the following terms: (i) a cash fee of 8% of all gross proceeds realized from the sale of the Subscription Receipts to investors introduced by the relevant Finder; and (ii) finders' warrants entitling the relevant Finder to purchase that number of Finder's Shares equal to 8% of the number of Subscription Receipt Shares to be issued to holders of Subscription Receipts who were introduced by the relevant Finder, such warrants to be exercisable at a price of $0.75 per share for a period of 24 months from issuance. BMO Nesbitt Burns Inc. ("**BMO**") was also paid a commission of $15,300 (the "**Paid BMO Commission**") in connection with the issuance of Subscription Receipts to investors introduced by BMO. A further $15,300 will be paid to BMO in connection with the issuance of the Subscription Receipt Shares and Subscription Receipt Warrants to investors introduced by BMO upon deemed exercise or exchange of the Subscription Receipts (the "**Payable BMO Commission**" and, together with the Paid BMO Commission, the "**BMO Commission**"). This prospectus also qualifies the distribution of the Finder's Warrants (as defined herein).

Each Subscription Receipt is represented by a Subscription Receipt Certificate and will be deemed exchanged, without payment of any additional consideration and without any further action by the holder, for one (1) Subscription Receipt Share and one half of one (1/2) Subscription Receipt Warrant on the satisfaction of the following escrow release conditions: (i) the Common Shares will have been conditionally approved for listing on the CSE; and (ii) the Corporation will have obtained a final receipt for this prospectus from the applicable regulatory authority (the foregoing being the "**Escrow Release Conditions**"). The Subscription Receipts and the conditions necessary for them to be exercised for Common Shares are described in more detail under the heading "*Plan of Distribution*" in this prospectus. If the Escrow Release Conditions are not satisfied by September 21, 2021, the subscription proceeds from the Private Placement will be returned to the holders without interest or deduction unless otherwise agreed to by the holders.

The Subscription Receipts were purchased by subscribers pursuant to private placement exemptions from the prospectus requirements in the Provinces of Alberta, British Columbia, Nova Scotia, Ontario and Saskatchewan. There is no market through which the Subscription Receipts may be sold and none is expected to develop.

Except in certain limited circumstances, no certificates representing the Subscription Receipt Shares will be issued to purchasers in the Private Placement. Instead, holders of Subscription Receipts upon satisfaction of the Escrow Release Conditions will have their securities registered in the name of CDS Clearing and Depository Services Inc. (**CDS**) or its nominee and electronically deposited with CDS.

The head office and the mailing address of Levitee Labs is located at 405-1477 W Pender St, Vancouver, BC V6G 2S3. The registered office of Levitee Labs is located at 6th Floor, 905 West Pender St, Vancouver, BC V6C 1L6.

Investors should rely only on the information contained in this Prospectus and the documents incorporated by reference herein. The Corporation has not authorized anyone to provide investors with information different from that contained in this Prospectus. The information contained in this Prospectus is accurate only as of the date of this Prospectus.

CONTENTS

FORWARD-LOOKING STATEMENTS

Certain statements in this prospectus may constitute "forward-looking" statements which involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Corporation, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. When used in this prospectus, such statements use such words as "may", "would", "could", "will", "intend", "expect", "believe", "plan", "anticipate", "estimate" and other similar terminology. These statements reflect the Corporation's current expectations regarding future events and operating performance and speak only as of the date of this prospectus. Forward-looking statements involve significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not such results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including, but not limited to, the factors discussed below and under "Risk Factors". Although the forward-looking statements contained in this prospectus are based upon what management of the Corporation believes are reasonable assumptions, the Corporation cannot assure investors that actual results will be consistent with these forward-looking statements. **These forward-looking statements are made as of the date of this prospectus and are expressly qualified in their entirety by this cautionary statement. Subject to applicable securities laws, the Corporation does not assume any obligation to update or revise them to reflect new events or circumstances.**

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

- expectations regarding industry trends, overall market growth rates and growth rates and development strategies;
- predictions regarding future commerce trends;
- results of operations, level of activity, future capital and other requirements and expenditures (including the amount, nature, and resources of funding thereof);
- potential business prospects and opportunities;
- potential marketing and distribution strategies;
- competitive position in its industry and its competitive advantages;
- compliance with legislative and regulatory requirements;
- director and executive compensation levels and plans;
- investment objectives and strategies;
- the proposed use of available funds;
- dependence on personnel; and
- expectations regarding market prices and costs.

With respect to forward-looking statements contained in this prospectus, the Corporation has made assumptions regarding, among other things:

- the Corporation’s ability to generate revenue while controlling costs and expenses;
- the impact of increasing competition;
- the absence of material adverse changes in the industry or regulatory regimes;
- the Corporation’s ability to attract and retain key personnel;
- the Corporation’s ability to manage its growth effectively;
- trends in the Corporation’s industry and markets;
- the Corporation’s ability to keep pace with technological developments;
- the Corporation’s ability to protect its intellectual property rights;
- the Corporation’s continued compliance with relevant regulatory regimes;
- the Corporation’s ability to raise sufficient financing to support continued growth; and
- the Corporation’s ability to obtain additional financing on satisfactory terms.

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

- The Corporation’s limited history of operations
- There is currently no market through which any of the Corporation’s securities may be sold
- Substantial additional financing may be required if the Corporation is to successfully develop its business
- The Corporation has had negative cash flow from operating activities since inception
- The Corporation’s products are subject to extensive regulation
- The Corporation may be subject to growth-related risks
- The success of the Corporation’s products are dependent on pronounced and rapidly changing public tastes
- The Corporation is dependent on the reliable supply of its raw materials
- The Corporation is heavily reliant on a limited number of products
- The Corporation is highly dependent on consumer perception of mushrooms
- The Corporation has not achieved, and there is no assurance that it will be able to achieve brand awareness
- The Corporation’s success may be dependent on its ability to develop, market and produce new products, which may require substantial capital
- The Corporation is heavily dependent on certain key senior managers
- The Corporation relies on third parties to manufacture and package its products
- The Corporation may be subject to product liability claims
- The Corporation may be required to recall its products
- The Corporation faces significant competition

MARKET AND INDUSTRY DATA

This prospectus includes market and industry data that has been obtained from third party sources, including industry publications, as well as industry data prepared by Levitee Labs management on the basis of its knowledge of and experience in the industry in which it operates (including management’s estimates and assumptions relating to the industry based on that knowledge). Levitee Labs believes that its industry data is accurate and that its estimates and assumptions are reasonable, but there is no assurance as to the accuracy or completeness of this data. Third-party sources generally state that the information contained therein has been obtained from sources believed to be reliable, but there is no assurance as to the accuracy or completeness of included information. Although the data is believed to be reliable, neither of Levitee Labs or its management has independently verified any of the data from third-party sources referred to in this prospectus or ascertained the underlying economic assumptions relied upon by such sources.

CURRENCY

All dollar amounts in this prospectus are in Canadian dollars unless otherwise indicated, and all references to $ in this prospectus are to Canadian dollars unless otherwise indicated.

GLOSSARY

When used in this prospectus, the following terms have the following meanings ascribed thereto:

“**Amalgamation**” means the amalgamation completed on November 30, 2020 under Division 3 of Part 9 of the BCBCA, between the Corporation, Monk-E, and Amalgamation SubCo, which resulted in the formation of Levitee OpCo;

“**Amalgamation Agreement**” means the amalgamation agreement entered into between the Corporation, Levitee OpCo, and Monk-E Nutraceuticals, dated November 10, 2020, which effected the Amalgamation;

“**Amalgamation SubCo**” means 1273586 B.C. LTD., a company incorporated under the laws of the BCBCA;

"**Associate**" has the meaning ascribed thereto in the Securities Act;

"**BCBCA**" means the *Business Corporations Act*, S.B.C. 2002, c. 57, as amended, including the regulations promulgated thereunder;

“**BMO**” means BMO Nesbitt Burns Inc.;

“**BMO Commission**” means collectively, the Paid BMO Commission and the Payable BMO Commission;

"**Board**" or "**Board of Directors**" means the board of directors of the Corporation;

"**Business Day**" means a day other than a Saturday, Sunday or other day when banks in the City of Vancouver, British Columbia are not generally open for business;

“**CBCA**” means the *Canada Business Corporations Act*, R.S.C., 1985, c. C-44, as amended, including the regulations promulgated thereunder;

"**Common Shares**" means the common shares in the capital of the Corporation;

“**Consolidation**” means the consolidation of the Common Shares at a ratio of one new post-consolidation Common Share for every 2.5 pre-consolidation Common Shares completed by the Corporation on November 10, 2020;

"**Control**" and related terms including "**controlling**" and "**controlled**", shall mean the possession, directly or indirectly, by or on behalf of a person or group of persons acting jointly or in concert, of the following in respect of another person:

(i) in the case where the other person is a corporation, the power to vote more than 50% of the securities having ordinary voting power for the election of directors of such corporation;

(ii) in the case where the other person is a limited partnership, the power to control the general partner of the limited partnership; and

(iii) in the case where the other person is other than a corporation or limited partnership, any of: (1) the power to exercise more than 50% of the voting rights in such person; or (2) the right to receive more than 50% of the distributions made by that person;

“**CSE**” means the Canadian Securities Exchange;

“**Escrow Agent**” means Odyssey Trust Company;

"**Escrow Agreement**" means the escrow agreement dated ◆, 2021 entered into pursuant to NP 46-2021 among the Escrowed Shareholders, the Corporation and the Escrow Agent;

"**Escrow Funds**" means the proceeds of the Private Placement that have been deposited with the Subscription Receipt Escrow Agent;

"**Escrow Release Conditions**" has the meaning set forth on the face page of this prospectus;

"**Escrow Securities**" means those Common Shares required to be escrowed pursuant to NP 46-201;

"**Escrowed Shareholders**" means the Shareholders who are directors or officers of the Corporation;

“**Fibonacci**” means Fibonacci Capital Corp. that was incorporated on January 23, 2019 and is a company continued under the Business Corporations Act (British Columbia).

"**Finders**" means, collectively, Haywood Securities Inc., PI Financial Corp., Echelon Wealth Partners Inc., Canaccord Genuity Corp., Leede Jones Gable Inc., and Mackie Research Capital Corp.;

"**Finder’s Fee**" means (i) a cash finder’s fee of 8% of all gross proceeds realized from the sale of the Subscription Receipts to investors introduced by the relevant Finder, to be paid to the Finder upon satisfaction of the Escrow Release Conditions and (ii) issuance of the Finder’s Warrants upon satisfaction of the Escrow Release Conditions;

"**Finder’s Warrants**" means warrants granted to the Finder entitling the Finder to purchase that number of Finder’s Shares equal to 8% of the number of Subscription Receipt Shares to be issued to holders of Subscription Receipts who were introduced by the relevant Finder upon satisfaction of the Escrow Release Conditions exercisable at a price of $0.75 per Finder’s Share for a period of 24 months from issuance;

"**Finder’s Shares**" means the Common Shares, if any, to be issued to the Finder on exercise of the Finder’s Warrants;

"**First Private Placement**" means the non-brokered private placement of the Corporation of 15,491,000 Subscription Receipts completed on January 20, 2021 and which will result (subject to the satisfaction of the Escrow Release Conditions) in the deemed exercise or exchange of Subscription Receipts for Subscription Receipt Shares and Subscription Receipt Warrants;

“**Founders Pooling Agreement**” means the voluntary pooling agreement entered into among the Corporation and all investors who participated in the July 2020 Founders Round, pursuant to which the common shares issued to such persons through the July 2020 Founders Round may not be traded, sold, or otherwise disposed of until released under the Founders Pooling Agreement;

"**IFRS**" means International Financial Reporting Standards;

“**July 2020 Founders Round**” means the private placement of common shares of Monk-E carried out on July 15, 2020;

"**Levitee Labs**" or the "**Corporation**" means Levitee Labs Inc., a corporation incorporated under the BCBCA, and, where the context requires, includes its wholly-owned subsidiary Levitee OpCo;

“**Levitee OpCo**” means Levitee Labs Holdings Inc., the wholly-owned operating subsidiary of the Corporation;

"**Listing Date**" means the date on which the Common Shares are listed on the CSE;

“**Monk-E**” means Monk-E Nutraceuticals Inc., a BCBCA company incorporated on May 24, 2020;

"NI 41-101" means National Instrument 41-101 - *General Preliminary Prospectus Requirements*;

"NI 52-110" means National Instrument 52-110 - *Audit Committees*;

"**NP 46-201**" means National Policy 46-201 - *Escrow for Initial Public Offerings*;

"**Option Plan**" means the incentive Common Share option plan of the Corporation;

"**Option**" means an option to acquire Common Shares granted pursuant to the Option Plan;

"**Paid BMO Commission**" means the commission of $15,300 paid to BMO in connection with the issuance of Subscription Receipts to investors introduced by BMO;

"**Payable BMO Commission**" means the commission of $15,300 to be paid to BMO in connection with the issuance of the Subscription Receipt Shares and Subscription Receipt Warrants to investors introduced by BMO upon deemed exercise or exchange of the Subscription Receipts;

"**Person**" includes any individual, partnership, firm, trust, body corporate, government, governmental body, agency or instrumentality, unincorporated body of persons or association and pronouns have a similarly extended meaning;

"**Private Placements**" means, collectively, the First Private Placement and the Second Private Placement;

"**Prospectus**" means this preliminary prospectus of the Corporation dated February 11, 2021;

"**Second Private Placement**" means the non-brokered private placements of the Corporation of 5,649,000 Subscription Receipts completed on February 4, 2021 and which will result (subject to the satisfaction of the Escrow Release Conditions) in the deemed exercise or exchange of Subscription Receipts for Subscription Receipt Shares and Subscription Receipt Warrants;

"**Securities Act**" means the *Securities Act* (British Columbia), as amended;

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval at www.sedar.com;

“**Seed Shareholders Pooling Agreement**” means the voluntary pooling agreement entered into among the Corporation and all investors who participated in the September 2020 Seed Round, pursuant to which the common shares issued to such persons through the September 2020 Seed Round may not be traded, sold, or otherwise disposed of until the date that is six (6) months from the Listing Date;

“**September 2020 Seed Round**” means the private placement of common shares of Monk-E carried out on September 3, 2020;

"**Shareholder**" means a holder of Common Shares;

"**Subsidiary**" has the meaning ascribed thereto in the Securities Act (and shall include all trusts or partnerships directly or indirectly owned by Levitee Labs);

"**Subscription Receipts**" means the subscription receipts issued by the Corporation at an issue price of $0.50 per Subscription Receipt, pursuant to the Private Placements entitling the holder thereof to acquire, for no additional consideration, one (1) Subscription Receipt Share and one half of one (1/2) Subscription Receipt Warrant pursuant to the terms and conditions in its Subscription Receipt Certificate;

"**Subscription Receipt Certificate**" means a certificate representing Subscription Receipts;

"**Subscription Receipt Escrow Agent**" means Odyssey Trust Company, in its capacity as escrow agent for the proceeds of the Private Placements;

"**Subscription Receipt Escrow Agreement**" means the escrow agreement dated January 13, 2021 among the Corporation and the Subscription Receipt Escrow Agent;

"**Subscription Receipt Shares**" means the Common Shares to be issued upon the deemed exercise or exchange of the Subscription Receipts upon satisfaction of the Escrow Release Conditions; and

"**Subscription Receipt Warrants**" means the common share purchase warrants to be issued upon the deemed exercise or exchange of the Subscription Receipts upon satisfaction of the Escrow Release Conditions, each Subscription Receipt Warrant to be exercisable into one common share of the Corporation at $0.75 for 36 months from issuance; and

"**U.S.**" means the United States of America.

PRELIMINARY PROSPECTUS SUMMARY

The following is a summary of the principal features of this distribution and should be read together with the more detailed information and financial data and statements appearing elsewhere in this Prospectus. Certain capitalized terms used but not defined in this summary are defined elsewhere in this Prospectus.

The Corporation	The Corporation was incorporated under the Business Corporations Act (British Columbia) (the "**BCBCA**") on January 23, 2019, under the name Fibonacci Capital Corp. On November 30, 2020, the Corporation changed its name to "Levitee Labs Inc." as part of the Amalgamation. See "*Corporate Structure*". Levitee OpCo was created on November 30, 2020 pursuant to section 279 of the BCBCA on the closing of the Amalgamation, and is a wholly-owned operating subsidiary of the Corporation. The Corporation is engaged in the development of a suite of mushroom-infused products in the health and wellness space, including through its Monk-E Nutraceuticals and Sporeo brands. See "*Business of the Corporation – Description of Business"*
The Private Placement	Pursuant to the Private Placements, the Corporation issued 21,140,000 Subscription Receipts for gross proceeds of $10,570,000. Each Subscription Receipt will be automatically exchanged for one (1) Subscription Receipt Share and one half of one (1/2) Subscription Receipt Warrant upon satisfaction of the Escrow Release Conditions. The gross proceeds from the Private Placements have been deposited into escrow pursuant to the Subscription Receipt Escrow Agreement and will be released upon satisfaction of the Escrow Release Conditions. See "*Plan of Distribution*" and "*Description of Securities Distributed*".
Finder's Fee	The Finder's Fee will be payable by the Corporation to the Finder in connection with the issuance of the Subscription Receipt Shares and Subscription Receipt Warrants upon deemed exercise or exchange of the Subscription Receipts. The Finder's Fee will be composed of (i) a cash finder's fee of 8% of all gross proceeds realized from the sale of the Subscription Receipts to investors introduced by the relevant Finder and (ii) the issuance of the Finder's Warrants, entitling the relevant Finder to purchase that number of Finder's Shares equal to 8% of the number of Subscription Receipts sold to investors introduced by the relevant Finder. BMO was also paid the Paid BMO Commission in connection with the issuance of Subscription Receipts to investors introduced by BMO. The further Payable BMO Commission will be paid to BMO in connection with the issuance of the Subscription Receipt Shares and Subscription Receipt Warrants to investors introduced by BMO upon deemed exercise or exchange of the Subscription. The Finder's Warrants will be exercisable at an exercise price of $0.75 for 24 months from issuance. See "*Plan of Distribution".*
Qualification for Distribution	In addition to the Subscription Receipt Shares and the Subscription Receipt Warrants, this Prospectus also qualifies the common shares underlying the Subscription Receipt Warrants, the Finder's Warrants issued to the Finders and the Finder's Shares underlying the same. See "*Plan of Distribution*".
Use of Available Funds	As at January 31, 2021, the Corporation had working capital of $351,434. Assuming satisfaction of the Escrow Release Conditions, the estimated funds available to the Corporation will be $10,294,514, after the deduction of the cash Finder's Fee of $596,320.00 and the BMO Commission. The Corporation intends to use its available funds for sales and marketing activities, strategic acquisitions, and for general corporate purposes, including working capital,

operating expenses, and capital expenditures. The Corporation may use a portion of the net proceeds to acquire complementary businesses, products, services, or technologies. However, no agreements or commitments for any material acquisitions at this time have been entered into. See "*Use of Proceeds*".

Risk Factors

An investment in the Corporation is speculative and involves a high degree of risk. Accordingly, prospective investors should carefully consider and evaluate all risks and uncertainties involved in an investment in the Corporation, including risks related to:

- The Corporation has a limited history of operations
- There is currently no market through which any of the Corporation's securities may be sold
- Substantial additional financing may be required if the Corporation is to successfully develop its business
- The Corporation has had negative cash flow from operating activities since inception
- The Corporation's products are subject to extensive regulation
- The Corporation may be subject to growth-related risks
- The success of the Corporation's products are dependent on pronounced and rapidly changing public tastes
- The Corporation is dependent on the reliable supply of its raw materials
- The Corporation is heavily reliant on a limited number of products
- The Corporation is highly dependent on consumer perception of mushrooms
- The Corporation has not achieved, and there is no assurance that it will be able to achieve brand awareness
- The Corporation's success may be dependent on its ability to develop, market and produce new products, which may require substantial capital
- The Corporation is heavily dependent on certain key senior managers
- The Corporation relies on third parties to manufacture and package its products
- The Corporation may be subject to product liability claims
- The Corporation may be required to recall its products
- The Corporation faces significant competition

There is currently no market through which the Common Shares may be sold. An investment in the Common Shares involves a high degree of risk and should be considered highly speculative due to the nature of the Corporation's business and its relatively early stage of development and should only be considered by persons who can afford to lose all or some of their investment. Other risk factors associated with an investment in the Common Shares are listed under the heading "*Risk Factors*".

Selected Financial Information of the Corporation

The following tables set forth summary information for Levitee Labs for the year ended September 30, 2020 and the two months ended November 30, 2020 and for Monk-E Nutraceuticals Inc. ("**Monk-E**") for the period from incorporation on May 24, 2020 (incorporation) to September 30, 2020. This information has been summarized from the Corporation's audited financial statements for the year ended September 30, 2020, the Corporation's unaudited consolidated financial statements for the two months ended November 30, 2020 and Monk-E's audited financial statements for the period from incorporation on May 24, 2020 to September 30, 2020. This summary financial information should only be read in conjunction with the financial statements of Levitee Labs, including the notes thereto, included elsewhere in the prospectus. See "*Management's Discussion and Analysis*".

	Levitee Labs, as at and for the two months ended November 30, 2020 ($) (unaudited)	Levitee Labs, as at and for the year ended September 30, 2020 ($) (audited)	Monk-E, as at and for the period from May 24, 2020 (incorporation) to September 30, 2020 ($) (audited)
Revenue	Nil	Nil	Nil
Total Expenses	25,948	431,680	240,208
Net loss and comprehensive loss for the period	98,252	441,729	240,208
Loss per share (basic and diluted)	0.03	0.10	0.02
Current Assets	985,626	156,990	409,303
Total Assets	1,469,150	156,990	410,391
Current Liabilities	105,282	2,572	119,517
Long Term Debt	Nil	nil	Nil
Shareholders' Equity (Deficit)	1,147,382	156,990	290,874

CORPORATE STRUCTURE

The Corporation was incorporated under the BCBCA on January 23, 2019 under the name Fibonacci Capital Corp. It changed its name to Levitee Labs Inc. on November 30, 2020. See "*Business of the Corporation – History*". On November 10, 2020, the Corporation completed a consolidation of the Common Shares at a ratio of one new post-consolidation Common Share for every 2.5 pre-consolidation Common Shares (the "**Consolidation**"). All references to Common Shares in this Prospectus refer to post-Consolidation Common Shares.

The head office of Levitee Labs is located at 405 - 1477 W Pender St, Vancouver, BC V6G 2S3. The registered office of Levitee Labs is located at 6th Floor, 905 West Pender St, Vancouver, BC V6C 1L6.

The business of the Corporation is conducted through its subsidiary, Levitee OpCo, a company organized under the BCBCA. The head office of Levitee OpCo is located at 405 - 1477 W Pender St, Vancouver, BC V6G 2S3. The registered office of Levitee OpCo is located at 6th Floor, 905 West Pender St, Vancouver, BC V6C 1L6.

BUSINESS OF THE CORPORATION

Description of the Business

Levitee Labs is establishing itself as a leader in the alternative medicine space. Through its wholly-owned subsidiary, Levitee Labs Holdings Inc. ("**Levitee OpCo**") operates the brands Monk-E Nutraceuticals and Sporeo.

Through the Monk-E brand, Levitee Labs will develop and distribute a suite of mushroom-infused products, designed to enhance consumers' wellbeing. Through the Sporeo brand, Levitee Labs operates an equipment and supplies manufacturer focused on mushroom cultivation. Sporeo mushroom growing equipment and supplies are for both large-scale and small-scale mushroom growing . Levitee Labs' business is developed on a growing body of research that mushrooms can be a new way to enhance wellbeing and potentially treat various kinds of mental and physical health problems.

There is concern within the Canadian and U.S. regulatory community regarding health claims made about nutritional supplements and the identity and purity of the nutritional products themselves. Medicinal mushrooms are a category that has experienced high growth, but few industry standards regulate the quality and efficacy of the products. Levitee Labs' approach in bringing its products to market has been focused on promoting only high quality products in an effort to "self-regulate".

Since inception, Levitee Labs has formed strategic partnerships with industry-leading experts in the field of alternative medicine, supply chain management, and e-commerce. Levitee Labs aims to be a frontrunner in the push for alternative medicine advancements.

History

Levitee Labs was incorporated under the BCBCA on January 23, 2019.

On February 7, 2019, Levitee Labs was initially capitalized through the issuance of an aggregate of 480,000 common shares at a price of $0.0125 per share (on a post-Consolidation basis).

Between March 14, 2019 and September 17, 2020, Levitee Labs completed a series of private placements, issuing an aggregate of 5,375,561 common shares (on a post-Consolidation basis). A total of 2,510,667 of such shares were issued as payments for consulting services.

On July 15, 2020, Monk-E was initially capitalized through the issuance of 13,800,000 common shares at a price of $0.005 per share (the "**July 2020 Founders Round**"). A total of 1,100,000 of such shares were issued as payments for consulting services.

On August 10, 2020, Monk-E signed an LOI with PharmaCosta Medicinal Corp., which set out the parties' intention to jointly develop a mushroom infused coffee product for consumers.

On September 3, 2020, Monk-E completed a private placement through the issuance of 4,705,000 common shares at a price of $0.10 per share, for aggregate gross proceeds of $470,500 (the "**September 2020 Seed Round**"). A total of 165,000 of such shares were issued as payments for consulting services.

On October 16, 2020, Monk-E signed an LOI with Earth Circle Organics., which set out the parties' intention for Earth Circle Organics to be acquired by Monk-E.

On October 23, 2020, Monk-E signed an LOI with Brain Forza., which set out the parties' intentions for Brain Forza to be acquired by Monk-E.

On November 6, 2020, the Corporation incorporated a wholly-owned subsidiary, 1273586 B.C. Ltd. ("**Amalgamation SubCo**"), under the BCBCA, for the sole purpose of completing the Amalgamation.

In November and December, 2020, Monk-E acquired the principal equipment necessary to sterilize grain and substrate for the Sporeo Supply business, including, among other things: (i) a 96" diameter carbon steel autoclave sterilizer, (ii) a 40HP hurst boiler, (iii) an electric stainless steel kettle, (iv) a bag sealer, (v) a bag filling machine with a 1,000 bags/hr capacity, (vi) an elevator conveyor feeder, (vii) a granule filling machine and (viii) a COR 3NLP-F5K pump. This machinery package is currently being installed at the Sporeo Facility.

On November 10, 2020, the Corporation completed the Consolidation.

On November 10, 2020, the Corporation entered into the Amalgamation Agreement with Amalgamation SubCo and Monk-E, which provided for the amalgamation of Amalgamation SubCo and Monk-E and the effective acquisition of Monk-E by the Corporation. See "The Amalgamation" below.

On November 20, 2020, Monk-E entered into a lease agreement respecting the Sporeo Facility. See "Sporeo – Sporeo Supply – Prouction" below.

On November 24, 2020, Monk-E completed a private placement through the issuance of 3,423,050 common shares at a price of $0.25 per share, for aggregate gross proceeds of $840,762. Monk-E issued a total of 95,360 finder's warrants to finders who introduced investors who participated in this private placement, each such finder's warrant to be exercisable at $0.25 per share for a period of three years from issuance.

On November 30, 2020, the Amalgamation completed through the amalgamation of Amalgamation SubCo and Monk-E under the BCBCA, thus forming Levitee OpCo. Pursuant to the Amalgamation, former holders of Monk-E common shares exchanged their shares in Monk-E for an aggregate of 21,868,050 common shares in the Corporation. See "The Amalgamation" below.

On December 1, 2020, the Corporation signed a memorandum of understanding with BODIE Phytoceuticals Ltd., which set out the parties' intentions for BODIE Phytoceuticals to be acquired by the Corporation.

On December 5, 2020, the Corporation launched its Monk-E Nutraceuticals e-commerce platform through www.monkenutra.com.

On December 5, 2020, the Corporation launched its Sporeo e-commerce platform through www.sporeogrow.com.

On December 5, 2020, the Corporation launched its new business line called Sporeo Supply, and plans to begin selling Sporeo Supply products through Sporeo's e-commerce platform. See "*Description of Business – Sporeo Supply*".

On December 15, 2020, Levitee Labs settled debt of $1,050,000 through the issuance of 4,200,000 common shares of the Corporation at a deemed price of $0.25 per share.

On December 29, 2020, the Corporation entered into a strategic alliance agreement (the "**Green Planet Agreement**") with Green Planet Wholesale Ltd. ("**Green Planet**"), pursuant to which Green Planet will initially distribute Sporeo Spawn and Substrate products, as well as other ancillary mushroom cultivation products through Green Planet's distribution channels in Canada, USA and Europe.

On January 20, 2021, the Corporation completed the First Private Placement through the issuance of 15,491,000 Subscription Receipts. Upon satisfaction of the Escrow Release Conditions, each Subscription Receipt will be exercised or exchanged for one (1) Subscription Receipt Share and one half of one (1/2) Subscription Receipt Warrant.

On February 4, 2021, the Corporation completed the Second Private Placement through the issuance of 5,649,000 Subscription Receipts. Upon satisfaction of the Escrow Release Conditions, each Subscription Receipt will be exercised or exchanged for one (1) Subscription Receipt Share and one half of one (1/2) Subscription Receipt Warrant.

The Amalgamation

On November 10, 2020, the Corporation, Amalgamation SubCo, and Monk-E entered into an amalgamation agreement (the "**Amalgamation Agreement**").

On November 30, 2020, pursuant to the Amalgamation Agreement: (i) Monk-E and Amalgamation Subco amalgamated under Division 3 of Part 9 of the BCBCA and continued as one corporation, Levitee OpCo; and (ii) the Corporation changed its name from "Fibonacci Capital Corp." to "Levitee Labs Inc." Pursuant to the Amalgamation, (i) the 21,868,050 outstanding common shares of Monk-E were exchanged for 21,868,050 fully-paid and non-assessable Common Shares, and (ii) each issued and outstanding Amalgamation SubCo share was exchanged for one fully-paid and non-assessable Levitee SubCo share, resulting in Levitee SubCo becoming a wholly-owned subsidiary of the Corporation.

Principal Products and Services

Monk-E Nutraceuticals

MONKE
NUTRACEUTICALS

Monk-E is a premium branded products company, which has developed five core products focused on general health and well-being:

- **Mind Blend –** A unique organic nootropic blend curated to stimulate and protect the mind.

- **Body Blend** – An organic blend curated for peak physical performance and physiological longevity.

- **Reishi Single 16:1 extract –** Dual extracted from fruit bodies, a true 16:1 hot water extraction of sustainably sourced Reishi.

- **Lion's Mane Single 8:1 extract –** Dual extracted from fruit bodies, a true 8:1 hot water extraction of sustainably sourced Lion's Mane.

- **Cordyceps Single 10:1 extract –** Dual extracted from fruit bodies, a true 10:1 hot water extraction of sustainably sourced Cordyceps.

Monk-E's nutraceutical line of mushroom extracts are sourced from the mushroom fruit bodies of Lion's Mane, Chaga, Reishi, Turkey Tail and Cordyceps. Monk-E's extracts include a high concentration of active compounds responsible for the nutritional benefits of the respective mushroom blends and species. These active compounds include terpenes and beta-glucans. Monk-E uses 100% organically grown mushrooms, either cultivated in the wild or grown in a controlled environment. The principal mushrooms used in Monk-E's product line are discussed in more detail below:

- **<u>Lion's Mane</u>** – Lion's Mane contains compounds which stimulate the synthesis of Nerve Growth Factor NGF, a protein responsible for boosting neurite outgrowth. These compounds have been identified as erinacines, erinacines and hericenones. It has also been used for gastritis.

- **<u>Reishi</u>** – Scientific research into the compounds responsible for Reishi mushroom activity began in the 1970's in China and Japan. Scientists discovered highly active beta-(1-3)(1-6)-glucans with the ability to potentiate innate immunity by activating immune cells. Also discovered were secondary metabolites called triterpenoids which were present in significant amounts and sets Reishi apart from all the other medicinal mushrooms.

- **<u>Cordyceps</u>** – A large body of research has demonstrated that Cordyceps militaris has similar active compounds and activities to Ophiocordyceps sinensis. Today, C. militaris is being cultivated on substrates that are free from any insects. Cordyceps is traditionally used for fatigue and general weakness after a prolonged illness as well as for improved respiratory function.

The Monk-E body blend also contains the adaptogen KSM-66. KSM-66 is a proprietary full-spectrum ashwagandha extract created from only the roots of the ashwagandha plant. Monk-E has secured supply for KSM-66 through a partnership with Ixoreal Biomed Inc.

<u>Production</u>

Monk-E's raw mushroom extracts are sourced from Nammex Inc. ("**Nammex**"), a high quality growing and extractions company based in Roberts Creek, BC, with 45 years of experience growing mushrooms.

The first run of Monk-E's finished products is being manufactured at NutraScience Labs. ("**NutraScience**"), a third-party logistics and co-packing company based in Farmingdale, NY. Once product has been received, the Corporation intends to commence sales. NutraScience is charging an average fulfillment price of US$0.40 per unit, not including storage and account maintenance fees.

The NutraScience production facility is an NSF certified GMP warehouse and distribution facility. Nutrascience is also member of the United Natural Products Alliance (UNPA), an association representing more than 100 leading natural products, dietary supplement, functional foods companies across the world.

<u>Raw Inputs</u>

The Corporation's business is dependent on a number of key inputs, including raw materials, supplies, electricity, water and other local utilities. Monk-E's raw products are procured from jurisdictions offering high quality products and the Corporation is confident that it will have and continue to have access to such inputs in the future.

Ingredients

The principal ingredients used in our Monk-E formulations and the prices at which we purchase them are set out below:

Products	**Price/Kg**
1:1 Mushroom Extract Powders	

Chaga sclerotia extract 1:1	$54.00
Cordyceps mushroom extract 1:1	$76.00
Lion’s Mane mushroom extract 1:1	$46.00
Maitake mushroom extract 1:1	$58.00
Oyster mushroom extract 1:1	$39.00
Phellinus mushroom extract 1:1	$65.00
Poria mushroom extract 1:1	$39.00
Reishi mushroom extract 1:1	$54.00
Shiitake mushroom extract 1:1	$39.00
Tremella mushroom extract 1:1	$54.00
Turkey Tail mushroom extract 1:1	$49.00
Concentrated Mushroom Extract Powders	
Chaga sclerotia extract 8:1	$275.00
Cordyceps mushroom extract 10:1	$250.00
Lion’s Mane mushroom extract 8:1	$195.00
Lion’s Mane mushroom extract 8:1 DE*	$250.00
Maitake mushroom extract 10:1	$325.00
Maitake mushroom extract 4:1	$215.00
Mushroom Immune Complex	$295.00
Reishi mushroom extract 16:1	$395.00
Reishi mushroom extract 8:1	$225.00
Shiitake mushroom extract 4:1	$150.00
Shiitake mushroom extract 8:1	$195.00
Turkey Tail mushroom extract 8:1	$215.00

*DE = Dual Extract (hot water/alcohol)

Packaging

Monk-E’s products are packaged in matte black glass bottles with a child proof plastic lid. Labels are printed through silk screen and gold foil hot stamping. Packaging is sourced from Guangzhou Jiaxing Glass Products Co., Ltd., located in Guangzhou City, China. Monk-E's average price per bottle, including printing costs, is approximately US$0.68 per bottle, excluding shipping.

Testing

The Corporation relies on the rigorous testing undertaken by Nammex and third-party labs engaged by Nammex, to ensure the ingredients in its products are of the highest quality. Nammex employ the following testing methods:

- Beta-Glucans Testing – This test detects and quantifies soluble and insoluble (1-3),(1-6)-beta-glucans. Using the Megazyme test, Nammex tests all basidiomycete products, whether they are mushroom powders, extract powders or mycelium powders.

- Triterpenoids Testing – Nammex tests its reishi extracts for ganoderic acid, the pharmacologically active triterpenoid found in reishi mushrooms. To do so, Nammex uses a high performance liquid chromatography (HPLC) method developed over 15 years. Nammex also uses HPLC to test for chaga triterpenoids.

- Ergosterol Testing – Nammex employs U.S. Department of Agriculture (the "**USDA**") standard testing to measure ergosterol in mushrooms and ensure fungal purity. Ergosterol is also a precursor to vitamin D, in that exposure to UV light converts ergosterol to vitamin D. Ergosterol testing can provide an important marker for quantifying the amount of fungal material in a given product. Large grain producers in the United States and agaricus mushroom producers have been testing ergosterol for years.

- Other testing – Nammex's products also undergo the following:

    - Complete microbial testing for bacteria, yeast and mold, e. coli, and coliforms
    - Heavy metals analysis
    - Pesticide testing that exceeds U.S. Pharmacopeia reference (USP) standards
    - Alpha-glucan testing for adulterants and carriers
    - Cordycepin content analysis (for cordyceps extracts only)
    - Organoleptic evaluation

Sporeo

Our Sporeo brand will operate in two related market segments through Sporeo and Sporeo Supply.

Sporeo

Sporeo is a premium grow kit designer that is developing kits that will allow consumers to grow artisanal functional mushrooms from the comfort of their homes. Sporeo grow kits will be attractive art pieces that will integrate with the Sporeo Supply materials package.

Sporeo Supply

Through key partnerships and distribution channels, Sporeo Supply is developing a centralized e-commerce platform offering a full range of growing materials required for the cultivation of mushrooms, which initial products will include (i) sterilized grain, (ii) spawn, (iii) substrate and (iv) bags.

The offering includes consumer goods and services including educational materials, training and seminars. Sporeo's products and services will be sold and presented through e-commerce channels, physical stores and distributors.

Production

Sporeo and Sporeo Supply will operate from Monk-E's 4,300 sqft leased warehouse facility (the "**Sporeo Facility**") located at Unit 104 – 1533 Broadway St., Port Coquitlam, V3C 6P3. The Sporeo Facility is leased until December 31, 2025 at a base rent of approximately $15.70 / sqft / year. Additional rent of between 33% and 66% of base rent is expected to be payable.

Set up, including installation of manufacturing equipment, of the Sporeo Facility is currently underway. As soon as the facility is operational, Monk-E intends to begin production and sales of its Sporeo and Sporeo Supply products. Monk-E is currently installing the following equipment at the Sporeo Facility, which installation is expected to be complete by Q2 of 2021: (i) a 96" diameter carbon steel autoclave sterilizer; (ii) a 40HP hurst boiler; (iii) an electric stainless steel kettle; (iv) a bag sealer; (v) a bag filling machine with a 1,000 bags/hr capacity; (vi) an elevator conveyor feeder; (vii) a granule filling machine; and (viii) a COR 3NLP-F5K pump.

M&A Strategy

The Corporation has further plans to expand its portfolio of offerings through a disciplined M&A strategy. It may pursue acquisitions with companies involved in:

- nutraceuticals;
- dietary supplements;
- nootropics;
- integrated wellness;
- healthcare clinics; and
- healthcare technologies.

Although the Corporation intends to implement its M&A strategy as set out above, the strategy actually carried out by the Corporation could vary significantly depending on market interest, regulatory changes, unforeseen events and the Corporation's future operating and capital needs from time to time. There may be circumstances where, for sound business reasons, a different M&A strategy, or a decrease in M&A activity, could be necessary or advisable. See "*Forward Looking Statements*" and "*Risk Factors*".

Industry Overview

Nutraceuticals

The global nutraceuticals market size is predicted to reach USD 486.36 billion by 2026, exhibiting a compound annual growth rate ("**CAGR**") of 8.1% between 2019 and 2016.[1] The growing demand for functional food and beverage is expected to create new opportunities for the nutraceuticals market growth during that period. In recent years there has been a surge in product development and innovation activities, as well as rising availability of nutraceutical products, which has contributed and is expected to continue to contribute to this growth in the market.

Growing consumer interest in a healthy diet has led to a thriving food and beverage market in the recent past and the trend is expected to continue over the forecast period.[2] Demand for functional foods is on the rise as they are believed to impart health benefits owing to their nutrient content. This is further expected to boost the growth of the market for nutraceuticals.

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[1] Fortune Business Insights, "*Nutraceuticals Market Size, Share & Industry Analysis, By Product Type (Functional Foods, Functional Beverages, and Dietary Supplements), Distribution Channel (Supermarkets/ Hypermarkets, Convenience Stores, Online Retail and Others), and Regional Forecast, 2019 – 2026*" (March 2020).

[2] *Ibid.*

The global nutraceuticals industry has been witnessing key developments in terms of product innovation and portfolio expansion over the past few years. Companies, both private and publicly-traded, have been proactive in initiating strategies to gain a competitive advantage in the nutraceuticals industry.

Dietary Supplements

A dietary supplement is a manufactured product intended to supplement the human diet when taken, typically orally as a pill, capsule, tablet, or liquid. In the United States and Canada, dietary supplements are considered a subset of foods and are regulated accordingly. The European Food Safety Authority has also established harmonized rules to help ensure that dietary supplements are safe and properly labeled.[3]

The global dietary supplements market size was estimated at US$123.28 billion in 2019 and is projected to expand at a CAGR of 8.2% through 2027.[4]

Nootropics

Nootropics are drugs, supplements, and other substances that are claimed to improve cognitive function, particularly executive functions, memory, creativity, or motivation, in healthy individuals.

The global nootropics market size was valued at US$2.17 billion in 2018 and is expected to grow at a CAGR of 12.5% between 2019 and 2025.[5] An increasing demand for brain boosters and "smart drugs" is anticipated to drive the growth. A growing number of students and professionals consume these products for their ability to improve focus and memory. Continued product development using both synthetic and natural raw materials is projected to further fuel the demand.[6]

Mushroom Grow Kits

Mushroom grow kits are a nascent market, with little public information respecting market size. Mushroom grow kits are targeted at consumers who would like to grow their own mushrooms, but have not yet done so because (i) they are unfamiliar with the process, (ii) they are unsure of where to purchase equipment and materials required, or (iii) they do not have access to a safe, reliable supply of mushrooms in the wild. Growing mushrooms at home can be an appealing option, but one that comes with its own set of challenges. Mushroom grow kits solve these problems by providing the required resources and equipment in one single package, enabling consumers to safely and successfully grow mushrooms.

Levitee Labs believes that this market will see significant growth in the coming years, and has therefore built the brand Sporeo to capitalize on this.

Sales and Distribution Strategy

Monk-E

The Corporation intends to distribute its products in North America, first focusing on the United States and then moving its focus to the Canadian market. Sales will be directed through an omni-channel approach. The Company has established its own e-commerce website platform (www.monkenutra.com) and will establish a relationship with

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3 https://www.efsa.europa.eu/en/topics/topic/food-supplements

4 Dietary Supplements Market Size, Share & Trends Analysis Report By Ingredient (Vitamins, Minerals), By Form, By Application, By End User, By Distribution Channel, By Region, And Segment Forecasts, 2020 – 2027.

5 Grand View Research, "*Nootropics Market Size, Share & Trends Analysis Report By Application (Memory Enhancement, Mood & Depression, Attention & Focus, Anxiety), By Distribution Channel, And Segment Forecasts, 2019 – 2025*" (September 2019).

6 *Ibid.*

Amazon for products to be sold through Amazon's website via the FBA (fulfillment by Amazon) channel. In addition, the Corporation will seek to contract with one or more distributors for access to North American grocery stores, health food stores, and retail chains.

Sporeo and Sporeo Supply

The Sporeo and Sporeo Supply brands will sell their products through (i) an in-house online distribution strategy through Amazon and the Corporation's own e-commerce channel at www.sporeogrow.com and (ii) Green Planet's sales channels, including its e-commerce platform at www.mygreenplanet.com.

Green Planet Agreement

The Corporation is party to a three-year distribution agreement with Green Planet for the distribution of mushroom growing supplies and products. Green Planet is a British Columbia-based company specializing in the wholesale distribution of products for the indoor gardening, hydroponic and hobby greenhouse market. Green Planet is dedicated to distributing only reputable tested products that display purpose and results.

Pursuant to the Green Planet Agreement, (i) Green Planet is obligated to procure a minimum of 225,000 5lbs bags of spawn and substrate per quarter from the Corporation, (ii) Green Planet has been appointed as the Corporation's exclusive distributor to promote, market, advertise and sell and distribute the product within agreed territories and (iii) the parties have agreed to introduce ancillary products to the market together, including casings and mushroom grow kits . Products sold pursuant to the Strategic Alliance Agreement will be priced at wholesale, subject to updates from time to time.

Specialized Skill and Knowledge

The Corporation and its operations depend on key management as well as experienced and capable personnel to attract and motivate the personnel. In this, the Corporation is dependent upon the continued services of its key executives and other key personnel in the areas of mycology and biology, supply chain and procurement, e-commerce and digital marketing.

Levitee Labs' team members have scaled e-commerce and product-based businesses in the past. The individuals below will be leading the overall direction of the Corporation with regards to the addition of new products, social media, influencers, digital marketing expansion and supply chain review and optimization. In addition to these team members, Levitee Labs also plans to bring on e-commerce experts to optimize and advise on the growth of the Corporation.

Leadership

Pouya Farmand Chief Executive Officer and Director	Pouya Farmand is an experienced financier and entrepreneur with over ten years' experience in capital markets and entrepreneurship. Mr. Farmand has been involved with more than 30 transactions in the venture space in both private and public companies Mr. Farmand is a co-founder and General Partner of Darkhorse Partners, a Vancouver based private merchant bank.
Kelly Abbott Chief Operations Officer and Director	Kelly Abbott has over 10 years of experience as an entrepreneur in various industries including logistics, supply chain, hospitality and software development. Mr. Abbott was the founder and CEO of ParcelPal Technology, a last-mile, on-demand delivery platform that he scaled from inception to a company with hundreds of employees at its peak. Mr. Abbott has consulted for various industries including nutraceuticals, grocery retailers and large-scale enterprises in emerging markets. Mr. Abbott currently serves as a director of several private and public companies in the health

	and technology spaces.
Mason Darabi, CPA Chief Financial Officer	Mason Darabi is a CPA with a long history of working in various accounting roles in Canadian accounting firms and companies, including MNP, Imperial Oil, RSM Canada and PwC. In his most recent role, he led the AgData Division at MNP from an idea to a thriving initiative at the national level.
Mackenzie Osborne, CFA Director and Head of M&A	Mackenzie Osborne is a capital markets professional and entrepreneur with diverse experience across investment banking, venture capital and mergers & acquisitions. While in banking, Mr. Osborne was part of over 20 financings primarily across technology and cannabis. He has also managed many acquisitions of companies in several industries including ag-tech, telecoms and cyber-security. Mr. Osborne is a co-founder and General Partner of Darkhorse Partners, a Vancouver based private merchant bank.
Marc Momeni Executive Vice President	Marc Momeni is an experienced entrepreneur and growth strategist with proficiency in building and managing teams focusing on sales and operations within the fintech and commercial mortgage industries. Mr. Momeni has developed sales SOPs and lead management principles for various public and private companies.
Justin Chorbajian Director	Justin Chorbajian co-owns one of the largest chain of hydroponics retail shops in Canada. He also co-founded a group of companies that manufacture and distribute hydroponic equipment. Mr. Chorbajian is a frequent contributor to Growing Exposed, the leading video series dedicated to cannabis cultivation. Mr. Chorbajian specializes in supply chain management, distribution networking and procurement.
Yarrow Willard Director	Yarrow Willard (aka Herbal Jedi) is a second-generation Clinical/Master Herbalist, educator and innovator in the Canadian health-food industry. Professionally, he is an international speaker, co-founder/formulator of the Harmonic Arts Botanical Dispensary and the director of the Wild Rose College of Natural Healing. Mr. Willard has spent his life dedicated to the art and science of herbal medicine, with a focus on reclaiming health and deepening connection to the natural world.

Competitive Conditions

The number of competitors and the degree of competition within the North American food industry varies greatly by product segment and region. In the nutraceutical space, the market is highly fragmented, with many companies owning small market share. In the functional mushrooms space, our competitors offer products such as mushroom extracts, powders, teas and other wellness products. Some of the Corporation’s competitors include:

- **Laird Superfood, Inc**.: Laird Superfoods is a US company that manufactures and markets plant-based natural and functional food in the United States. The company offers its products through retail channels, its own website, as well as third-party online channels.

- **Four Sigmatic**: Four Sigmatic is a US company specialized in superfoods, functional mushrooms and adaptogenic herbs.

- **Mud Water**: MUD\WTR™ is a coffee alternative consisting of natural ingredients, including mushrooms, which is marketed for its health and performance benefits, including supporting energy levels and focus.

- **Purica**: Purica is a Canadian wellness company which sells products designed to address arthritis, pain relief, post-surgical recovery, cardiovascular health, stress relief, immune support, digestive support, including some mushroom-based products.

- **Midwest Grow Kits & Midwest Organics**: One of the largest USA suppliers of bulk mushroom substrate & automated mushroom cultivation kits for use in biological study, research, and various applications

- **Mycohaus**: Mycohaus is an online retailer of mushroom growing products on eBay, Amazon, and their own platform

- **Myco Supply**: Myco Supply is a wholesale and retail distributor of mushroom cultivation supplies, equipment, and products.

Levitee Labs aims to address the current fragmentation and lack of quality in the functional mushroom space. Many of its competitors sell functional mushrooms in the form of myceliated grain, a modality of low nutritional and medicinal quality. By comparison, Levitee Labs has differentiated itself with a functional mushroom product that contains mushroom fruiting bodies only. This results in a product that is potent and contains more active compounds than those of the Corporation's competitors. These product formulations, coupled with strong promotional and distributive capabilities and the Corporation's early mover advantage, highlight Levitee Labs's competitive advantage.

Intangible Properties

The Corporation is currently in the process of registering trademarks related to the Sporeo, Sporeo Supply and Monk-E brands, their respective logos, as well as all products sold under the branding "Monk-E" and "Sporeo Grow Kits". The Corporation expects this process to take three (3) to 18 months and expects to pay $50,000 over such period for intellectual property filing fees, legal fees and related disbursements. The Corporation currently does not have any patents registered or in progress. The Corporation also intends to leverage its proprietary product formulations, trade-secrets, know-how and manufacturing processes.

Cycles

The Corporation's results are expected to be subject to fluctuations associated with impact on consumer demand during holidays and seasonal changes in weather. The Corporation may also experience seasonality in sales due to market trends. Although there can be no guarantee such interest will continue, the overall markets have seen a leap in interest and investment into alternative medicine over the past year and the industry continues to benefit from its relative novelty.

Employees

As of the date of this Prospectus, the Corporation has 14 personnel, composed of (i) seven (7) full-time employees and (ii) seven (7) consultants who assist the Corporation on a regular basis.

Foreign Operations

The Corporation plans to launch sales of its products across Canada and the United States, focusing initially on the United States market. The Corporation's products are produced in Farmingdale, New York and the Corporation is developing other third-party logistics relationships in New York, and Arizona.

Regulatory Environment

The Corporation is focused on developing and commercializing plant-based health and wellness products. In order to develop such products, the Corporation's business and processes must be conducted in strict compliance with the regulations of federal, provincial, state, local and regulatory agencies locally and internationally, in the jurisdictions in which the Corporation operates.

Some of the Corporation's products are considered "food" and, as such, are principally regulated under the *Food and Drugs Act* (Canada) and the *Consumer Packaging and Labelling Act* (Canada) as well as the *Federal Food, Drug, and Cosmetic Act* (USA) and the *Nutrition Labeling and Education Act* (USA).

The *Food and Drugs Act* ("**FDA**") regulates food and drugs in Canada and provides requirements on composition (including without limitation food additives, fortification, and food standards), packaging, and licensing requirements. The Corporation is not required to obtain any pre-approvals and/or licenses for its products, but must ensure that the labelling, marketing and selling of any of its products comply with the FDA, including by ensuring that the Corporation's products are not packaged or marketed in a manner that is misleading or deceptive to a consumer.

The *Consumer Packaging and Labelling Act* ("**CPLA**") provides for a uniform method of labelling and packaging of prepackaged consumer goods in Canada. The relevant provisions include the prevention of fraudulent statements and providing for mandatory label information in which consumers may make informed decisions.

The United States Food and Drug Administration ("**US-FDA**") is responsible for assuring that foods sold in the United States are safe, wholesome and properly labeled. This applies to foods produced domestically, as well as foods from foreign countries. The *Federal Food, Drug, and Cosmetic Act* ("**FD&C Act**") and the *Fair Packaging and Labeling Act* are the Federal laws governing food products under US-FDA's jurisdiction.

The *Nutrition Labeling and Education Act* ("**NLEA**"), which amended the FD&C Act, requires most foods to bear labels that describe nutrient content and contain certain health messages to comply with specific requirements.

Levitee Labs does not have any direct or indirect involvement with the illegal selling, production or distribution of any psychedelic substances in the jurisdictions in which it operates. The Corporation is a health and wellness product company and does not advocate for the legalization of any psychedelic substances and does not deal with psychedelic substances. The Corporation's products will not be commercialized in any given jurisdiction prior to applicable regulatory approval in that jurisdiction, which may only be granted if evidence of safety and efficacy for the intended uses is successfully developed.

FUNDS AVAILABLE AND USE OF AVAILABLE FUNDS

This is a non-offering prospectus. The Corporation is not raising any funds in conjunction with this Prospectus and, accordingly, there are no proceeds. Following the satisfaction of the Escrow Release Conditions, the Corporation expects to have the following funds available:

Working Capital as at January 31, 2021	$351,434
Gross Proceeds of Private Placements	$10,554,700
LESS Finder's Fees	$626,920
Total Available Funds	$10,294,514

The principal purposes for the use of those funds are expected to be as follows for the 12-month period subsequent to the date of this Prospectus:

Principal Use	Estimated Amount
Operating Expenses (including Office Space, E-Commerce Platform and Management Fees)	$250,000
General and Administrative Expenses[1]	$500,000
Sales, marketing and investor relations	$250,000
Product Development and R&D	$730,000
Strategic Acquisitions	$6,000,000
Strategic Expansions	$500,000
Management fees [2]	$353,000
Total Available Funds	$10,294,514
Unallocated working capital	$1,711,514
Total	$8,583,000

Notes:

(1) See the below table for a description of the estimated general and administrative expenses over the next 12 months.

(2) For information regarding executive compensation see "*Executive Compensation*".

Administrative costs for the 12-month period following the Listing Date are comprised of the following:

General and Administrative Costs for the 12-months Subsequent to this Prospectus	Estimated Amount
Transfer agent, listing and filing fees	$40,000
Professional Fees	$140,000
Accounting and Auditing	$100,000
Office Rent and Miscellaneous	$140,000
Travel	$80,000
Total	$500,000

Business Objectives and Milestones

The Corporation's business objective is to become a leading global mushroom-based consumer products company with diverse assets and operations, deriving revenues across an e-commerce value chain. To accomplish these objectives, the Corporation intends to:

- Expand its products on its e-commerce platform.

- Hire additional staff.
- Expand the Levitee, Monk-E, Sporeo and Sporeo Supply brands.
- Develop additional products.
- Expand online business channels.
- Acquire new technologies and assets in the health and wellness, and functional supplements spaces.

To accomplish its objectives, the Corporation intends to achieve the following milestones:

Milestone	Estimated Completion Date (Calendar Year)	Estimated Cost
Launch Monk-E Products into Canada & United States	Q2 2021	$35,000
Establish e-commerce supply chain	Q2 2021	$100,000
Build supply chain infrastructure for Sporeo and Sporeo Supply products	Q1/Q2 2021	$500,000
Acquire additional assets in health and wellness, and functional supplements spaces	Q2 2021	$6,000,000
Launch additional suite of products for Monk-E	Q3 2021	$50,000
Establish long-term access to research and development facilities	Q3 2021	$500,000
Establish five (5) distribution agreements for the Corporation's products, including through direct-to-consumer and/or wholesale	Q2 2021	$45,000

Although the Corporation currently anticipates that it will use its available funds as set forth above, it may reallocate its available funds from time to time depending upon its growth strategy relative to market and other conditions in effect at the time. The actual amount that the Corporation spends in connection with each of the intended uses of its available funds may vary significantly from the amounts specified above, and will depend on a number of factors, including those referred to under "*Risk Factors*". Until the Corporation uses the available funds, it will hold them in cash and invest them likely in short-term, interest-bearing, investment-grade securities.

DIVIDENDS

The Corporation has neither declared nor paid any dividends on the Common Shares since its incorporation. The payment of dividends in the future will depend on the earnings and financial condition of the Corporation and such other factors as the Board of Directors may consider appropriate. The Corporation does not foresee paying dividends in the near future. There are no restrictions on the Corporation declaring dividends.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Corporation's Management's Discussion and Analysis for the year ended September 30, 2020 and the period from January 23, 2019 (incorporation) to September 30, 2019 provides an analysis of the Corporation's financial results for such period and is attached to this Prospectus as Schedule "B". The Corporation's Management's Discussion and Analysis for the two months ended November 30, 2020 provides an analysis of the Corporation's financial results for such period and is attached to this Prospectus as Schedule "D". Both documents should be read in conjunction with the respective financial statements of the Corporation for such periods and the notes thereto.

Monk-E's Management's Discussion and Analysis provides an analysis of Monk-E's financial results for the period from May 24, 2020 (incorporation) to September 30, 2020 and should be read in conjunction with the financial statements of Monk-E for such period and the notes thereto. Monk-E's Management's Discussion and Analysis is attached to this Prospectus as Schedule "F".

Certain information included in the aforementioned Management's Discussion and Analysis is forward-looking and based upon assumptions and anticipated results that are subject to uncertainties. Should one or more of these uncertainties materialize or should the underlying assumptions prove incorrect, actual results may vary significantly from those expected. See "*Forward-Looking Statements*" for further detail.

DESCRIPTION OF SECURITIES TO BE DISTRIBUTED

Common Shares

The authorized share capital of the Corporation consists of an unlimited number of Common Shares. As of the date hereof, there are 31,983,612 Common Shares issued and outstanding. Following the satisfaction of the Escrow Release Conditions, there will be approximately 53,123,612 Common Shares (including up to 21,140,000 Subscription Receipt Shares issuable upon the deemed exercise or exchange of the Subscription Receipts).

Holders of Common Shares are entitled to receive notice of and to attend and vote at all meetings of Shareholders of the Corporation. Each Common Share entitles the holder thereof to one vote. Shareholders are entitled to dividends if, as and when declared by the Board of Directors. In the event of the liquidation, dissolution or winding up of the Corporation, the holders of Common Shares are entitled to share equally, share for share, in any remaining assets of the Corporation.

Finder's Warrants

The Finder's Warrants will be payable by the Corporation to the Finders in connection with the issuance of the Subscription Receipt Shares and Subscription Receipt Warrants upon deemed exercise or exchange of the Subscription Receipts. Specifically, each Finder will be entitled to purchase that number of Finder's Shares equal to 8% of the number of Subscription Receipt Shares to be issued to holders of Subscription Receipts who were introduced by the Finder, such warrants to be exercisable at a price of $0.75 per share for a period of 24 months from issuance. See "*Plan of Distribution*".

CONSOLIDATED CAPITALIZATION

The following table sets forth the capitalization of the Corporation at the date of this Prospectus, both before and after giving effect to the issuance of the Subscription Receipt Shares upon satisfaction of the Escrow Release Conditions pursuant to the Private Placement.

Description	Authorized	As at the date of this Prospectus before Giving Effect to Conversion of the Subscription Receipts	As at the date of this Prospectus after Giving Effect to Conversion of the Subscription Receipts (1)
Common Shares	Unlimited	31,983,612(2)	53,123,612(2)

Notes:

(1) Includes 21,140,000 Subscription Receipt Shares are issuable upon the deemed exercise or exchange of the Subscription Receipts.

(2) Assuming no options are exercised.

Common Shares	Amount of Securities	Percentage of Total
Issued and outstanding as at the date of this Prospectus	31,983,612	49.0%
Common Shares reserved for issuance upon the deemed exercise or exchange of the Subscription Receipts	21,140,000	32.4%
Common shares reserved for issuance upon exercise of the Subscription Receipt Shares, upon the deemed exercise or exchange of the Subscription Receipts	10,570,000	16.2%
Common Shares reserved for issuance upon exercise of stock options, each exercisable at $0.10 until December 15, 2023	250,000	0.4%
Common Shares reserved for issuance upon exercise of common share purchase warrants, each exercisable at $0.25 until November 25, 2023	95,360	0.1%
Common Shares reserved for issuance upon exercise of common share purchase warrants, each exercisable at $0.75 until , 2023	1,192,640	1.8%
Total Fully Diluted Share Capitalization after the Listing Date	**65,231,612**	**100.0%**

OPTIONS AND OTHER RIGHTS TO PURCHASE SECURITIES

The following table sets forth certain information in respect of Options to purchase Common Shares that are outstanding as of the date hereof. See also "*Executive Compensation — Incentive Plan Awards — Option Plan*".

On December 15, 2020, the board of directors approved granting the 250,000 stock options with an exercise price of $0.10, an expiry date of December 15, 2023 and a vesting period of 12 quarters with the 1/12th vesting at the grant date and 1/12th vesting in each quarter thereafter. The agreements and its subsequent commitments were transferred from Monk-e to Levitee Labs upon amalgamation.

Category	Aggregate number of individuals	Aggregate number of Options	Date of Grant	Exercise Price	Expiry Date
Current and former executive officers of the Corporation (“**Executives**”)	Nil	Nil	Nil	Nil	Nil
Current and former directors of the Corporation excluding Executives	Nil	Nil	Nil	Nil	Nil
Current and former employees of the Corporation	Nil	Nil	Nil	Nil	Nil
Consultants to the	1	250,000	December	$0.10	December 15, 2023

Corporation			15, 2020		

PRIOR SALES

In the 12 months preceding the date of this prospectus, the Corporation has not issued any Common Shares, or securities convertible or exchangeable for Common Shares, other than the following:

Date	Price or Deemed Price per Security(1)	Class of Security	Number of Securities(1)
January 23, 2019	$0.0025	Common Shares	1
February 7, 2019	$0.0125	Common Shares	480,000
March 14, 2019	$0.0625	Common Shares	604,572
April 16, 2019	$0.1875(2)	Common Shares	88,000
May 27, 2019	$0.1875(2)	Common Shares	40,000
May 28, 2019	$0.1875(2)	Common Shares	840,000
June 18, 2019	$0.0625	Common Shares	216,000
June 20, 2019	$0.1875	Common Shares	2,012,456
June 20, 2019	$0.1875(2)	Common Shares	214,667
September 17, 2020	$0.1875(2)	Common Shares	1,328,000
September 17, 2020	$0.1875	Common Shares	31,866
November 24, 2020	$0.25(3)	Common Share Purchase Warrants	95,360
November 30, 2020	$0.25(4)	Common Shares	21,928,050
December 15, 2020	$0.10(3)	Stock Options	250,000
December 15, 2020	$0.25(2)	Common Shares	4,200,000
January 20, 2021	$0.50	Subscription Receipts(5)	15,491,000
February 4, 2021	$0.50	Subscription Receipts(5)	5,649,000
◆, 2021	$0.75(3)	Common Share Purchase Warrants(6)	1,192,640

Notes:

(1) Share amounts and prices are presented on a post-Consolidation basis.

(2) Issued in accordance with a debt settlement.

(3) Exercise price.

(4) Issued pursuant to the Amalgamation.

(5) The Subscription Receipts are exchangeable for Subscription Receipt Shares and Subscription Receipt Warrants for no additional consideration upon satisfaction of the Escrow Release Conditions.

(6) Finder's Warrants to be issued on conversion or exercise of the Subscription Receipts.

ESCROWED SECURITIES

NP 46-201 requires that securities held by a "principal" of an issuer be held in escrow. A "principal" of an issuer is:

(i) a person who acted as a promoter of the issuer;

(ii) a director or senior officer of the issuer;

(iii) a person holding more than 20% of the securities of the issuer both immediately before and immediately after the issuer's initial public offering; and

(iv) a person carrying more than 10% of the securities who also has the right to appoint one or more directors or senior officers of the issuer. In addition, the CSE may impose hold periods which apply where seed shares have been issued to non-principals prior to an initial public offering. The Escrowed Shareholders for the purposes of this prospectus are the principals who are not otherwise excluded from the escrow requirements of NP 46- 201 and those who have purchased securities for less than the Offering Price within 12 months preceding the date of this prospectus.

In accordance with NP 46-201 and pursuant to the Escrow Agreement to be entered into among the Escrowed Shareholders, the Corporation and the Escrow Agent, a total of 6,058,333 Common Shares will be deposited into escrow with the Escrow Agent. The following table discloses the Escrow Securities of the Corporation:

Designation of class	Number of Securities held in Escrow or that are Subject to a Contractual Restriction on Transfer	Percentage of Class Before Giving Effect to Conversion of the Subscription Receipts(1)	Percentage of Class after Giving Effect to Conversion of the Subscription Receipts(2)(3)
Common Shares	6,058,333	18.9%	11.4%

Notes:

(1) Based on 31,983,612 Common Shares issued and outstanding as of the date of this Prospectus.

(2) Assuming satisfaction of the Escrow Release Conditions and issuance of the Subscription Receipt Shares.

(3) Based on 53,123,612 Common Shares issued and outstanding after giving effect to the issuance of the Subscription Receipt Shares.

Escrow restricts the ability of certain holders to deal with their Escrow Securities while they are in escrow. The Escrow Agreement sets out these restrictions and provides that, except to the extent permitted thereunder, the principals cannot sell, transfer, assign, mortgage, enter into a derivative transaction concerning, or otherwise deal in any way with their Escrow Securities or the related share certificates or other evidence of the Escrow Securities. A private company, controlled by one or more principals, that holds Escrow Securities, may not participate in a transaction that results in a change of its control or a change in the economic exposure of the principals to the risks of holding Escrow Securities.

The Escrow Securities shall not be released unless listing of the Common Shares is completed by the Corporation. As the Corporation is an "emerging issuer" as such term is defined in NP 46-201, the original number of the Escrow Securities purchased by principals of the Corporation may be released as follows:

Date of Automatic Timed Release	Amount of Escrowed Securities Released
On the Listing Date	1/10 of the escrowed securities
6 months after the Listing Date	1/6 of the remaining escrowed securities
12 months after the Listing Date	1/5 of the remaining escrowed securities
18 months after the Listing Date	1/4 of the remaining escrowed securities
24 months after the Listing Date	1/3 of the remaining escrowed securities
30 months after the Listing Date	1/2 of the remaining escrowed securities

36 months after the Listing Date	The remaining escrowed securities

Assuming there are no changes to the Escrow Securities initially deposited and no additional escrowed securities are deposited, automatic timed release escrow applicable to the Corporation will result in a 10% release on the Listing Date, with the remaining escrowed securities being released in 15% tranches every six months thereafter.

Shares Subject to Resale Restrictions

Voluntary Hold Periods

The 4,705,000 Common Shares held acquired under the September 2020 Seed Round are also subject to a voluntary hold period, pursuant to a pooling agreement dated ◆, 2021 (the "**Seed Shareholders Pooling Agreement**"), such that such shares may not be traded, sold or otherwise disposed of until six (6) months from the Listing Date.

The 13,800,000 Common Shares held acquired under the July 2020 Founders Round are also subject to a voluntary hold period, pursuant to a pooling agreement dated ◆, 2021 (the "**Founders Pooling Agreement**"), such that such shares may not be traded, sold or otherwise disposed of until released from same. The release schedule under the Founders Pooling Agreement is the same as under the Escrow Agreement, being:

Date of Automatic Timed Release	Amount of Pooled Securities Released
On the Listing Date	1/10 of the pooled securities
6 months after the Listing Date	1/6 of the remaining pooled securities
12 months after the Listing Date	1/5 of the remaining pooled securities
18 months after the Listing Date	1/4 of the remaining pooled securities
24 months after the Listing Date	1/3 of the remaining pooled securities
30 months after the Listing Date	1/2 of the remaining pooled securities
36 months after the Listing Date	The remaining pooled securities

PRINCIPAL SHAREHOLDERS

As at the date of this prospectus there are no persons who beneficially own, or control or direct, directly or indirectly, voting securities carrying 10% or more of the voting rights attached to any class of voting securities of the Corporation.

DIRECTORS AND OFFICERS

The Board of Directors of Levitee Labs consists of Pouya Farmand, Kelly Abbott, Justin Chorbajian, Mackenzie Osborne and Yarrow Willard. Pouya Farmand serves as the Chief Executive Officer (**CEO**), Mason Darabi, CPA serves as the Chief Financial Officer (**CFO**) and Kelly Abbott serves as the Chief Operating Officer (**COO**).

The following are the names, municipalities of residence, shareholdings and principal occupations within the previous five years of the directors and officers of the Corporation.

Name, Jurisdiction of Residence, and Position Held with the Corporation	Director or Officer Since	Number of Common Shares Beneficially Owned Directly or Indirectly as at the Date Hereof[1]	Number of Common Shares Beneficially Owned Directly or Indirectly after Giving Effect to Conversion of the Subscription Receipts [2]	Principal Occupation for Past Five Years
Pouya Farmand[3] Vancouver, BC *Director and Chief Executive Officer*	November 30, 2020	2,197,000 (6.9%)	2,197,000 (4.1%)	Over the past five years, Mr. Farmand has served as a Co-founder and General Partner of Darkhorse Partners (March 2019-Present) and as an Investment Banking Analyst at Gravitas Securities (September 2017 to June 2019)
Kelly Abbott New Westminster, BC *Director and Chief Operating Officer*	November 30, 2020	1,831,333 (5.7%)	1,831,333 (3.4%)	Over the past five years, Mr. Abbott served as CEO and director of ParcelPal Technology Inc (January 2016 to April 2020).
Mason Darabi, CPA Edmonton, AB *Chief Financial Officer*	January 18, 2021	Nil	Nil	Over the past five years, Mr. Darabi served as national lead, AgData Division at MNP LLP (January 2018 to September 2020), as Chief Innovation Officer at National Digital Asset Exchange (September 2020 to present) and as Chief Financial Officer of Cryptostar Corp. (September 2020 to December 2020).
Justin Chorbajian[3][4] Langley, BC *Director*	◆	520,000 (1.6%)	520,000 (1.0%)	Justin is co-owner of the largest chain of privately owned hydroponic retail shops in Canada. He also co-founded a group of companies that manufacture and distribute hydroponic equipment. He is a frequent contributor to Growing Exposed, the leading video series dedicated to cannabis cultivation.
Mackenzie Osborne Vancouver, BC *Director and Head of M&A*	January 23, 2019	1,510,000 (4.7%)	1,510,000 (2.8%)	Over the past five years, Ken has served as a General Partner of Darkhorse Partners (March 2019 to present), a Corporate Development Manager, Mergers & Acquisitions at TELUS (October

				2018 to December 2020), an Investment Banking Analyst at Gravitas Securities (December 2017 to October 2018), an Analyst, Growth Driver Program at the Business Development Bank of Canada (September 2016 to December 2017), and a Venture Capital Analyst Intern with the ICE Fund at BDC Capital (May 2016 to August 2016).
Yarrow Willard(3)(4) Cumberland, BC *Director*	◆	Nil	Nil	Over the past five years, Mr. Willard has served as the cofounder/formulator of the Harmonic Arts Botanical Dispensary (2008 to Present), as a director of the Wild Rose College of Natural Healing (2015 to Present). Mr. Willard is a YouTuber known as the "Herbal Jedi" with over 150,000 subscribers, sharing on the art and science of herbal and mushroom medicine (2012 to present).

Notes:

(1) Based on 31,983,612 Common Shares issued and outstanding as of the date of this Prospectus.
(2) Based on 53,123,612 Common Shares issued and outstanding after giving effect to the issuance of the Subscription Receipt Shares.
(3) Members of the audit committee.
(4) Messrs. Chorbajian and Willard are expected to be appointed to the Corporation's board of directors at the Corporation's annual general meeting to be held on ◆, 2021.

Each of the directors of the Corporation will hold office until the next annual general meeting of the shareholders of the Corporation pursuant to the *Business Corporations Act*, or unless his office is earlier vacated in accordance with the Articles of the Corporation, or with the provisions of the BCBCA.

The following is a brief description of the background of the proposed directors and key management of Levitee Labs:

Pouya Farmand, Director and CEO, Age 30

Pouya Farmand is financier and entrepreneur with over ten years' experience in capital markets and entrepreneurship. Mr. Farmand has been involved with more than 30 transactions in the venture space.

As the Chief Executive Officer of the Corporation, Mr. Farmand is responsible for managing the overall day to day operations and resource allocation. Mr. Farmand will be the main point of communication between management and the Board of Directors, and will serve as the Corporation's primary public relations and communications contact point. In addition, Mr. Farmand will provide support for (i) outside contractors and service providers, acquisitions and project development, and (ii) the financial operations of the Corporation in cooperation with the Chief Financial Officer and outside accounting, tax, and auditor support.

Mr. Farmand expects to devote approximately 100% of his time to the Company's activities.

Mr. Farmand is an employee of the Company. Mr. Farmand has entered into a non-competition and non-disclosure agreement with the Company.

Kelly Abbott, Director and COO, Age 33

Kelly Abbott has over ten years of experience in entrepreneurship and software development. Mr. Abbott served as CEO and director of ParcelPal Technology Inc. from January 2016 until April 2020. (CSE:PKG), a company which he founded. Mr Abbott will serve as Chief Operations Officer and a director of the Corporation.

As the COO of the Corporation, Mr. Abbott is responsible for the day-to-day operations of the Company, in conjunction with the CEO. Kelly will be responsible for streamlining all operations related to Levitee Labs, including internal assets and any M&A transactions.

Mr. Abbott expects to devote approximately 100% of his time to the Company's activities.

Mr. Abbott is an employee of the Company. Mr. Abbott has entered into a non-competition and non-disclosure agreement with the Company.

Mason Darabi, CPA, CFO, Age 37

Mr. Darabi is a CPA with a long history of working in various accounting roles in Canadian accounting firms and companies including MNP, Imperial Oil, RSM Canada and PwC. In his most recent role, he led the AgData practice at MNP from an idea to a thriving initiative at the national level.

As the Chief Financial Officer of the Corporation, Mr. Darabi is responsible for coordination of the financial operations of the Corporation in conjunction with the Chief Executive Officer and with outside accounting, tax and auditing firms.

Mr. Darabi expects to devote approximately 100% of his time to the Company's activities.

Mr. Darabi is an employee of the Company. Mr. Darabi has entered into a non-competition and non-disclosure agreement with the Company.

Mackenzie Osborne, CFA, Director and VP Corporate Development, Age 29

Mackenzie Osborne is a capital markets professional with diverse experience in both public and private markets covering over 20 capital raises and 10 acquisition transactions. Over the past 5 years, Ken has served as a General Partner of Darkhorse Partners, a Corporate Development Manager, Mergers & Acquisitions at TELUS, an Investment Banking Analyst at Gravitas Securities, an Analyst, Growth Driver Program at the Business Development Bank of Canada, and a Venture Capital Analyst Intern in the ICE Fund at BDC Capital. Mr. Osborne is a co-founder of Levitee Labs and a CFA Charterholder.

Mr. Osborne expects to devote approximately 100% of his time to the Company's activities.

Mr. Osborne is an employee of the Company. Mr. Osoborne has entered into a non-competition and non-disclosure agreement with the Company.

Justin Chorbajian, Director, Age 49

Justin Chorbajian co-owns one of the largest chain of hydroponics retail shops in Canada. He also co-founded a group of companies that manufacture and distribute hydroponic equipment. Mr. Chorbajian is a frequent contributor to Growing Exposed, the leading video series dedicated to cannabis cultivation. Mr. Chorbajian specializes in supply chain management, distribution networking and procurement.

Mr. Chorbajian expects to devote approximately 10% of his time to the Company's activities, but will at all times devote sufficient time to the Company's activities as is reasonably necessary to discharge his responsibilities as Director.

Mr. Chorbajian is not an employee of the Company but is an independent consultant of the Company. Mr. Chorbajian has not entered into a non-competition or non-disclosure agreement with the Company.

Yarrow Willard, Director, Age 41

Yarrow Willard (aka Herbal Jedi) is a second-generation Clinical/Master Herbalist, educator and innovator in the Canadian health-food industry. Professionally, he is an international speaker, co-founder/formulator of the Harmonic Arts Botanical Dispensary and the director of the Wild Rose College of Natural Healing. Mr. Willard has spent his life dedicated to the art and science of herbal medicine, with a focus on reclaiming health and deepening connection to the natural world.

Mr. Willard expects to devote approximately 10% of his time to the Company's activities, but will at all times devote sufficient time to the Company's activities as is reasonably necessary to discharge his responsibilities as Director.

Mr. Willard is not an employee of the Company but is an independent consultant of the Company. Mr. Willard has not entered into a non-competition or non-disclosure agreement with the Company.

CORPORATE CEASE TRADE ORDERS, BANKRUPTCIES, PENALTIES OR SANCTIONS

Except as described below, no director or executive officer of Levitee Labs has, within the ten years prior to the date of this prospectus been a director, chief executive officer or chief financial officer of any company that, while such person was acting in that capacity: (a) was the subject of a cease trade order, an order similar to a cease trade order, or an order that denied the company access to any exemption under securities legislation for a period of more than 30 consecutive days or (b) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade order or similar order or an order that denied the company access to an exemption under securities legislation for a period of more than 30 consecutive days.

Bankruptcies

Except as described below, no director or executive officer of Levitee Labs, within the ten years prior to the date of this prospectus been a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Personal Bankruptcies

No director or executive officer of Levitee Labs within the past ten years, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or became subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that person.

Penalties and Sanction

During the ten years preceding the date of this prospectus, no proposed director, officer or promoter of Levitee Labs, nor any securityholder anticipated to hold sufficient number of securities of Levitee Labs to affect materially the control of Levitee Labs has, to the knowledge of the Corporation, been subject to any (i) penalties or sanctions imposed by a courts relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (ii) any other penalties or sanctions imposed by a courts or regulatory body, including a self-regulatory body, that would likely be considered important to a reasonable securityholder.

CONFLICTS OF INTEREST

The directors of the Corporation are required by law to act honestly and in good faith with a view to the best interests of the Corporation and to disclose any interests, which they may have in any project or opportunity of the Corporation. If a conflict of interest arises at a meeting of the Board of Directors, the director in a conflict will disclose his interest and abstain from voting on such matter, as required under applicable corporate laws.

To the best of the Corporation's knowledge there are no known existing or potential conflicts of interest among the Corporation, its promoters, directors and officers or other members of management of the Corporation or of any proposed promoter, director, officer or other member of management as a result of their outside business interests except that certain of the directors and officers serve as directors and officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Corporation and their duties as a director or officer of such other companies.

The directors and officers of the Corporation will not be devoting all of their time to the affairs of the Corporation. The directors and officers of the Corporation are directors and officers of other companies, some of which are in the same business as the Corporation. The directors and officers of the Corporation are required by law to act in the best interests of the Corporation. They have the same obligations to the other companies in respect of which they act as directors and officers. Discharge by the directors and officers of their obligations to the Corporation may result in a breach of their obligations to the other companies, and in certain circumstances this could expose the Corporation to liability to those companies. Similarly, discharge by the directors and officers of their obligations to the other companies could result in a breach of their obligations to act in the best interests of the Corporation. Such conflicting legal obligations may expose the Corporation to liability to others and impair its ability to achieve its business objectives.

Shareholdings of Directors and officers

The number and percentage of each class of voting securities of the Corporation or any of its subsidiaries beneficially owned, directly or indirectly, or over which control or direction is exercised by all directors and executive officers as a group is: 6,058,333 (18.9%). Following the issuance of the Subscription Receipt Shares, the number and percentage of each class of voting securities of the Corporation or any of its subsidiaries beneficially owned, directly or indirectly, or over which control or direction is exercised by all directors and executive officers as a group will be 6,058,333 (11.4%).

CORPORATE GOVERNANCE

General

The Board believes that good corporate governance improves corporate performance and benefits all shareholders. NP 58-201 provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Corporation. In addition, NI 58-101 prescribes certain disclosure by the Corporation of its corporate governance practices. This disclosure is presented below.

Board of Directors

The Board facilitates its exercise of independent supervision over the Corporation's management through frequent meetings of the Board. The Board comprises five directors: Pouya Farmand, Mackenzie Osborne, Kelly Abbott, Justin Chorbajian and Yarrow Willard. As the size of the Board is small, the Board has no formal procedures designed to facilitate the exercise of independent supervision over management, relying instead on the integrity of the individual members of its management team to act in the best interests of the Corporation.

Mr. Farmand is not independent, as he is the Chief Executive Officer of the Corporation, Mr. Abbott is not independent, as he is the Chief Operating Officer of the Corporation, and Mackenzie Osborne is not independent, as he is the VP Corporate Development of the Corporation. Messrs. Chorbajian and Willard are independent.

Directorships

Currently, the following directors are also directors of the following other reporting issuers:

Name	Corporation	Market
Kelly Abbott	Softlab9 Software Solutions Inc.	Canadian Securities Exchange

Orientation and Continuing Education

New Board members receive an orientation package which includes reports on operations and results, and any public disclosure filings by the Corporation, as may be applicable. Board meetings are sometimes held at the Corporation's offices and, from time to time, are combined with presentations by the Corporation's management to give the directors additional insight into the Corporation's business. In addition, management of the Corporation makes itself available for discussion with all Board members.

Ethical Business Conduct

The Board has found that the fiduciary duties placed on individual directors by the Corporation'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 Corporation.

Nomination of Directors

The Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of view and experience.

The Board does not have a nominating committee, and these functions are currently performed by the Board as a whole. However, if there is a change in the number of directors required by the Corporation, this policy will be reviewed.

Compensation

The Board is responsible for determining compensation for the directors of the Corporation to ensure it reflects the responsibilities and risks of being a director of a public company.

Other Board Committees

The Board has no committees, other than the Audit Committee.

Assessments

Due to the minimal size of the Board, no formal policy has been established to monitor the effectiveness of the directors, the Board and its committees.

Timely Disclosure, Confidentiality and Insider Trading

The Corporation will adopt a policy in respect of timely disclosure, confidentiality and insider trading to govern the conduct of the Corporation's directors, officers, employees and other insiders with respect to the proper maintenance and disclosure of confidential information and the trading of the Corporation's securities, particularly in the context of material information concerning the Corporation and its affairs. Among other matters, the policy will: (i) establish a disclosure committee to be chaired by the CEO and CFO; (ii) establish a procedure for the designation of individuals authorized to speak on behalf of the Corporation; (iii) establish rules and procedures for the disclosure of material information and the maintenance of confidential information; (iv) set out prohibited trading activities, including regular and special black-out periods; and (v) describe reporting requirements applicable to insiders.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Introduction

The purpose of this Compensation Discussion and Analysis (CD&A) is to provide information about the Corporation's proposed philosophy, objectives and processes regarding compensation for the Chief Executive Officer (CEO) & the Chief Financial Officer (CFO) (a Named Executive Officer or a NEO). It explains how decisions regarding executive compensation are made and the reasoning behind these decisions and discusses the key elements of the Corporation's compensation program. As of the date hereof, Pouya Farmand, CEO, and Mason Darabi, CPA, CFO, are the Corporation's only Named Executive Officers.

Compensation Governance

Given the stage of the Corporation's development, it is anticipated that the Board of Directors, as a whole, will fulfil the oversight responsibilities with respect to human resources policies and compensation, directly.

The Board's expected mandate with respect to executive compensation will be to: (a) review and determine the Corporation's key human resources policies; (b) review and determine the executive compensation philosophy and remuneration policy for the Corporation; (c) review and determine employment agreements relating to the CEO & CFO and any other executive officers, if any; (d) evaluate annually the performance of the CEO and CFO and any other executive officers and review the annual compensation package and performance objectives for such executives; (e) annually determine any bonuses to be paid; (f) review and determine if any significant changes to the overall compensation program are required; (g) review the adequacy and form of compensation of directors periodically to determine if the compensation realistically reflects the responsibilities and risks involved in being an effective director; (h) review and determine the grants of options to purchase shares of the Corporation; and (i) perform any other activities consistent with its mandate, the Corporation's by-laws and governing laws as deemed necessary or appropriate.

The Board is proposed to have the authority to engage outside consultants and advisors, including independent counsel.

The Board believes it has the knowledge, experience and background required to fulfil its proposed mandate.

The Elements of the Corporation's Compensation Program

The Corporation's compensation program is expected to consist of two principal elements, a base salary and options granted under the Corporation's Option Plan. In exceptional circumstances, cash bonuses may be paid.

The Objective of the Corporation's Compensation Program

The proposed objective of the Corporation's compensation program will be to attract and retain highly qualified and committed senior management by providing appropriate compensation and incentives intended to align the interests of senior management with those of the Corporation's shareholders in order to provide incentives for senior management to enhance shareholder value.

What the Corporation's Compensation Program is Designed to Reward

The Corporation's proposed compensation program is designed to reward senior management for achieving the Corporation's business objectives as well as increases in shareholder value resulting from increased value or potential value in the Corporation's business prospects, whether through achievement of operational milestones or successful completion of significant transactions and M&A or financings.

Why the Corporation Chooses to Pay Each Element of its Compensation Program

The Corporation intends to pay a base salary as part of its compensation program to: (i) provide each NEO with sufficient, regularly-paid income; (ii) recognize each NEOs unique value and contribution to the success of the Corporation; and (iii) reflect each NEOs position and level of responsibility.

The Corporation intends to grant options as part of its compensation program in order to: (i) align NEOs interests with the interests of the Corporation's shareholders; (ii) reward long-term performance by allowing NEOs to participate in any long-term market appreciation of the Corporation's shares; and (iii) ensure the Corporation is competitive with its comparable industry peers from a total remuneration standpoint and to encourage executive officer retention, commitment and focus on long-term growth.

How the Corporation Determines the Amount for Each Element and How Each Element Affects Decisions About Other Elements and Fits into the Corporation's Overall Compensation Objectives

The Board will determine the amount of each element of the Corporation's compensation program for the NEOs. The two principal elements of the compensation program will be determined, and will affect decisions about other elements and fit into the Corporation's overall compensation strategy, as described below.

Base Salaries

The Board will consider some or all of the following factors: (i) the overall performance of the Corporation and the particular NEO; (ii) base salaries and overall compensation paid to senior management of comparable industry peers (without specific benchmarking); (iii) the relationship among base salaries paid within the Corporation and individual experience and contribution; (iv) general market conditions and the Corporation's financial condition; (v) other compensation received by the NEO; and (vi) competition for qualified personnel. The intent is to fix base salaries at levels that are consistent with the Corporation's compensation program objective.

Stock Options

In determining grants of stock options, the Board will consider some or all of the following factors: (i) the overall performance of the Corporation and the particular NEO; (ii) the relationship among stock options granted within the Corporation and individual experience and contribution; (iii) general market conditions and the Corporation's financial condition and Common Share trading price; and (iv) the aggregate number of options outstanding and the number of options currently held by the particular NEO and the terms thereof. The intent is to fix stock option grants at levels that are consistent with the Corporation's compensation program objective. The Board also considers the number of options available for grant in determining whether to make any new grants of stock options and the size of such grants. The Corporation utilizes IFRS 2 - *Share Based Payment* in establishing the fair value of option grants**.**

For more information with respect to the Option Plan, see "*Incentive Plan Awards - Description of the Option Plan*" below.

The Corporation's executive compensation is not expected to be determined by reference to any formulas or any set performance goals or similar conditions. The Board believes that fixed formulas can lead to an unwanted result that does not reflect real performance. Accordingly, an overall review of the NEO's performance and contributions is preferred.

Hedging Activities

Although the Corporation has no plans for a formal hedging policy to be in place with respect to purchases of securities by NEOs or directors designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by such individuals, to the Corporation's knowledge, no NEO or director has plans to hedge the economic value of his direct or indirect interests in the market value of the Common Shares so held or granted as compensation.

Risk Assessment and Oversight

The Board is keenly aware of the fact that compensation practices can have unintended risk consequences. The Board will continually review the Corporation’s compensation policies to identify any practice that might encourage an employee to expose the Corporation to unacceptable risks. At the present time, the Board is satisfied that the current executive compensation program does not encourage the Corporation's executives to expose the business to inappropriate risk. The Board takes a conservative approach to executive compensation rewarding individuals for the success of the Corporation once that success has been demonstrated and incenting them to continue that success through the grant of long-term incentive awards. In addition, the Option Plan limits the number of options a particular NEO is entitled to receive.

Summary Compensation Table

Based on the information available at the date hereof, the following table sets out information concerning the total compensation amounts expected to be paid, accrued or otherwise expensed by the Corporation with respect to fiscal 2020, for the directors and NEOs.

Name and Position	Year	Salary, consulting fee, retainer or Commission ($)	Bonus ($)	Committee or Meeting Fees ($)	Value of Perquisites ($)	Value of all other Compensation ($)	Total Compensation ($)
Pouya Farmand CEO and Director	2020	82,937	37,500[(1)]	Nil	Nil	Nil	120,437[(1)]
Kelly Abbott COO and Director	2020	19,354	37,500[(1)]	Nil	Nil	Nil	56,854[(2)]
Mackenzie Osborne Director and	2020	80,000	136,000[(1)]	Nil	Nil	Nil	216,000[(3)]

Head of M&A							
Mason Darabi, CPA CFO	2020	6,899	Nil	Nil	Nil	Nil	6,899

Note:
(1) Paid as a bonus on completion of the Amalgamation. Settled through the issuance of common shares.

Compensation Securities

The Corporation has not granted any stock options to its directors or NEOs.

Incentive Plan Awards

Description of the Option Plan

The Corporation has adopted an Option Plan pursuant to which the Board may, from time to time, grant options to directors, officers, employees and consultants of the Corporation. The number of Common Shares granted under each option and the vesting terms thereof are in the discretion of the Board. Options granted under the Option Plan must have a term of no more than five years from the date of grant. The exercise price of each option granted under the Option Plan is in the discretion of the Board, provided that the exercise price cannot be below the lower of the fair market value of the Common Shares and the closing price of the Common Shares on the CSE on the last trading day before the date of grant. Any outstanding options granted under the Option Plan expire on a date not exceeding 90 days following the date that the holder ceases to be an officer, director, employee or consultant of the Corporation, as the case may be, except in the case of death in which case the options expire one year from the date of death. Options granted under the Option Plan are non-assignable and non-transferable. Outstanding options granted under the Option Plan may be adjusted in certain events, as to exercise price (subject to disinterested shareholder approval prior to any reduction to the exercise price if the affected optionee is an insider (as defined in the *Securities Act* (British Columbia)) of the Corporation at the time of the proposed amendment) and number of Common Shares, to prevent dilution or enlargement. The number of Common Shares that may be optioned under the Option Plan, unless otherwise approved by Shareholders, is limited to 10% of the outstanding Common Shares from time to time; provided, that any one participant under the Option Plan shall not be entitled to receive options to acquire an aggregate of greater than 5% (2% in the case of consultants) of the outstanding Common Shares in any 12 month period.

Following the issuance of the Subscription Receipt Shares, it is expected that 5,308,361 Common Shares (representing 10% of the issued and outstanding Common Shares as at such date) will be reserved for issuance pursuant to Options granted under the Option Plan.

Executive Employment Agreements

Pouya Farmand

The Corporation is party to an employment agreement with Pouya Farmand, the Chief Executive Officer of the Corporation (the "**Farmand Employment Agreement**"). Pursuant to the terms of the Farmand Employment Agreement, Mr. Farmand is entitled to a salary of $90,000 per annum. The Farmand Employment Agreement also provides for a number of share-based bonuses, payable when the Corporation (i) becomes listed on the CSE, (ii) achieves certain revenue run rates, (iii) achieves certain share prices on the CSE and (vi) remains employed by the Company for certain durations.

The Farmand Employment Agreement provides that on a termination by the Company without cause or a termination by Mr. Farmand following a change of control, Mr. Farmand will be entitled to a severance payment of one-year's salary, $50,000 and vesting of all unvested equity compensation awards. The Farmand Employment Agreement contains both non-solicit and non-competition provisions.

Kelly Abbott

The Corporation is party to an employment agreement with Kelly Abbott, the Chief Operating Officer of the Corporation (the "**Abbott Employment Agreement**"). Pursuant to the terms of the Abbott Employment Agreement, Mr. Abbott is entitled to a salary of $90,000 per annum. The Abbott Employment Agreement also provides for a number of share-based bonuses, payable when the Corporation (i) becomes listed on the CSE, (ii) achieves certain revenue run rates, (iii) achieves certain share prices on the CSE and (vi) remains employed by the Company for certain durations.

The Abbott Employment Agreement provides that on a termination by the Company without cause or a termination by Mr. Abbott following a change of control, Mr. Abbott will be entitled to compensation pursuant to the *Employment Standards Act* (British Columbia). statutory benefits under The Abbott Employment Agreement contains both non-solicit and non-competition provisions.

Mackenzie Osborne

The Corporation is party to an employment agreement with Mackenzie Osborne, the Head of M&A of the Corporation (the "**Osborne Employment Agreement**"). Pursuant to the terms of the Osborne Employment Agreement, Mr. Osborne is entitled to a salary of $54,000 per annum. The Osborne Employment Agreement also provides for a number of share-based bonuses, payable when the Corporation (i) becomes listed on the CSE, (ii) achieves certain revenue run rates, (iii) achieves certain share prices on the CSE and (vi) remains employed by the Company for certain durations.

The Osborne Employment Agreement provides that on a termination by the Company without cause or a termination by Mr. Osborne following a change of control, Mr. Osborne will be entitled to compensation pursuant to the *Employment Standards Act* (British Columbia). statutory benefits under The Osborne Employment Agreement contains both non-solicit and non-competition provisions.

Mason Darabi

The Corporation is party to an employment agreement with Mason Darabi, the Chief Financial Officer of the Corporation (the "**Darabi Employment Agreement**"). Pursuant to the terms of the Darabi Employment Agreement, Mr. Darabi is entitled to a salary of $83,000 per annum and $10,000 per month in common shares of the Corporation for the first year of the term. The Darabi Employment Agreement also provides for a number of share-based bonuses, payable when the Corporation (i) becomes listed on the CSE, (ii) achieves certain revenue run rates, (iii) achieves certain share prices on the CSE and (vi) remains employed by the Company for certain durations.

The Darabi Employment Agreement provides that on a termination by the Company without cause or a termination by Mr. Darabi following a change of control, Mr. Darabi will be entitled to compensation pursuant to the *Employment Standards Act* (British Columbia). statutory benefits under The Darabi Employment Agreement contains both non-solicit and non-competition provisions.

Pension Plan Benefits

No pension plan or retirement benefit plans have been instituted by the Corporation and none are proposed at this time.

INDEBTEDNESS OF DIRECTORS AND OFFICERS

As at the date of this prospectus, there is not and has not been since the beginning of the Corporation's last financial year, any indebtedness owing to the Corporation by the directors, executive officers of the Corporation, or any of their associates or affiliates.

AUDIT COMMITTEE

Audit Committee Disclosure

The Corporation's audit committee is composed of Pouya Farmand, Justin Chorbajian (Chair) and Yarrow Willard, two of whom (Justin Chorbajian and Yarrow Willard) are considered to be independent, and all of whom are financially literate (as determined under Multilateral Instrument 52-110 *Audit Committees*).

Financial Literacy

Each member of the Corporation's Audit Committee has adequate education and experience that is relevant to his performance as an Audit Committee member and, in particular, the requisite education and experience that have provided the member with:

(a) An understanding of the accounting principles used by the Corporation to prepare its financial statements and the ability to assess the general application of such principles in connection with the accounting for estimates, accruals and provisions;

(b) Experience preparing, auditing, analyzing or evaluating financial statements that present a breadth of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Corporation's financial statements, or experience actively supervising individuals engaged in such activities; and

(c) An understanding of internal controls and procedures for financial reporting.

The charter of the Corporation's audit committee is set out in Appendix "♦" to this prospectus.

As a company applying for listing on the CSE, the Corporation is exempt from the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of National Instrument 52-110 *Audit Committees*, and is relying on the exception contained in section 6.1 of that instrument.

Pre-Authorization of Non-Audit Services

The audit committee has not pre-authorized any amount for non-audit services from the Corporation's auditors.

Fees Charged by External Auditors

The following table sets out the aggregate fees billed by the Corporation's external auditors in each of the last two fiscal years for the category of fees described:

Financial Year End	Audit Fees	Audit Related Fees(1)	Tax Fees(2)	All other Fees(3)
2020	$40,000	$Nil	$5,000	$15,000

Notes:

(1) Fees charged for assurance and related services that are reasonably related to the performance of an audit, and not included under Audit Fees.

(2) Fees charged for tax compliance, tax advice and tax planning services.
(3) Fees for services other than disclosed in any other column.

PLAN OF DISTRIBUTION

This Prospectus qualifies the distribution of the Subscription Receipt Shares and Subscription Receipt Warrants issuable upon the deemed exercise or exchange of the previously issued Subscription Receipts and the common shares underlying the Subscription Receipt Warrants. The Subscription Receipts were sold to subscribers at a price of $0.50 per Subscription Receipt for aggregate proceeds of $10,570,000, $10,554,700 of which was deposited into escrow pursuant to the terms of the Subscription Receipt Escrow Agreement. The Escrowed Funds, including accrued interest on such amount, will be released to the Corporation from escrow upon satisfaction of the following Escrow Release Conditions:

(a) the Common Shares will have been conditionally approved for listing on the CSE; and

(b) the Corporation will have obtained a final receipt for this prospectus from the applicable regulatory authority.

The Subscription Receipts were issued pursuant to the terms of the Subscription Receipt Certificates representing the Subscription Receipts and the Subscription Receipt Escrow Agreement. The Subscription Receipt Certificates provide, among other things, that holders of Subscription Receipts are entitled to receive in respect of each Subscription Receipt held, without additional consideration and without any further action on the part of the holder thereof, one Common Share, upon satisfaction of the Escrow Release Conditions. The Subscription Receipts will be deemed exercised or exchanged for Common Shares on the satisfaction of the Escrow Release Conditions. If the Escrow Release Conditions are not met on or before September 21, 2021, the Subscription Receipts will immediately become null, void and of no further force or effect and the Escrowed Funds will be returned to the holders of Subscription Receipts.

The Corporation will pay the Finder's Fee to the Finders in connection with the issuance of the Subscription Receipt Shares and the Subscription Receipt Warrants upon deemed exercise or exchange of the Subscription Receipts on the following terms: (i) a cash fee of 8% of all gross proceeds realized from the sale of the Subscription Receipts to investors introduced by the relevant Finder; and (ii) Finder's Warrants entitling the relevant Finder to purchase that number of Finder's Shares equal to 8% of the number of Subscription Receipt Shares to be issued to holders of Subscription Receipts who were introduced by the relevant Finder, such warrants to be exercisable at a price of $0.75 per share for a period of 24 months from issuance. A total of 1,192,640 Finder's Warrants will be issued on deemed exercise or exchange of the Subscription Receipts.

BMO Nesbitt Burns Inc. ("**BMO**") was also paid a commission of $30,600 (the "**BMO Commission**") in connection with the issuance of Subscription Receipts to investors introduced by BMO. This prospectus also qualifies the distribution of the Finder's Warrants. This prospectus will qualify the distribution of the Finder's Warrants issued to the Finders and the Finder's Shares underlying same.

There is currently no public market for the Common Shares. The Corporation intends to apply to list the securities distributed under this prospectus on the CSE. Listing of such Common Shares will be subject to the Corporation fulfilling all of the listing requirements of the CSE.

The Subscription Receipts, the Subscription Receipt Shares, the Subscription Receipt Warrants and the common shares underlying the Subscription Receipt Warrants have not been and will not be registered under the United States Securities Act of 1933, as amended (the **U.S. Securities Act**), or "blue sky" laws of any of the states of the United States. Accordingly, the Subscription Receipts, the Subscription Receipt Shares, the Subscription Receipt Warrants and the common shares underlying the Subscription Receipt Warrants may not be offered or sold within the United States except in accordance with an exemption from the registration requirements of the U.S. Securities

Act, as amended, applicable state securities laws and the terms of the Subscription Receipt Certificate.

As at the date of this prospectus, Levitee Labs does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, Aequitas NEO Exchange Inc., a U.S. marketplace, or a marketplace outside Canada and the United States of America (other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc.).

RISK FACTORS

The following are certain risk factors relating to an investment in Shares which prospective investors should carefully consider before deciding whether to purchase Common Shares. The following information must be read in conjunction with the detailed information appearing elsewhere in this prospectus. Such risk factors may have a material adverse effect on the financial position or results of operations of the Corporation or the value of the Common Shares.

Limited History of Operations

The Corporation is in the early stage of development and must be considered a start-up. As such, the Corporation is subject to many risks common to such enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources and the lack of revenues. There is no assurance that the Corporation will be successful in achieving a return on Shareholders' investment and the likelihood of success must be considered in light of its early stage of operations. The Corporation has no intention of paying any dividends in the near future.

The Corporation has limited financial resources, has not earned any significant revenue since commencing operations has no source of operating cash flow and there is no assurance that additional funding will be available to it for further development of the Corporation's business or to fulfill its obligations under any applicable agreements. There can be no assurance that the Corporation will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in delay or indefinite postponement of further development of the Corporation's business.

No Market for Securities

There is currently no market through which the Common Shares may be sold and there is no assurance that such securities of the Corporation will be listed for trading on a stock exchange, or if listed, will provide a liquid market for such securities. Until the Common Shares are listed on a stock exchange, holders of the Common Shares may not be able to sell their Common Shares. Even if a listing is obtained, there can be no assurance that an active public market for the Common Shares will develop or be sustained after listing. The holding of Common Shares involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. Common Shares should not be purchased by persons who cannot afford the possibility of the loss of their entire investment.

Additional Requirements for Capital

Substantial additional financing may be required if the Corporation is to successfully develop its business. No assurances can be given that the Corporation will be able to raise the additional capital that it may require for its anticipated future development. Any additional equity financing may be dilutive to investors and debt financing, if available, may involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the Corporation, if at all. If the Corporation is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated expansion.

Negative Cash Flow from Operating Activities

The Corporation has had negative cash flow from operating activities since inception. Significant capital investment will be required to achieve the Corporation's existing plans. There is no assurance that the Corporation's business will generate earnings, operate profitably or provide a return on investment in the near future. Accordingly, the Corporation may be required to obtain additional financing in order to meet its future cash commitments.

Regulatory Environment

The Corporation's operations are subject to regulation by government agencies including, among others, Health Canada and the CFIA. These agencies regulate the processing, packaging, storage, distribution, advertising, and labeling of the Corporation's products, including food safety standards. The Corporation's products may be subject to inspection by federal, provincial, state and local authorities. The Corporation strives to maintain compliance with all laws and regulations and maintain all permits and licenses relating to our operations. Nevertheless, there can be no assurance that the Corporation is in compliance with all such laws and regulations, has all necessary permits and licenses, and will be able to comply with such laws and regulations, or obtain such permits and licenses in the future. Failure by the Corporation to comply with applicable laws and regulations and permits and licenses could subject the Corporation to civil remedies, including fines, injunctions, recalls or seizures, as well as potential criminal sanctions, which could have a material adverse effect on our financial condition and results of operations. In addition, enforcement of existing laws and regulations, changes in legal requirements and/or evolving interpretations of existing regulatory requirements may result in increased compliance costs and create other obligations, financial or otherwise, that could adversely affect the Corporation's business, financial condition or results of operations.

Management of Growth

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

Success is Dependent on Public Taste for Levitee's Products

The Corporation's revenues are substantially dependent on the success of its products, which depends upon, among other matters, pronounced and rapidly changing public tastes, factors which are difficult to predict and over which the Corporation has little, if any, control. A significant shift in consumer demand away from the Corporation's products or its failure to expand its current market position will harm its business. Consumer trends change based on several possible factors, including nutritional values, a change in consumer preferences or general economic conditions. Additionally, there is a growing movement among some consumers to buy local food products in an attempt to reduce the carbon footprint associated with transporting food products from longer distances, and this could result in a decrease in the demand for food products and ingredients that the Corporation imports. These changes could lead to, among other things, reduced demand and price decreases, which could have a material adverse effect on the Corporation's business.

Raw Materials

The Corporation's products are derived from mushrooms. Accordingly, the Corporation and/or its manufacturers must acquire enough mushrooms so that the products can be produced to meet the demand of its customers. A mushroom shortage could result in loss of sales and damage to the Corporation. If the Corporation and/or its manufacturers become unable to acquire commercial quality mushrooms on a timely basis and at commercially reasonable prices, and are unable to find one or more replacement suppliers with the regulatory approvals to produce mushrooms at a substantially equivalent cost, in substantially equivalent volumes and quality, and on a timely basis, the Corporation will likely be unable to meet customer demand.

Consumer Perception of Mushrooms

The Corporation is highly dependent upon consumer perception of mushrooms and mushroom based products. The public may associate its mushrooms with illegal psychoactive mushrooms, which are prohibited substances. The Corporation's revenues may be negatively impacted due to the fact the market does not fully accept the mushrooms as a food product.

Brand Awareness

Brand awareness has not been achieved inside or outside of the Corporation's target markets. There is no assurance that the Corporation will be able to achieve brand awareness in any of its target markets. In addition, the Corporation must develop successful marketing, promotional and sales programs in order to sell its products. If the Corporation is not able to develop successful marketing, promotional and sales programs, then such failure will have a material adverse effect on the business, financial condition and operating results.

Limited Number of Products

The Corporation is heavily reliant on the production and distribution of mushroom-based and related products. If they do not achieve sufficient market acceptance, it will be difficult for us to achieve profitability.

The Corporation's revenue is derived almost exclusively from sales of mushroom-based and related products, and the Corporation expects that such products will account for substantially all of its revenue for the foreseeable future. If the mushroom-based and related products market declines or fails to achieve substantially greater market acceptance than it currently enjoys, the Corporation will not be able to grow its revenues sufficiently for it to achieve consistent profitability.

Even if products to be distributed by the Corporation conform to international safety and quality standards, sales could be adversely affected if consumers in target markets lose confidence in the safety, efficacy, and quality of mushrooms. Adverse publicity about mushroom-based products that the Corporation sells may discourage consumers from buying products distributed by the Corporation.

Development of New Products

The Corporation's success will depend, in part, on its ability to develop, introduce and market new and innovative products. If there is a shift in consumer demand, the Corporation must meet such demand through new and innovative products or else its business will fail. The Corporation's ability to develop, market and produce new products is subject to it having substantial capital. There is no assurance that the Corporation will be able to develop new and innovative products or have the capital necessary to develop such products.

Risks Associated with COVID-19

The international outbreak of the illness COVID-19 (coronavirus) and efforts to contain it may have a significant effect on the global economy and financial markets in the future, including the demand for and prices of products. COVID-19 may also impact third parties' ability to meet their obligations to the Corporation and the Corporation's ability to meet its obligations to third parties or its customers. The full extent and impact of the COVID-19 pandemic is unknown and to date has included extreme volatility in financial markets, a slowdown in economic activity, and has raised the prospect of an extended global recession. As efforts are undertaken to slow the spread of the COVID-19 pandemic, the operation and development of business operations, including the Corporation's, may be impacted.

COVID-19, or any other contagious disease or public health threat to the human population, could result in a widespread health crisis that could adversely affect the economies and financial markets of many countries, resulting in an economic downturn that could affect demand for the Corporation's products and negatively impact its operating results and financial performance.

Global pandemics and other public health threats (like COVID-19), or a fear thereof, could adversely impact the Corporation's production operations, sales efforts, expansion projects, lead to labour shortages, and severely impact supply chain logistics including travel and shipping disruptions and shutdowns (including as a result of government regulation and prevention measures) affecting delivery of materials needed for the Corporation to operate and delivery of the Corporation's products to consumers. It is unknown whether and how the Corporation may be affected if such an occurrence persists for an extended period of time, but the Corporation anticipates that it would have a material adverse effect on its business, operating results and financial performance. In addition, the Corporation may also be required to incur additional expenses and/or delays relating to such events which could have a further negative impact on its business, operating results and financial performance.

Dependence on Management Team

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

Reliance on Third Party Manufacturers

The Corporation relies on outside sources to manufacture its products. The failure of such third-party packagers to deliver either components or finished goods on a timely basis could have a material adverse effect on the business. The Corporation does not intend to develop its own packaging capacity in the short term. As these are third parties over which the Corporation will have little or no control, the failure of such third parties to provide components or finished goods on a timely basis could have a material adverse effect on the business, financial condition and operating results.

Reliance on Marketing Partners and Future Distributors

The Corporation will sell its products online directly to end customers and it will rely on third parties for the sale and marketing of its products at retail locations. The Corporation plans to engage a distribution company to permit the Corporation to develop an extensive regional sales and distribution network throughout Canada and other jurisdictions where the Corporation's product is lawful. To the extent that marketing partners and distributors are distracted from selling the Corporation's products or do not expend sufficient efforts in managing and selling its products, the Corporation's future sales will be adversely affected. The Corporation's ability to grow our distribution network and attract additional distributors will depend on several factors, many of which are outside of its control. Some of these factors include: (i) the level of demand for the Corporation's brand and products in a particular distribution area; (ii) our ability to price our products at levels competitive with those offered by competing products and (iii) the Corporation's ability to deliver products in the quantity and at the time ordered by distributors.

Product Liability Insurance

The Corporation currently does not carry any product liability insurance coverage. Even though the Corporation is not aware of any product liability claims at this time, its business exposes itself to potential product liability, recalls and other liability risks that are inherent in the sale of food and other ingestible products. The Corporation can provide no assurance that such potential claims will not be asserted against it. A successful liability claim or series of claims brought against the Corporation could have a material adverse effect on its business, financial condition and results of operations.

Although the Corporation intends to obtain adequate product liability insurance, it cannot provide any assurances that it will be able to obtain or maintain adequate product liability insurance of on acceptable terms, if at all, or that such insurance will provide adequate coverage against potential liabilities. Claims or losses in excess of any product liability cover that may be obtained by the Corporation could have a material adverse effect on its business, financial conditional and results of operations.

Product Liability Claims

The Corporation may be required to pay for losses or injuries purportedly or actually caused by its products. Historically, there have been no product liability claims; however, there is no assurance that this trend will continue in the future. In the event that the Corporation's products are found to cause any injury or damage, the Corporation will be subject to substantial liability. This liability may exceed the funds available by the Corporation and result in the failure of its business.

Product Recall

The sale of products for human consumption involves inherent risks. The Corporation could decide to, or be required to, recall products due to suspected or confirmed contamination or product tampering. A product recall could adversely affect product sales financial condition and results of operation as well as the Corporation's general reputation in the industry.

Trademark Protection

The Corporation currently has not obtained any trademarks. Failure to register trademarks for the Corporation or its products could require the Corporation to rebrand its products resulting in a material adverse impact on its business.

Government Regulation

The processing, manufacturing, packaging, labeling, advertising and distribution of the Corporation's products is subject to regulation by one or more federal agencies, and various agencies of the provinces and localities in which our products are sold. These government regulatory agencies may attempt to regulate any of our products that fall within their jurisdiction. Such regulatory agencies may not accept the evidence of safety for any new ingredients that the Corporation may want to market, may determine that a particular product or product ingredient presents an unacceptable health risk and may determine that a particular statement of nutritional support that we want to use is an unacceptable claim. Such a determination would prevent the Corporation from marketing particular products or using certain statements of nutritional support on its products. The Corporation also may be unable to disseminate third-party literature that supports its products if the third-party literature fails to satisfy certain requirements.

In addition, a government regulatory agency could require the Corporation to remove a particular product from the market. Any future recall or removal would result in additional costs to the Corporation, including lost revenues from any products that we are required to remove from the market, any of which could be material. Any such product recalls or removals could lead to liability, substantial costs and reduced growth prospects.

Competition

The Corporation faces competition in the markets in which it operates. Some of the Corporation's competitors may also be better positioned to develop superior product features and technological innovations and able to better adapt to market trends than the Corporation. The Corporation's ability to compete depends on, among other things, high product quality, short lead-time, timely delivery, competitive pricing, range of product offerings and superior customer service and support. Increased competition may require the Corporation to reduce prices or increase costs and may have a material adverse effect on its financial condition and results of operations. Any decrease in the quality of the Corporation's products or level of service to customers or any occurrence of a price war among the Corporation's competitors and the Corporation may adversely affect the business and results of operations.

Junior Companies

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

Current Market Volatility

The securities markets in the United States and Canada have recently experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any market for the Common Shares will be subject to market trends generally, notwithstanding any potential success of the Corporation. The value of the Common Shares distributed hereunder will be affected by such volatility.

Use of Funds

The Corporation has prepared a budget setting out the way in which it proposes to expend its available funds. However, the quantum and timing of expenditure will necessarily be dependent upon receiving positive results from the Corporation's product development and marketing initiatives. As the Corporation further expands its business, it is possible that results and circumstances may dictate a departure from the pre-existing budget. Further, the Corporation may, from time to time as opportunities arise, utilise part of its financial resources to participate in additional opportunities that arise and fit within the Corporation's broader objectives, as a means of advancing shareholder value.

Conflicts of Interest

Some or all of the Corporation's Directors and officers may act as directors and/or officers of other health and wellness companies. As such, the Corporation's Directors and officers may be faced with conflicts of interests when evaluating alternative health and wellness opportunities. In addition, the Corporation's Directors and officers may prioritize the business affairs of another company over the affairs of the Corporation.

Personnel

The Corporation has a small management team and the loss of any key individual could affect the Corporation's business. Additionally, the Corporation will be required to secure other personnel to facilitate its marketing and product development initiatives. Any inability to secure and/or retain appropriate personnel may have a materially adverse impact on the business and operations of the Corporation.

Tax Issues

Income tax consequences in relation to the securities offered will vary according to the circumstances of each purchaser. Prospective purchasers should seek independent advice from their own tax and legal advisers prior to subscribing for the securities.

Liquidity of the Common Shares

Listing on the Exchange should not be taken as implying that there will be a liquid market for the Common Shares. Thus an investment in the Common Shares may be difficult to realize. Investors should be aware that the value of the Common Shares may be volatile. Investors may, on disposing of Common Shares, realize less than their original investment, or may lose their entire investment. The Common Shares, therefore, may not be suitable as a short-term investment.

The market price of the Common Shares may not reflect the underlying value of the Corporation's net assets. The price at which the Common Shares will be traded, and the price at which investors may realize their Common Shares, will be influenced by a large number of factors, some specific to the Corporation and its proposed operations, and some which may affect the sectors in which the Corporation operates. Such factors could include the performance of the Corporation's operations, large purchases or sales of the Common Shares, liquidity or the absence of liquidity in the Common Shares, legislative or regulatory changes relating to the business of the Corporation, and general market and economic conditions.

No Dividends

The Corporation has not declared or paid any cash dividends on the Common Shares to date. The payment of dividends in the future, if any, is dependent on the Corporation's earnings, financial condition, capital requirements, business conditions, corporate law requirements and on such other factors as the Board considers appropriate. Unless and until the Corporation pays dividends, shareholders' ability to achieve a return on their investment will depend upon an appreciation in the price of the Common Shares.

General

Although management believes that the above risks fairly and comprehensibly illustrate all material risks facing the Corporation, the risks noted above do not necessarily comprise all those potentially faced by the Corporation as it is impossible to foresee all possible risks. Although the Directors will seek to minimize the impact of the risk factors, an investment in the Corporation should only be made by investors able to sustain a total loss of their investment. Investors are strongly recommended to consult a person who specializes in investments of this nature before making any decision to invest.

PROMOTERS

Pouya Farmand is considered to be a promoter of the Corporation in that he took the initiative in founding and organizing the business of the Corporation. Mr. Farmand holds 2,197,000 Common Shares in the capital of the Corporation.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Management of the Corporation is not aware of any legal proceedings or regulatory actions outstanding, threatened or pending as of the date hereof by or against the Corporation or relating to the business which would be material to a Subscriber of Shares.

INTERESTS OF MANAGEMENT IN MATERIAL TRANSACTIONS

Other than disclosed herein, management of the Corporation is not aware of any material interest, direct or indirect, of any director or officer of the Corporation, any person beneficially owning, directly or indirectly, more than 10% of the Corporation's voting securities, or any associate or affiliate of such person in any transaction within the last financial year or in any proposed transaction which in either case has materially affected or will materially affect the Corporation.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditors of the Corporation are MNP LLP, Chartered Professional Accountants, at Suite 2200, 1021 West Hastings Street, Vancouver, BC V6E 0C3.

The Corporation’s transfer agent and registrar of the Corporation is Odyssey Trust Company, at 323 – 409 Granville Street, Vancouver, BC V6C 1T2.

MATERIAL CONTRACTS

The only material contracts currently in force and effect which have been entered into by the Corporation or will be entered into prior to the Closing of this Offering are the following:

(a) The Subscription Receipt Escrow Agreement dated January 13, 2021 among the Corporation, the Subscription Receipt Escrow Agent and each of the holders of Subscription Receipts;

(b) The Escrow Agreement dated ◆, 2021 among the Escrow Agent, the Corporation and the holders of the Escrow Securities, referred to under “Escrowed Securities”;

(c) The Founders Pooling Agreement dated ◆, 2021 among the Corporation and certain shareholders of the Corporation;

(d) The Seed Shareholders Pooling Agreement dated ◆, 2021 among the Corporation and certain shareholders of the Corporation;

(e) The Registrar and Transfer Agent Agreement dated ◆, 2021 between Odyssey Trust Company and the Corporation; and

(f) The Amalgamation Agreement dated November 10, 2020 among the Corporation, Monk-E and Amalgamation SubCo.

EXPERTS

MNP LLP is independent of the Corporation pursuant to the rules of professional conduct of the Institute of Chartered Professional Accountants of British Columbia.

PURCHASERS' STATUTORY RIGHTS

Securities legislation in certain provinces 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. 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 are exercised by the purchaser within the time limit prescribed by securities legislation of the purchaser's jurisdiction. The purchaser should refer to any applicable provisions of the securities legislation of their jurisdiction for the particulars of these rights or consult with a legal adviser.

FINANCIAL STATEMENTS

Audited financial statements of the Corporation for the year ended September 30, 2020 and the period from January 23, 2019 (incorporation) to September 30, 2019 are included in this Prospectus as Schedule "A".

Unaudited financial statements of the Corporation for the two months ended November 30, 2020 are included in this Prospectus as Schedule "C".

Audited financial statements of Monk-E for the period from May 24, 2020 (incorporation) to September 30, 2020 are included in this Prospectus as Schedule "E".

SCHEDULE “A”

FINANCIAL STATEMENTS OF LEVITEE LABS INC. FOR THE YEAR ENDED SEPTEMBER 30, 2020 AND THE PERIOD FROM JANUARY 23, 2019 (INCORPORATION) TO SEPTEMBER 30, 2019

Financial Statements
FIBONACCI CAPITAL CORP.

For the year ended September 30, 2020 and the period from date of incorporation on January 23, 2019 to September 30, 2019

(Expressed in Canadian Dollars)

Independent Auditor's Report

To the Shareholders of Fibonacci Capital Corp.:

Opinion

We have audited the financial statements of Fibonacci Capital Corp. (the "Company"), which comprise the statements of financial position as at September 30, 2020 and September 30, 2019, and the statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the year ended September 30, 2020 and for the period from January 23, 2019 (date of incorporation) to September 30, 2019, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at September 30, 2020 and September 30, 2019, and its financial performance and its cash flows for the year ended September 30, 2020 and for the period from January 23, 2019 to September 30, 2019 in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audits of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial statements, which indicates that the Company incurred a net loss of $441,729 for the year ended September 30, 2020, and as at that date, had an accumulated deficit of $752,035. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audits of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audits or otherwise appears to be materially misstated. We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits and significant audit findings, including any significant deficiencies in internal control that we identify during our audits.

Vancouver, British Columbia
February 11, 2021

Chartered Professional Accountants

MNP LLP

FIBONACCI CAPITAL CORP.
Statements of Financial Position
As at September 30, 2020 and 2019
(Expressed in Canadian dollars)

	September 30, 2020	September 30, 2019
Assets		
Current Assets		
Cash and cash equivalents	$ 42,893	$ 298,232
Loan receivable (note 8)	-	50,000
Prepaid expenses (note 4)	35,437	-
Marketable securities (note 5)	78,660	-
Shares subscription receivable (note 6)	-	9,111
Total Current Assets	**156,990**	**357,343**
Total Assets	**$ 156,990**	**$ 357,343**
Liabilities		
Current Liabilities		
Accounts payable and accrued liabilities	$ 2,572	$ 912
Non-interest-bearing loans from subscribers (note 6)	-	13,995
Total Current Liabilities	**2,572**	**14,907**
Total Liabilities	**2,572**	**14,907**
Shareholders' Equity		
Share capital (note 6)	906,453	652,742
Accumulated deficit	(752,035)	(310,306)
Total Shareholders' Equity	**154,418**	**342,436**
Total Liabilities and Shareholders' Equity	**$ 156,990**	**$ 357,343**

Nature and continuance of operations (note 1)
Subsequent events (note 12)

Approved on behalf of the Board on February 11, 2021
/s/ Mackenzie Osborne, Director

/s/ Pouya Farmand, Director

The accompanying notes are an integral part of the financial statements.

FIBONACCI CAPITAL CORP.
Statements of Loss and Comprehensive Loss
For the year ended September 30, 2020 and the period from date of incorporation on January 23, 2019 to September 30, 2019

(Expressed in Canadian dollars)

	For the year ended September 30, 2020	For the period from date of incorporation on January 23, 2019 to September 30, 2019
Expenses		
Consulting expenses (note 8)	$ 414,938	$ 242,610
Professional fees	8,034	35,451
Rent expense (note 8)	4,725	9,575
Travel expense	2,950	4,282
Marketing expense	412	12,339
Office expense	376	5,531
Bank and financing charges	245	518
Total Expenses	$ 431,680	$ 310,306
Other Income (Expenses)		
Fair value (loss) on marketable securities (note 5)	(16,224)	-
Gain from settlement of payables	6,175	
Total Other Expenses	(10,049)	-
Net loss and comprehensive loss for the period	**$ (441,729)**	**$ (310,306)**
Basic and diluted loss per share (note 7)	$ (0.10)	$ (0.13)
Weighted average number of common shares outstanding - Basic and diluted (note 7)	4,543,996	2,432,324

The accompanying notes are an integral part of the financial statements.

FIBONACCI CAPITAL CORP.
Statements of Changes in Shareholders' Equity
For the year ended September 30, 2020 and the period from date of incorporation on January 23, 2019 to September 30, 2019

(Expressed in Canadian dollars)

	Number of shares	Shares Capital $	Accumulated deficit $	Total $
Total shareholders' equity as at January 23, 2019	-	$ -	$ -	$ -
Issuance of common shares for cash, net of issuance costs	3,313,028	430,992	-	430,992
Share issuance for services (notes 8d and 6)	1,182,667	221,750	-	221,750
Net loss and comprehensive loss	-	-	(310,306)	(310,306)
Total shareholders' equity as at September 30, 2019	4,495,595	$ 652,742	$ (310,306)	$ 342,436
Issuance of common shares capital for cash, net of issuance costs	31,866	$ 4,711	$ -	$ 4,711
Share capital issuance for services (note 8d and 6)	1,328,000	249,000	-	249,000
Net loss and comprehensive loss	-	-	(441,729)	(441,729)
Total shareholders' equity as at September 30, 2020	5,855,561	$ 906,453	$ (752,035)	$ 154,418

The accompanying notes are an integral part of the financial statements.

FIBONACCI CAPITAL CORP.
Statements of Cash Flows
For the year ended September 30, 2020 and the period from date of incorporation on January 23, 2019 to September 30, 2019

(Expressed in Canadian dollars)

	Year Ended September 30, 2020	Period from January 23, 2019 to September 30, 2019
Operating activities		
Net loss and comprehensive loss	$ (441,729)	$ (310,306)
Adjustments for items not affecting cash:		
Expenses paid by shares	249,000	221,750
Loan receivable settled against accounts payable (note 8c)	50,000	-
Gain from settlement of payables	6,175	
Fair value loss on marketable securities (note 5)	16,224	-
	(120,330)	(88,556)
Changes in non-cash working capital balances:		
Prepaid expenses (note 4)	(35,437)	-
Accounts payable and accrued liabilities	(3,635)	912
Cash used in operating activities	(159,402)	(87,644)
Investing activities		
Issuance of loan receivable (note 8c)	-	(50,000)
Purchase of marketable securities (note 5)	(180,000)	-
Sale of marketable securities (note 5)	84,236	-
Cash used in investing activities	(95,764)	(50,000)
Financing activities		
Issuance of share capital subscriptions (note 6a)	-	425,511
Cash received from shares not yet issued (note 6a)	-	13,995
Cash returned from cancellation of share subscriptions prepaid in prior year	(8,000)	-
Cash received for shares issue in prior period (note 6a)	9,111	-
Cost of share issuance	(1,284)	(3,630)
Cash provided by financing activities	(173)	435,876
Change in cash and cash equivalents	(255,339)	298,232
Cash balance, beginning of the period	**298,232**	**-**
Cash balance, end of the period	**$ 42,893**	**$ 298,232**

The accompanying notes are an integral part of the financial statements.

1. Nature and continuance of operations

Fibonacci Capital Corp.("the Company" or "Fibonacci") was incorporated on January 23, 2019 and is a company continued under the Business Corporations Act (British Columbia). The Company intends to identify and evaluate potential business opportunities in the psychedelics industry through the acquisitions of Monk-E Nutraceuticals Inc ("Monk-E"). The registered office of the Company is located at Suite 305 – 1068 Hornby Street, Vancouver, British Columbia, Canada.

The Company in the process of three-cornered amalgamation with Monk-E and its 100% owned subsidiary of 1273586 B.C. Ltd and a direct listing via non-offering prospectus ("NOP"). Fibonacci Capital Corp. consolidated its common shares at a ratio of 2.5:1 from 14,638,903 common shares to 5,855,561 common shares immediately prior to amalgamation as such due to the share consolidation after year end, the share consolidation was reflected retroactively on the financial statements. Monk-E shareholders were then issued 1 common share in Fibonacci in exchange for 1 common share in Monk-E. This amounted to a total addition of 21,928,050 common shares issued in Fibonacci.

The Company has not generated any revenues from operations and has incurred losses since inception. The Company incurred a net loss of $441,729 for the year ended September 30, 2020 and a net loss of $310,306 for the period from date of incorporation on January 23, 2019 to September 30, 2019 for a total accumulated deficit of $752,035. The Company had a net cash outflow of $255,339 (2019-$298,232) for the year ended September 30, 2020 and a cash balance of $42,893 as at September 30, 2020 (2019-$298,323). To date, the Company's activities have been funded through financing activities. The Company will need to raise additional capital during the next twelve months and beyond to support current operations and planned development. These factors indicate the existence of a material uncertainty that may cast significant doubt as to the Company's ability to continue as a going concern. Management intends to finance operating costs over the next twelve months with cash on hand, private placements and through the direct listing via a non-offering prospectus. However, management has considered expectations for future profitability and believes that the Company will continue in operation for the foreseeable future and will be able to satisfy its liabilities and commitments in the normal course of business, and accordingly, it is appropriate to prepare these financial statements on a going concern basis.

As such, the accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities in the normal course of business. The financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classifications of liabilities that could result should the Company be unable to continue as a going concern.

The impact of the COVID-19 pandemic, with its combined health toll and sharp decline in global economic output, is unprecedented and the full extent of the impact will depend on future developments. These developments are highly uncertain and cannot be accurately predicted, including new information which may emerge concerning its severity, its duration and actions by government authorities to contain the outbreak or manage its impact. As a result, it is not possible to determine the impact on the Company's ability to continue as a going concern at this time.

2. Summary of significant accounting policies

(i) Basis of presentation and statement of compliance

These financial statements for the period ended September 30, 2020 are the first financial statements the Company has prepared in accordance with International Financial Reporting Standards ("IFRS"), International Accounting Standards Board ("IASB"), and the interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"), as such, no reconciliation between previous GAAP and IFRS is applicable. All IFRS applicable as at September 30, 2020 have been applied.

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

These financial statements were approved by the Company's Board of Directors on February 11, 2021.

(ii) **Functional currency**

The functional currency of the Company is measured using the currency of the primary economic environment in which the Company operates. The functional and presentation currency used to prepare the Company's financial statements is Canadian dollars.

(iii) **Cash and cash equivalents**

Cash and cash equivalents consists of cash and demand deposits with maturities of 90 days or less and they are readily convertible to known amounts of cash and subject to an insignificant risk of change in value. As at December 31, 2019, the Company had $1,428 held in trust with its legal counsel.

(iv) **Loss per share**

Basic earnings per share is computed by dividing the net loss attributable to common shares of the Company by the weighted average number of common shares outstanding for the relevant period.

Diluted earnings per share is computed by dividing the net loss attributable to common shares by the sum of the weighted average number of common shares issued and outstanding and all additional common shares that would have been outstanding, if potentially dilutive instruments were converted. The Company's instruments are not dilutive due to the loss in the period.

(v) **Share capital**

Share capital issued for non-monetary consideration is recorded at an amount based on the fair market value of these shares.

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

(vi) **Financial instruments**

Financial Assets

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, the transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit and loss are expensed in profit or loss. Financial assets are considered in the entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of financial assets depends on their classification. The classification depends on the Company's business model for managing the financial assets and contractual terms of the cash flows. These are the measurement categories under which the Company classifies its financial assets:

- Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measures at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- Fair value through profit or loss ("FVTPL"): Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on an investment that is subsequently measured at FVTPL is recognized in profit or loss and presented net as revenue in the statement of loss and comprehensive loss in the period which it arises.

The Company measures its financial instruments as follows:

	Amortized Cost	**FVTPL - Mandatory**
Cash and cash equivalents	X	
Loans receivable	X	
Marketable securities		X
Shares subscription receivable	X	

	Amortized Cost
Accounts payable and accrued liabilities	X
Non-interest-bearing loans from subscribers	X

Impairment of Financial Assets at Amortized Cost:

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses of the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the statements of loss and comprehensive income, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

Financial Liabilities

The Company classifies its financial liabilities into the following categories: financial liabilities at FVTPL and amortized cost.

A financial liability is classified as FVTPL if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognized in profit or loss as incurred. The fair value changes to financial liabilities at FVTPL are presented as follows: the amount of change in fair value that is attributable to changes in the credit risk of the liability is presented in OCI; and the remaining amount of the change in the fair value is presented in profit or loss. The Company does not designate any financial liabilities at FVTPL.

Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest rate method. The Company classifies its accounts payable and accrued liabilities, as financial liabilities held at amortized cost.

(vii) **Income taxes**

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when the related asset is realized or liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are to the extent that it is no longer probable that the related tax benefit will be realized. Deferred income tax assets and liabilities are presented as non-current.

(viii) **Right-of-use assets and lease liability**

The Company has applied IFRS 16, Leases since its inception. The Company assesses whether a contract is or contains a lease at inception of a contract. The Company recognizes a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term unless another systematic basis is more representative of the usage of the economic benefits from the leased asset.

The lease liability is initially measured at the present value of the future lease payments at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrow rate. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, payments made on or before the lease commencement and any direct costs. They are subsequently measured at cost less depreciation and any impairment losses. Right-of-use assets are depreciated over the shorter period of the lease term and useful life of the underlying asset.

The Company does not currently have any leases that satisfy the conditions under IFRS 16 to record a right-of-use asset and lease liability.

Future accounting pronouncements

Certain new and revised accounting standards and new International Financial Reporting Interpretations Committee ('IFRIC') interpretations have been issued during year, but do not have a material effect on the results or the financial position of the Company.

There are currently no new accounting standards the Company is evaluating.

3. Critical accounting estimates and judgements

In the application of the Company's accounting policies, which are described within this note, the management of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying accounting policies

(i) Going concern - Management has applied judgements in the assessment of the Company's ability to continue as a going concern when preparing its financial statements. Management prepares the financial statements on a going concern basis unless management either intends to liquidate the entity or to cease trading or has no realistic alternative to do so. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period.

Key sources of estimation uncertainty

(i) Current and deferred taxes - The estimation of income tax expense and the composition of deferred tax assets and liabilities involves judgment and estimates as to the future taxable earnings, expected timing of reversal of deferred tax assets and liabilities, and interpretations of tax laws. The Company is subject to assessments by tax authorities who may interpret the tax law differently. Changes in these interpretation, judgments and estimates may materially affect the final amount of current and deferred tax provisions, deferred income tax assets and liabilities, and results of operations. While the precise impact of the recent novel coronavirus ("COVID-19") outbreak remains unknown, it has introduced uncertainty and volatility in Canadian and global economies. The Company is monitoring developments and preparing for any impacts related to COVID-19. The Company has business plans in place, that ensures its readiness to appropriately address and mitigate regulatory and business risks as they arise including, but not limited to, impacts on employees and other key resources in the business.

(ii) Fair value of financial instruments - the individual fair values attributable to the different components of a financing transaction, notably borrowing liabilities are determined using valuation techniques. The Company uses judgment to select the methods used to make certain assumptions and in performing the fair value calculations in order to determine the values attributable to each component of a transaction at the time of their issuance. These valuation estimates could be significantly different because of the use of judgment and the inherent uncertainty in estimating the fair value of these instruments that are not quoted in an active market.

(Expressed in Canadian Dollars)

4. Prepaid expenses

Included in prepaid assets on the statement of financial position as at September 30, 2020 and September 30, 2019 are prepaid consulting fees, respectively, representing the portion of the fees paid to three related parties (the "Consultant") to source acquisition targets and guide the Company through the due diligence and financial advisory (note 8).

5. Marketable securities

During the year ended September 30, 2020 the Company purchased 800,000 common shares of ESE Entertainment Inc. for a weighted average cost of $0.225 per common share. When the shares were purchased the Company was not publicly traded and was classified as financial instruments Level 3. On August 17, 2020 shares of the company was listed on the TSX Venture Exchange and the Company reclassified them as Level 1. During the year the Company sold 386,000 common shares for net proceeds of $84,235. As at September 30, 2020 the company holds 414,000 common shares with fair value of $78,660 and has recognized a fair value loss for the year of $16,224 in the statement of loss and comprehensive loss.

6. Share capital

(a) Share issuances

The authorized capital of the Company consists of an unlimited number of common shares without par value. All shares are Class A common shares with voting rights (note 1).

From the date of incorporation January 23, 2019 to September 30, 2020 the Company had the following share issuances:

Date	Number of Shares	Price Per Share	Proceeds
February 7, 2019(1)	480,000	$0.0125	6,000
March 14, 2019(1)	604,572	$0.0625	37,786
April 16, 2019(2)	88,000	$0.1875	16,500
May 27, 2019(2)	40,000	$0.1875	7,500
May 28, 2019(2)	840,000	$0.1875	157,500
June 18, 2019(1)	216,000	$0.0625	13,500
June 20, 2019(1)	2,012,456	$0.1875	377,336
June 20, 2019(2)	214,667	$0.1875	40,250
Total	4,495,695		656,372
Share issuance costs			(3,630)
Balance as at September 30, 2019	**4,495,695**		**$ 652,742**
September 17, 2020(2)	1,328,000	0.1875	249,000
September 17, 2020(1)	31,866	0.1875	5,975
Total	5,855,561		907,717
Share issuance costs			(1,264)
Balance as at September 30, 2020	**5,855,561**		**$ 906,453**

(1) Shares issued for cash
(2) Shares issued as payments for consulting services

(Expressed in Canadian Dollars)

The Company incurred share issuance costs such as legal costs and finder's fees of $1,264 as at September 30, 2020 (September 30, 2019 - $3,630). As at September 30, 2019, the amount of shares issued but not paid was $9,111. This amount was paid in full in 2020. As at September 30, 2019, the Company had $13,995 received as prepayment for the subscription agreements. Corresponding shares were issued to subscribers in 2020.

(b) Escrow Shares

On February 7, 2019, the Company issued 480,000 shares which, pursuant to the subscription agreements providing for their issuance, will be subject to resale restrictions for two (2) years starting from the date on which the Company's shares commence trading on the CSE (the "Listing Date"). In addition, pursuant to National Policy 46-201 and the rules and policies of the CSE, any securities held by principals of the issuer (subject to a de minimis threshold) will become subject to escrow at the time of the Listing Date. Such escrow will provide for release as follows: (i) 10% of the securities will be released on the Listing Date; (ii) 15% of the securities will be released 6 months from the Listing Date; (iii) 15% of the securities will be released 12 months from the Listing Date; (iv) 15% of the securities will be released 18 months from the Listing Date; (v) 15% of the securities will be released 24 months from the Listing Date; (vi) 15% of the securities will be released 30 months from the Listing Date; and (vii) 15% of the securities will be released 36 months from the Listing Date.

7. Loss per share

	Year ended September 30, 2020	**For the period from date of incorporation January 23, 2019 to September 30, 2019**
Loss attributable to shareholders	$ 441,729	$ 310,306
Weighted average number of shares	4,543,996	2,432,324
Basic and diluted loss per share	$ (0.10)	$ (0.13)

8. Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. Some of the consulting expenses included in related party were outside of the scope of written consulting agreements and were agreed discretionally by the Company's management and the consultants verbally.

(a) Compensation of key management personnel

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors, and corporate officers. The remuneration of key management personnel including consulting fees paid through companies owned by directors during the year ended was as follows:

(Expressed in Canadian Dollars)

		Year ended September 30, 2020		Period from date of incorporation on January 23, 2019 to September 30, 2019
Consulting fees	$	333,375	$	123,500
Prepaid expense		23,625		-

The Company prepaid the consulting fees to the related parties for October, November and December 2020 (note 4).

(b) Transactions with related parties

		Year ended September 30, 2020		Period from date of incorporation on January 23, 2019 to September 30, 2019
Rent		4,725		9,575
Amounts owing from related parties	$	-	$	1,000

(c) Loans with related parties

On June 10, 2019, the Company entered into an agreement to lend $50,000 to two companies owned by directors of the Company for $25,000 each. Both companies are controlled by a common controlling team. The loan agreement states that the loan is unsecured, non-interest bearing, and repayable on demand. On August 31, 2020 these loans were settled in exchange for amounts owing to the two parties for consulting services settled by offset with trade payables related to the consulting services provided by the same companies.

(d) Services provided by related parties settled with shares

The company has settled some of its consulting expenses with the related parties with shares. For the year ended September 30, 2020 the total number of shares and value for debt settlement are 1,128,000 shares and $211,500 respectively (period ended September 30, 2019 - 616,000 shares and $115,500).

(Expressed in Canadian Dollars)

	For the year ended September 30, 2020		Period from date of incorporation on January 23, 2019 to September 30, 2019	
Name of Related Party	**Number of shares**	**Total Value**	**Number of shares**	**Total Value**
Company owned by the Chief Executive Officer	200,000	$ 37,500	280,000	$ 52,500
Chief Operating Officer	-	-	56,000	10,500
Company owned by the Head of Mergers & Acquisitions	728,000	136,500	280,000	52,500
Company owned by the Chief Operating Officer	200,000	37,500	-	-
Total	**1,128,000**	**$ 211,500**	**616,000**	**$ 115,600**

9. Financial instruments and risk management

(a) Fair values of financial instruments

September 30, 2020	**Financial assets at amortized cost**	**Financial liabilities at amortized cost**	**Financial assets at fair value through profit or loss**
Cash and cash equivalents	$ 42,893	$ -	$ -
Marketable securities	-	-	78,660
Accounts payable and accrued liabilities	-	2,572	-
Total	**$ 42,893**	**$ 2,572**	**$ 78,660**

September 30, 2019	**Financial assets at amortized cost**	**Financial liabilities at amortized cost**	**Financial assets at fair value through profit or loss**
Cash and cash equivalents	$ 298,232	$ -	$ -
Loan receivable	50,000	-	-
Share subscriptions receivable	9,111		
Non-interest-bearing loans from subscribers		13,995	
Accounts payable and accrued liabilities	-	912	-
Total	**$ 357,434**	**$ 14,907**	**$ -**

Fair value measurements and disclosures use the following hierarchy definitions in determining its classifications:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 - Inputs other than quoted prices included with Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices)

Level 3 - Inputs for the asset or liability that are not based on observable market data (that is unobservable inputs

Cash, loans receivable, accounts payable and accrued liabilities approximate their fair value due to their short-term nature. The fair value of the marketable securities is determined using Level 1 as this consists of shares of a publicly traded company on in an active market.

(b) Credit risk

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. The following paragraphs describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

The risk exposure is limited to their carrying amounts at the statement of financial position date. The risk for cash is mitigated by holding these instruments with highly rated Canadian financial institutions. The Company does not invest in asset-backed deposits or investments and does not expect any credit losses. The Company periodically assesses the quality of its investments and is satisfied with the credit rating of the financial institutions.

The Company periodically lends funds to related parties for whom the risk of non-payment has been deemed sufficiently low.

There have been no substantive changes in the Company's exposure to financial instrument credit risks, its objectives, polices and processes for managing those risks or the methods used to measure them unless otherwise stated in the note, other than the significant change in the current year in relation to the marketable securities acquired during the year.

(c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The key to success in managing liquidity is the degree of certainty in the cash flow projections.

The Company monitors its cash flows to meet the Company's normal operating requirements on an ongoing basis and its planned capital expenditures. All of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. As at September 30, 2020, the Company had a cash balance of $42,893 (2019 - $298,232) available to settle current financial liabilities of $2,572 (2019 – $14,907).

(d) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Currently the Company does not charge or is charged floating interest rates on its loans receivable, payables or other loan. The Company is not exposed to significant interest rate risk (note 6).

(e) Price risk

Price risk is the risk that changes in the market related factors will affect the Company's (loss) income or the fair value of its financial instruments. The objective of price risk management is to manage and control market risk exposures within acceptable parameters.

The Company has exposure to equity securities price risk through the marketable securities investment described in note 5. The investment held by the Company and classified on the balance sheet as at fair value through profit or loss (FVTPL).

(Expressed in Canadian Dollars)

To manage its price risk arising from the marketable securities investment, the Company closely monitors the price and performance of the equity security held.

10. Capital management

The Company's objectives when managing capital are to identify, pursue and complete the acquisition of companies and strategic assets in the psychedelics industry. The goal of the Company is to maintain financial strength, to protect its ability to meet its on-going liabilities, to continue as a going concern, to maintain credit worthiness and to maximize returns for shareholders over the long term. The Company does not have any externally imposed capital requirements to which it is subject. Capital of the Company comprises of cash and cash equivalents and shareholders' equity. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares. The Company's investment policy is to invest its cash in financial instruments in high credit quality financial institutions with terms to maturity selected with regards to the expected timing of expenditures from continuing operations.

There were no changes to the Company's approach to capital management during the period.

11. Income tax

The Company's tax charge, which relates fully to deferred taxes, differs from the amount obtained by applying the Canadian statutory tax rate due to the following:

		Year ended September 30, 2020		Period from date of incorporation on January 23, 2019 to September 30, 2019
Loss before taxes	$	(441,729)	$	(310,306)
Canadian statutory tax rate		27.00%		27.00%
Expected income tax (recovery)		(119,267)		(83,783)
Non-deductible items		2,365		1,666
Share issuance cost		(341)		(980)
Change in deferred tax asset not recognized		117,243		83,097
Total income tax expense (recovery)	$	-	$	-

The unrecognized deductible temporary differences and unused tax losses are as follows:

		Year ended September 30, 2020		Period from date of incorporation on January 23, 2019 to September 30, 2019
Non-capital losses carried forward	$	730,259	$	304,863
Marketable securities		14,490		-
Capital losses carried forward		2,614		-
Share issuance cost		3,189		2,904
Unrecognized deductible temporary differences	$	750,552	$	307,767

The Company has non-capital loss carryforwards of approximately $730,259 (September 30, 2019 - $304,864) which may be carried forward to apply against future income for Canadian income tax purposes, subject to final determination by taxation authorities expiring in 2039 - 2040.

In addition, the Company has capital losses of $2,614 which may be carried forward indefinitely and applied to reduce future capital gains.

The deferred tax assets have not been recognized because at this stage of the Company's development, it is not determinable that future taxable profit will be available against which the Company can utilize such deferred tax assets.

12. Subsequent events

a. Amalgamation

1273586 B.C. Ltd. ("1273586"), was incorporated on November 6, 2020, to facilitate the three-cornered amalgamation to be completed among Fibonacci, 1273586 and Monk-E, whereby 1273586 and Monk-E would amalgamate under the Business Corporations Act (British Columbia) and become a wholly-owned subsidiary of Fibonacci. On November 30, 2020, Monk-e and 1273586, a wholly-owned subsidiary of Fibonacci, amalgamated under the Business Corporations Act (British Columbia). In connection therewith, Fibonacci changed its name to Levitee Labs Inc. and the entity resulting from the amalgamation of Monk-E and 1273586 changed its name to Levitee Labs Holdings Inc on December 01, 2020. As a result of these transactions, Levitee Labs Inc. now owns 100% of Levitee Labs Holdings Inc.

Fibonacci Capital Corp. consolidated its common shares at a ratio of 2.5:1 from 14,638,903 common shares to 5,855,561 common shares immediately prior to amalgamation. Monk-E shareholders were then issued 1 common share in Fibonacci in exchange for 1 common share in Monk-E. This amounted to a total addition of 21,928,050 common shares issued in Fibonacci. Post amalgamation, the combined entity changed name to Levitee Labs Inc (changed name from Fibonacci Capital Corp.) and it had 27,783,611 common shares outstanding at the amalgamation date. The total of 7,249,000 common outstanding shares of the Fibonacci were issued to the relate parties in addition to the 1,797,333 common outstanding shares previously issued as a result of the amalgamation.

b. Non-Offering Prospectus (NOP)

The Company is currently in the process of completing a non-offering prospectus on the CSE with expected completion in Q1 2021 (calendar year).

c. Debt Settlement Agreement in Shares

On December 15, 2020, the board of directors approved the settlement the amount of $1,050,000 indebted to an M&A consulting firm with 4,200,000 common shares of the Company at a deemed price of $0.25 per share.

d. Commitments and Contingent Liabilities

As at September 30, 2020, Monk-E had a number of contingent commitments as per agreements with some consultants. Subsequent to year end, all contingent commitments mentioned above were transferred from Monk-E to Fibonacci prior to amalgamation:

- $20,000 in free trading stock options contingent to initial public offering;
- In the event a consultant introduces the Company to an M&A target and the Company acquire the corporation, the Company will pay the consultant 5% of the transaction value in cash or shares, to be determined by the Company at the time of the acquisition;
- Grant of 500,000 stock options to purchase shares of the Company upon completion of the agreement and contingent to BOD approval;
- Grant of 500,000 restricted stock units of common shares contingent on the initial public offering, subject to requirements from Canadian Securities Exchange and the Company's employee restricted stock unit plan;
- Contingent on a number of milestones and achievements to grant up to a total of 11,400,000 stock options.

e. Private Placement

On January 20, 2021, the Company completed a private placement (the "First Subscription Receipts Private Placement") of 15,491,000 subscription receipts (each, a "Subscription Receipt") of the Company at a price of $0.50 per Subscription Receipt for gross proceeds of $7,745,500. With this private placement the Company paid finders commissions of $528,360 and issued 995,520 finders warrants with an exercise price of $0.75 and expiry of 24 months from the date of issuance. Upon satisfaction of the Escrow Release Conditions (defined below), each Subscription Receipt will be exercised or exchanged for one common share of the Company and one half of one common share purchase warrant of the Company (a "Subscription Receipt Warrant"). Each Subscription Receipt Warrant will be exercisable into one common share of the Company at price of $0.75 for 36 months from issuance. The "Escrow Release Conditions" are as follows:

(i) the shares of the Company will have been conditionally approved for listing on the Canadian Securities Exchange;

(ii) the Company will have obtained a final receipt for its long-form prospectus from the applicable regulatory authorities.

On February 4, 2021, the Company completed an additional private placement of 5,649,000 Subscription Receipts with the same terms above for gross proceeds of $2,824,500. With this private placement the Company paid finders commissions of $98,560 and issued 197,120 finders warrants with an exercise price of $0.75 and expiry of 24 months from the date of issuance.

SCHEDULE "B"

MANAGEMENT'S DISCUSSION AND ANALYSIS OF LEVITEE LABS INC. FOR THE YEAR ENDED SEPTEMBER 30, 2020 AND THE PERIOD FROM JANUARY 23, 2019 (INCORPORATION) TO SEPTEMBER 30, 2019

Fibonacci Capital Corp.

MANAGEMENT DISCUSSION AND ANALYSIS

For the year ended September 30, 2020
and the period from date of incorporation on January 23, 2019 to September 30, 2019

As of February 11, 2021

About the Company

Fibonacci Capital Corp. ("the Company" or "Fibonacci") was incorporated on January 23, 2019 and is a company continued under the Business Corporations Act (British Columbia). The Company intends to identify and evaluate potential business opportunities in the psychedelics industry through the acquisitions of Monk-E Nutraceuticals Inc ("Monk-E"). The registered office of the Company is located at Suite 305 – 1068 Hornby Street, Vancouver, British Columbia, Canada.

Basis of Discussion and Analysis

This Management Discussion and Analysis ("MD&A") of the financial condition as of September 30, 2020 and the results of its operations for the period from the date of incorporation on January 23, 2019 to September 30, 2020 which was prepared as of January 21, 2021. This MD&A should be read in conjunction with the Company's audited financial statements and accompanying notes for the year ended September 30, 2020 and the period from the date of incorporation on January 23, 2019 to September 30, 2019.

The Company prepares its financial statements in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"). IFRS comprises IFRS, International Accounting Standards ("IAS") and interpretations issued by the IFRS Interpretations Committee ("IFRIC") and the former Standing Interpretations Committee ("SIC").

All dollar amounts are expressed in Canadian dollars unless otherwise indicated.

Forward-Looking Statements

Certain statements contained in this MD&A and in certain documents incorporated by reference into this MD&A, constitute forward-looking statements, within the meaning of applicable securities laws ("forward-looking statements"). Such statements relate to future events or the Company's future performance. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "potential", "targeting", "intend", "could", "might", "should", "believe", "prospect", "future", "possible", "can", "speculative", "perhaps" and similar expressions.

Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits we will obtain from them. These forward-looking statements reflect management's current views and are based on certain assumptions and speak only as of the date of this report. These assumptions, which include management's current expectations, estimates and assumptions about the global economic environment, the market price and demand for products and our ability to manage our operating costs, may prove to be incorrect. A number of risks and uncertainties could cause our actual results to differ materially from those expressed or implied by the forward-looking statements, including: (1) a downturn in general economic conditions, (2) the uncertainty of government regulation and politics (3) potential negative financial impact from regulatory investigations, claims, lawsuits and other legal proceedings and challenges, (4) other factors beyond our control, and (5) the risk factors set out in the Prospectus (as defined below). There is a significant risk that such forward-looking statements will not prove to be accurate. Investors are cautioned not to place undue reliance on these forward-looking statements. No forward-looking statement is a guarantee of future results. We disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. Additional information about these and other assumptions, risks and uncertainties are set out in the section entitled "Risk Factors" below as well as in the Prospectus as set out in the section entitled "Risk Factors".

With respect to forward-looking statements contained in this prospectus, the Company has made assumptions regarding, among other things:

- the Company's ability to generate revenue while controlling costs and expenses;
- the impact of increasing competition;
- the absence of material adverse changes in the industry or regulatory regimes;
- the Company's ability to attract and retain key personnel;
- the Company's ability to manage its growth effectively;
- trends in the Company's industry and markets;
- the Company's ability to keep pace with technological developments;
- the Company's ability to protect its intellectual property rights;
- the Company's continued compliance with relevant regulatory regimes;
- the Company's ability to raise sufficient financing to support continued growth; and
- the Company's ability to obtain additional financing on satisfactory terms.
- the impact of COVID-19 on the market demand

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

- The Company's limited history of operations
- There is currently no market through which any of the Company's securities may be sold
- Substantial additional financing may be required if the Company is to successfully develop its business
- The Company has had negative cash flow from operating activities since inception
- The Company's products are subject to extensive regulation
- The Company may be subject to growth-related risks
- The success of the Company's products are dependent on pronounced and rapidly changing public tastes
- The Company is dependent on the reliable supply of its raw materials
- The Company is heavily reliant on a limited number of products
- The Company is highly dependent on consumer perception of mushrooms
- The Company has not achieved, and there is no assurance that it will be able to achieve brand awareness
- The Company's success may be dependent on its ability to develop, market and produce new products, which may require substantial capital
- The Company is heavily dependent on certain key senior managers
- The Company relies on third parties to manufacture and package its products
- The Company may be subject to product liability claims
- The Company may be required to recall its products
- The Company faces significant competition

Forward looking information and statements included throughout this MD&A include, but are not limited to, statements pertaining to the following:

- Monk-E will launch its Monk-E Nutraceuticals ecommerce platform located at www.monkenutra.com.
- Monk-E will launch its Sporeo ecommerce platform at URL: www.sporeogrow.com.
- Monk-E will launch its new business line called Sporeo Supply, and began selling Sporeo Supply

products through Sporeo's ecommerce platform. See *Description of Business – Sporeo Supply*".
- On August 10, 2020, the Company has signed a LOI with PharmaCosta Medicinal Corp., which set out the parties' intentions to jointly develop a mushroom infused coffee product for consumers.
- The Company, Amalgamation SubCo, and Monk-E Nutraceuticals Inc. ("Monk-E") entered into an amalgamation agreement (the "Amalgamation Agreement"). Pursuant to Amalgamation Agreement: (i) Monk-E and Amalgamation Subco amalgamated under Division 3 of Part 9 of the BCBCA and continued as one corporation, Levitee Holdings Inc OpCo; and (ii) the Corporation changed its name from "Fibonacci Capital Corp." to "Levitee Labs Inc. " Fibonacci Capital Corp. consolidated its shares 2.5x (September 30, 2020 - 14,638,903 shares) and immediately prior to amalgamation had 5,855,561 shares outstanding. Monk-E shareholders were then issued shares in Fibonacci 1 for 1 in exchange for their Monk-E shares. This amounted to 21,928,050 shares. In post amalgamation, the combined entity changed name to Levitee Labs Inc (changed name from Fibonacci Capital Corp.) and it had 27,783,611 at the amalgamation date.
- Levitee Labs Inc (the "Corporation" or "Levitee Labs") is planning on a public listing in Q1 2021 (calendar year). It has plans to use the capital raised to acquire established businesses in the nutraceutical and supplement space, as well as in areas of pain and addiction treatment. Capital raised as part of the listing is expected to be used on M&A opportunities, as well as general working and growth capital.

Current Year Activities and Corporate Developments

The Company is establishing itself as a leader in the alternative medicine space. The Company has been active in establishing strategic relationships and operations towards executing the goal of acquiring and creating cash-flowing assets directly in or ancillary to the psychopharmacological industry. The Company is now actively engaged in creating mushroom infused products and manufacturing for traditional mushroom cultivators through the trade names Monk-E nutraceuticals and Sporeo Supply.

The Company will pursue a going-public transaction and list its shares on the Canadian Securities Exchange (CSE). The Company will focus its business on pursuing further opportunities in the biotechnology and psychopharmacology industry.

<u>RELATIONSHIPS WITH THIRD PARTIES</u>

My Green Planet
Monk-E has established a strategic alliance and exclusive distribution agreement with My Green Planet. My Green Planet is a British Columbia based company specializing in the wholesale distribution of quality impact products for the indoor gardening, hydroponic, and hobby greenhouse market. They have been successfully active in this market for over 20 years, with millions of dollars in sales each year. My Green Planet is one of the largest distributors of cannabis cultivation equipment globally. Levitee Labs' brand Sporeo will initially be launching with two SKU's, Sporeo substrate and spawn. My Green Planet's distribution channels reach thousands of stores located in Canada, the United States, Europe, and Australia.

Selected Annual Information

Selected financial information from the statement of loss for the Company:

	For the year ended September 30, 2020	For the period from date of incorporation on January 23, 2019 to September 30, 2019
Expenses		
Consulting fees	$ 414,938	$ 242,610
Professional fees	8,034	35,451
Rent expense	4,725	9,575
Travel expense	2,950	4,282
Marketing expense	412	12,339
Office expense	376	5,531
Bank and financing charges	245	518
Total Expenses	$ 431,680	$ 310,306

Consulting fees mainly consist of consulting expenses by related parties, Chief Executive Officer, other executive team members, finance and accounting related expenses.

Professional fees mainly consist of fees paid to lawyers for other professional services.

Selected financial information from the statement of financial position:

	September 30, 2020	September 30, 2019
Cash and cash equivalents	$ 42,893	$ 298,232
Loan receivable	-	50,000
Prepaid expenses	35,437	-
Marketable securities	78,660	-
Shares subscription receivable	-	9,111
Current and total assets	$ 156,990	$ 357,343
Current and total liabilities	2,572	14,907
Shareholders’ equity	154,418	342,436
Total liabilities and shareholders’ equity	$ 156,990	$ 357,343

Cash and cash equivalents decreased from September 30, 2019 to September 30, 2020 as cash was used in in the operations of the Company.

On June 10, 2019, the Company entered into an agreement to lend $50,000 to two companies for $25,000 each. Both companies are controlled by a common controlling team. The loan agreement states that the loan is unsecured, non-interest bearing, and repayable on demand. On August 31, 2020 these loans were settled in exchange for amounts owing to the two parties for consulting services settled by offset with trade payables related to the consulting services provided by the same companies.

Prepaid expenses balances at September 30, 2020 and September 30, 2019 relate to prepaid consulting fees paid to consultants and companies that will source acquisition targets and guide the Company through the due diligence and general deal process.

Marketable securities at September 30, 2020 consisted of shares in the public company ESE Entertainment Inc. Management considers this investment as held for sale and short term in nature and intents to use any gains to fund operations of the Company.

Current and total liabilities consists solely of accounts payable due to vendors of the Company.

Shareholders' equity from September 30, 2019 to September 30, 2020 decreased due to the operating loss during the year, but was partially offset by an increase in share capital related to issuances of the Company's stock.

The Company is holding the cash to fund Company operations and to fund the exploration of potential acquisition after the initial public offering.

Outstanding Share Data
As at the date of this document, the Company has the following number of securities outstanding:

- 31,983,612 common shares issued and outstanding

Discussion of Operations

For a discussion of current year operations see "Selected Annual Information" in this MD&A.

The Company is currently focused on raising equity financing in order to acquire additional acquisition targets in order to generate additional revenue and gains through capital appreciation of these investments.

Significant Projects

As of the date of this MD&A, the amalgamated Company (see amalgamation note below) has two significant projects which have not generated revenue, but are expected to generate revenue in the future. Each project is related to the mushroom industry as a whole. The following is a description of each such project, including a description of the Company's plan for such project, the status of the project relative to the Company's plan for such project, the expenditures made by the Company in respect of such project to date and how such expenditures relate to anticipated timing and costs to advance the project to the next stage of the Company's plan for the specific project.

Facility

The Company currently leases an approximately 4,300 sq ft facility which will be home to the manufacturing processes and fulfillment of all Canadian eCommerce business.

In November 2020, the company sourced all manufacturing equipment and engaged an independent consultant to determine the steps necessary to advance the facility to the operational stage. The Planning Stage involved a general assessment of the facility, during which, management of the Company and the consultant worked closely to plan the steps required to commence the manufacturing of non GMP certified Spawn and Substrate Facility (including, among other things, identifying appropriate ceiling, wall, and floor coating suitable for the proposed manufacturing processes).

To date the Company incurred approximately $200,000 in capital expenditures in connection with the planning stage (attributed to obtaining the lease, equipment purchases, consultants, etc.)

While assessing with the independent consultants, the Company has determined that the Company may be required to incur an additional estimated amount of up to $150,000 to build out the facility to have operations live which will require minor facility upgrades, installation of equipment and personnel (consultants, engineers).

The build-out plan is expected to be tailored to suit the Company's business objectives at the time of such consultation process, as the same may exist considering the impact of COVID-19 on, among other things, the Company's specific business objectives in respect of, and the reasons for, the certification for the Facility, as well as the then prevailing market and competitive conditions in respect of such objectives.

As part of this consultation process, the engineering firm is expected to draft a final construction plan covering each stage of the construction necessary to obtain certification for the Facility, in light of the then prevailing EU-GMP standards and certification requirements applicable to qualify the Company's cultivation and production process at the Facility, as well as the then present business objectives of the Company.

As of the date of this MD&A, the Company is further considering and evaluating the economic viability and benefits of proceeding with building-out the Facility. The Company's disclosure in the Listing Statement projected that construction of the Facility is expected to be completed over the course of a one (1) to three (3) month period following commencement.

The Company's ability to begin the build out of the facility in calendar Q1, 2020 is dependent on the following material factors and assumptions. (I) the Company having adequate financial resources to fund the build out of the facility, (II) the Company's ability to retain a consultant on the terms and conditions favorable to the Company; and (III) the favorability of the general market conditions with respect to the mushroom industry. In particular, the Company believes that the following events and circumstances may reasonably be likely to cause actual results with respect to the timing and commencement of the build out to differ materially from those anticipated by the Company and expressed in this MD&A.

- The impact of COVID-19 on general market conditions and particularly on regulating entities approving build outs in a timely fashion.
    - The ability for personnel to work safely and quickly to the Company's time schedules.
- Unanticipated setbacks which may materialize following the date of the MD&A, including, among other things, changes in regulations and the Company's inability to identify a cost-effective build out plan to operate.

<u>eCommerce Platform</u>

In September 2020, the Company launched their websites and eCommerce platforms under the domain names sporeogrow.com and monkenutra.com in order to promote and collect data regarding future consumers of products for sale.

To date, the company has incurred minimal capital expenditures in connection with the development and cost of the eCommerce platform. The company expects to incur more capital expenditures in the coming years to further build its eCommerce infrastructure.

As of the date of this MD&A, the Company's products are available for pre-sale. To date, the Company

has not launched at material marketing, promotional or educational campaigns on the eCommerce platforms.
Except for updates and maintenance from time to time required in the ordinary course of business, the initial release of the eCommerce platform is complete. The Company anticipates some further platform development work as the Company adds new SKU's and design elements to the platform.

Nutraceuticals Industry Analysis

The global nutraceuticals market size is predicted to reach USD 486.36 billion by 2026, exhibiting a compound annual growth rate ("**CAGR**") of 8.14% between 2019 and 2016.[1] The growing demand for functional food and beverage will create new opportunities for the nutraceuticals market growth during that period. In recent years there has been a surge in product development and innovation activities, as well as rising availability of nutraceutical products, which has contributed and is expected to continue to contribute to this growth in the market.

Growing consumer interest in a healthy diet has led to a thriving food and beverage market in the recent past and the trend is expected to continue over the forecast period.[2] Demand for functional foods is on the rise as they believed to impart exceptional health benefits owing to their nutrient content. This is further expected to boost the growth of the market for nutraceuticals.

The global nutraceuticals industry has been witnessing key developments in terms of product innovation and portfolio expansion over the past few years. Companies, both private and publicly-traded, have been proactive in initiating strategies to gain a competitive advantage in the nutraceuticals industry.

Dietary Supplements Industry Analysis

A dietary supplement is a manufactured product intended to supplement the human diet when taken, typically orally as a pill, capsule, tablet, or liquid. The use of such supplements are typically to provide nutrients that the consumer may be unable to obtain by other sources, or normal diet. Dietary supplements are either extracted from food sources or synthetic, individually or in combination, in order to increase and improve the quantity of their consumption. Common types of nutrient compounds that dietary supplements derive from includes vitamins, minerals, fiber, fatty acids and amino acids. Dietary supplements can also contain substances that have not been confirmed as being essential to life, but are marketed as having a beneficial biological effect. In the United States and Canada, dietary supplements are considered a subset of foods, and are regulated accordingly. The European Food Safety Authority has also established harmonized rules to help insure that food supplements are safe and properly labeled.[3]

The global dietary supplements market size was estimated at USD 123.28 billion in 2019 and is projected to expand at a CAGR of 8.2% through 2027.[4]

Nootropics Industry Analysis

[1] Fortune Business Insights, "*Nutraceuticals Market Size, Share & Industry Analysis, By Product Type (Functional Foods, Functional Beverages, and Dietary Supplements), Distribution Channel (Supermarkets/ Hypermarkets, Convenience Stores, Online Retail and Others), and Regional Forecast, 2019 – 2026*" (March 2020).

[2] *Ibid.*

[3] https://www.efsa.europa.eu/en/topics/topic/food-supplements

4 Dietary Supplements Market Size, Share & Trends Analysis Report By Ingredient (Vitamins, Minerals), By Form, By Application, By End User, By Distribution Channel, By Region, And Segment Forecasts, 2020 - 2027

The global nootropics market size was valued at USD 2.17 billion in 2018 and is expected to grow at a CAGR of 12.5% between 2019 and 2025.[4] An increasing demand for brain boosters and "smart drugs" is anticipated to drive the growth. A growing number of students and professionals consume these products for their ability to improve focus and memory. Continued product development using both synthetic and natural raw materials is projected to further fuel the demand.[5]

Mushroom Grow Kits

Mushroom grow kits are a nascent market, and currently there are few statistics on market size. The sector is based on consumers who would like to grow their own mushrooms, but have not because they are unfamiliar with the process. When it comes to growing mushrooms, consumers are unsure of where to purchase equipment and material required, or how to access a safe, reliable supply in the wild. Growing mushrooms at home can be an appealing option, but one that comes with its own set of challenges. Mushroom grow kits solve these problems by providing all the required resources and equipment in one single package, and allowing consumers to safely and successfully grow mushrooms.

Levitee Labs believes that this market will see high growth in the coming years, and has therefore built the brand Sporeo to capitalize on this.

Marketing Plans

The Company plans on launching marketing initiatives in Q1 2021 (calendar year) for both brands, Monk-E and Sporeo.

Competitive Conditions

The number of competitors and the degree of competition within the North American food industry varies greatly by product segment and region. In the nutraceutical space, the market is highly fragmented, with many companies owning small market share. In the functional mushrooms space, our competitors offer products such as mushroom extracts, powders, teas and other wellness products. Some of the Corporation's competitors include:

- **Four Sigmatic:** Four Sigmatic is a US company specialized in superfoods, functional mushrooms and adaptogenic herbs.
- **Mud Water:** MUD\WTR™ is a coffee alternative consisting of natural ingredients, including mushrooms, which is marketed for its health and performance benefits, including natural energy and focus.
- **Purica:** Purica is a Canadian wellness company which sells products designed to address arthritis, pain relief, post-surgical recovery, cardiovascular health, stress relief, immune support, digestive support, including some mushroom-based products.

Regulatory Environment

The Corporation is focused on developing and commercializing plant-based health and wellness products. In order to develop such products, the Corporation's business and processes must be conducted in strict compliance with the regulations of federal, provincial, state, local and regulatory agencies locally and internationally, in the jurisdictions in which the Corporation operates.

[4] Grand View Research, "*Nootropics Market Size, Share & Trends Analysis Report By Application (Memory Enhancement, Mood & Depression, Attention & Focus, Anxiety), By Distribution Channel, And Segment Forecasts, 2019 – 2025*" (September 2019).

[5] *Ibid.*

Some of the Corporation's products are considered "food" and, as such, are principally regulated under the *Food and Drugs Act* (Canada) and the *Consumer Packaging and Labelling Act* (Canada) as well as the *Federal Food, Drug, and Cosmetic Act* (USA) and the *Nutrition Labeling and Education Act* (USA).

The *Food and Drugs Act* ("**FDA**") regulates food and drugs in Canada and provides requirements on composition (including without limitation food additives, fortification, and food standards), packaging, and licensing requirements. The Corporation is not required to obtain any pre-approvals and/or licenses for its products, but must ensure that the labelling, marketing and selling of any of its products comply with the FDA, including by ensuring that the Corporation's products are not packaged or marketed in a manner that is misleading or deceptive to a consumer.

The *Consumer Packaging and Labelling Act* ("**CPLA**") provides for a uniform method of labelling and packaging of prepackaged consumer goods in Canada. The relevant provisions include the prevention of fraudulent statements and providing for mandatory label information in which consumers may make informed decisions.

The United States Food and Drug Administration ("**US-FDA**") is responsible for assuring that foods sold in the United States are safe, wholesome and properly labeled. This applies to foods produced domestically, as well as foods from foreign countries. The *Federal Food, Drug, and Cosmetic Act* ("**FD&C Act**") and the *Fair Packaging and Labeling Act* are the Federal laws governing food products under US-FDA's jurisdiction.

The *Nutrition Labeling and Education Act* ("**NLEA**"), which amended the FD&C Act, requires most foods to bear nutrition labeling and requires food labels that bear nutrient content claims and certain health messages to comply with specific requirements.

Monk-E does not have any direct or indirect involvement with the illegal selling, production or distribution of any psychedelic substances in the jurisdictions in which it operates. The Corporation is a health and wellness product company and does not advocate for the legalization of any psychedelic substances and does not deal with psychedelic substances. The Corporation's products will not be commercialized in any given jurisdiction prior to applicable regulatory approval in that jurisdiction, which may only be granted if evidence of safety and efficacy for the intended uses is successfully developed.

Foreign Operations

The Corporation currently plans to launch sales of its products across Canada and the United States, focusing initially on the United States market. The Corporation is developing third-party logistics relationships in California, New York, and Arizona.

Summary of Quarterly Results

The following summarizes the selected quarterly results for the Company:

	Period from the date of incorporation on Jan 23, 2019 to Mar 31, 2019	Three months ended Jun 30, 2019	Three months ended Sep 30, 2019	Three months ended Dec 31, 2019	Three months ended Mar 31, 2020	Three months ended Jun 30, 2020	Three months ended Sep 30, 2020
Total revenue	-	-	-	-	-	-	-
Loss from continuing operations	9,908	251,948	48,450	15,840	37,913	79,762	308,214
Loss per share (diluted and non-diluted)	$ (0.02)	$ (0.14)	$ (0.01)	$ (0.00)	$ (0.01)	$ (0.02)	$ (0.06)

During the period from the date of incorporation on January 23, 2019 to March 31, 2019 expenses consisted mainly of consulting fees and rent expense.

During the three months ended June 30, 2019 expenses consisted mainly of consulting fees for set up of the business and share structure and rent expense.

During the three months ended September 30, 2019 expenses consisted mainly of consulting fees and rent expense.

During the three months ended December 31, 2019 expenses consisted mainly of consulting fees, accounting fees and rent expense.

During the three months ended March 31, 2020 expenses consisted mainly of consulting fees.

During the three months ended June 30, 2020 expenses consisted mainly of consulting fees.

During the three months ended September 30, 2020 expenses consisted mainly of consulting fees and unrealized loss from fair value adjustments on short-term investments.

Liquidity and Capital Resources

The Company manages its capital structure and adjusts based on the funds available to the Company in order to facilitate the liquidity needs of its operations. The Board does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company defines capital to include its working capital position, capital stock and accumulated deficit. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the year ended September 30, 2020.

At September 30, 2020, the Company had cash balance of $42,893 (September 30, 2019 – $298,232) available to settle current financial liabilities of $2,572 (September 30, 2019 - $14,907).

Risks and Uncertainties

Due to the nature of the Company's business, its limited operating history, and its stage of development, an investment in the securities of the Company is highly speculative and involves significant risks and uncertainties. As the Company continues to develop its business, the Company will face numerous challenges, and additional risks and uncertainties not presently known to the Company, or which the Company believes to be immaterial. In the event that such risks and uncertainties materialize, the Company's business, financial condition, and results of operations could be materially adversely affected, and shareholders of the Company could lose all or part of their investment in the Company. Such risks and uncertainties could also cause actual events to differ materially from those described in forward looking statements relating to the Company described in this MD&A and in certain documents incorporated by reference into this MD&A.

The following section summarizes certain of the risks and uncertainties relating to the business of the Company as of the date of this MD&A. The summary of such risks and uncertainties is not intended to be exhaustive, and such risks are in addition to the usual risks associated with investment in a business. Investors should carefully consider the following risks and uncertainties as well as the risk factors set out in the Listing Statement.

Introduction of, or Changes in, Laws, Regulations and Guidelines

In order to develop regulated medicines, Levitee's research and development's process must be conducted in strict compliance with the regulations of federal, state, local and regulatory agencies in Canada and the United States, and the equivalent regulatory agencies in the other jurisdictions in which Levitee may operate.

These regulatory authorities regulate, among other things, the research, manufacture, promotion and distribution of drugs in specific jurisdictions under applicable laws and regulations.

Canada
The process required before a prescription drug product candidate may be marketed in Canada generally involves:

- *Chemical and Biological Research* - Laboratory tests are carried out on tissue cultures and with a variety of small animals to determine the effects of the drug. If the results are promising, the manufacturer will proceed to the next step of development.
- *Pre-Clinical Development* – Animals are given the drug in varying amounts over differing periods of time. If it can be shown that the drug causes no serious or unexpected harm at the doses required to have an effect, the manufacturer will proceed to clinical trials.
- *Clinical Trials — Phase 1* - The first administration in humans is to test if people can tolerate the drug. If this testing is to take place in Canada, the manufacturer must prepare a clinical trial application for the Therapeutic Products Directorate of Health Canada (the "TPD"). This includes the results of the first two steps and a proposal for testing in humans. If the information is sufficient, the Health Products and Food Branch of Health Canada (the "HPFB") grants permission to start testing the drug, generally first on healthy volunteers.
- *Clinical Trials — Phase 2* - Phase 2 trials are carried out on people with the target condition, who are usually otherwise healthy, with no other medical condition. Trials carried out in Canada must be approved by the TPD. In Phase 2, the objective of the trials is to continue to

gather information on the safety of the drug and begin to determine its effectiveness.

- *Clinical Trials — Phase 3* - If the results from Phase 2 show promise, the manufacturer provides an updated clinical trial application to the TPD for Phase 3 trials. The objectives of Phase 3 include determining whether the drug can be shown to be effective, and have an acceptable side effect profile, in people who better represent the general population. Further information will also be obtained on how the drug should be used, the optimal dosage regimen and the possible side effects.
- *New Drug Submission* - If the results from Phase 3 continue to be favourable, the drug manufacturer can submit a new drug submission ("NDS") to the TPD. A drug manufacturer can submit an NDS regardless of whether the clinical trials were carried out in Canada. The TPD reviews all the information gathered during the development of the drug and assesses the risks and benefits of the drug. If it is judged that, for a specific patient population and specific conditions of use, the benefits of the drug outweigh the known risks, the HPFB will approve the drug by issuing a notice of compliance.

United States

Our development and commercialization activities and product candidates are significantly regulated by a number of governmental entities, including the FDA, HC, and comparable authorities in other countries. Regulatory approvals are required prior to each clinical trial and we may fail to obtain the necessary approvals to commence or continue clinical testing. We must comply with regulations concerning the manufacture, testing, safety, effectiveness, labeling, documentation, advertising, and sale of products and product candidates and ultimately must obtain regulatory approval before we can commercialize a product candidate.

The time required to obtain approval by such regulatory authorities is unpredictable but typically takes many years following the commencement of preclinical studies and clinical trials. Any analysis of data from clinical activities we perform is subject to confirmation and interpretation by regulatory authorities, which could delay, limit or prevent regulatory approval. Even if we believe results from our clinical trials are favorable to support the marketing of our product candidates, the FDA or other regulatory authorities may disagree. In addition, approval policies, regulations, or the type and amount of clinical data necessary to gain approval may change during the course of a product candidate's clinical development and may vary among jurisdictions. We have not obtained regulatory approval for any product candidate and it is possible that none of our existing product candidates or any future product candidates will ever obtain regulatory approval.

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

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

insufficient for approval.

A regulatory authority may require more information, including additional preclinical or clinical data to support approval, which may delay or prevent approval and our commercialization plans, or we may decide to abandon the development program. If we were to obtain approval, regulatory authorities may approve any of our product candidates

for fewer or more limited indications than we request, may grant approval contingent on the performance of costly post-marketing clinical trials, or may approve a product candidate with a label that does not include the labeling claims necessary or desirable for the successful commercialization of that product candidate. Moreover, depending on any safety issues associated with our product candidates that garner approval, the FDA may impose a risk evaluation and mitigation strategy, thereby imposing certain restrictions on the sale and marketability of such products.

Technology and information security
The Company is also subject to technology and information security risk, including the risk that confidential information held by the Company is stolen or accessed causing financial or personal harm to the affected individual(s) or the Company’s business. The Company reduces this risk through enhancement of policies and procedures, and monitoring and auditing to ensure compliance related to information technology, safety of data, and secure storage of physical files. The Company is also subject to risks related to reliance on key personnel and catastrophic and general uninsured loss.

COVID-19
The impact of the COVID-19 pandemic, with its combined health toll and sharp decline in global economic output, is unprecedented and the full extent of the impact will depend on future developments. These developments are highly uncertain and cannot be accurately predicted, including new information which may emerge concerning its severity, its duration and actions by government authorities to contain the outbreak or manage its impact. As a result, it is not possible to determine the impact on the going concern of the Company at this time.

The following are certain risk factors relating to an investment in Shares which prospective investors should carefully consider before deciding whether to purchase common shares. The following information must be read in conjunction with the detailed information appearing elsewhere in this prospectus. Such risk factors may have a material adverse effect on the financial position or results of operations of the Corporation or the value of the common shares.

Limited History of Operations

The Corporation is in the early stage of development and must be considered a start-up. As such, the Corporation is subject to many risks common to such enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources and the lack of revenues. There is no assurance that the Corporation will be successful in achieving a return on Shareholders' investment and the likelihood of success must be considered in light of its early stage of operations. The Corporation has no intention of paying any dividends in the near future.

The Corporation has limited financial resources, has not earned any significant revenue since commencing operations has no source of operating cash flow and there is no assurance that additional funding will be available to it for further development of the Corporation's business or to fulfill its obligations under any applicable agreements. There can be no assurance that the Corporation will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in delay or indefinite postponement of further development of the Corporation's business.

No Market for Securities

There is currently no market through which the common shares may be sold and there is no assurance that such securities of the Corporation will be listed for trading on a stock exchange, or if listed, will provide a liquid market for such securities. Until the common shares are listed on a stock exchange, holders of the common shares may not be able to sell their common shares. Even if a listing is obtained, there can be no assurance that an active public market for the common shares will develop or be sustained after listing. The holding of common shares involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. common shares should not be purchased by persons who cannot afford the possibility of the loss of their entire investment.

Additional Requirements for Capital

Substantial additional financing may be required if the Corporation is to successfully develop its business. No assurances can be given that the Corporation will be able to raise the additional capital that it may require for its anticipated future development. Any additional equity financing may be dilutive to investors and debt financing, if available, may involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the Corporation, if at all. If the Corporation is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated expansion.

Negative Cash Flow from Operating Activities

The Corporation has had negative cash flow from operating activities since inception. Significant capital investment will be required to achieve the Corporation's existing plans. There is no assurance that the Corporation's business will generate earnings, operate profitably or provide a return on investment in the near future. Accordingly, the Corporation may be required to obtain additional financing in order to meet its future cash commitments.

Regulatory Environment

The Corporation's operations are subject to regulation by government agencies including, among others, Health Canada and the CFIA. These agencies regulate the processing, packaging, storage, distribution, advertising, and labeling of the Corporation's products, including food safety standards. The Corporation's products may be subject to inspection by federal, provincial, state and local authorities. The Corporation strives to maintain compliance with all laws and regulations and maintain all permits and licenses relating to our operations. Nevertheless, there can be no assurance that the Corporation is in compliance with all such laws and regulations, has all necessary permits and licenses, and will be able to comply with such laws and regulations, or obtain such permits and licenses in the future. Failure by the Corporation to comply with applicable laws and regulations and permits and licenses could subject the Corporation to civil remedies, including fines, injunctions, recalls or seizures, as well as potential criminal sanctions, which could have a material adverse effect on our financial condition and results of operations. In addition, enforcement of existing laws and regulations, changes in legal requirements and/or evolving interpretations of existing regulatory requirements may result in increased compliance costs and create other obligations, financial or otherwise, that could adversely affect the Corporation's business, financial condition or results of operations.

Management of Growth

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

Success is Dependent on Public Taste for Levitee's Products

The Corporation's revenues are substantially dependent on the success of its products, which depends upon, among other matters, pronounced and rapidly changing public tastes, factors which are difficult to predict and over which the Corporation has little, if any, control. A significant shift in consumer demand away from the Corporation's products or its failure to expand its current market position will harm its business. Consumer trends change based on several possible factors, including nutritional values, a change in consumer preferences or general economic conditions. Additionally, there is a growing movement among some consumers to buy local food products in an attempt to reduce the carbon footprint associated with transporting food products from longer distances, and this could result in a decrease in the demand for food products and ingredients that the Corporation imports. These changes could lead to, among other things, reduced demand and price decreases, which could have a material adverse effect on the Corporation's business.

Raw Materials

The Corporation's products are derived from mushrooms. Accordingly, the Corporation and/or its manufacturers must acquire enough mushrooms so that the products can be produced to meet the demand of its customers. A mushroom shortage could result in loss of sales and damage to the Corporation. If the Corporation and/or its manufacturers become unable to acquire commercial quality mushrooms on a timely basis and at commercially reasonable prices, and are unable to find one or more replacement suppliers with the regulatory approvals to produce mushrooms at a substantially equivalent cost, in substantially equivalent volumes and quality, and on a timely basis, the Corporation will likely be unable to meet customer demand.

Consumer Perception of Mushrooms

The Corporation is highly dependent upon consumer perception of mushrooms and mushroom based products. The public may associate its mushrooms with illegal psychoactive mushrooms, which are prohibited substances. The Corporation's revenues may be negatively impacted due to the fact the market does not fully accept the mushrooms as a food product.

Brand Awareness

Brand awareness has not been achieved inside or outside of the Corporation's target markets. There is no assurance that the Corporation will be able to achieve brand awareness in any of its target markets. In addition, the Corporation must develop successful marketing, promotional and sales programs in order to sell its products. If the Corporation is not able to develop successful marketing, promotional and sales programs, then such failure will have a material adverse effect on the business, financial condition and operating results.

Limited Number of Products

The Corporation is heavily reliant on the production and distribution of mushroom-based and related products. If they do not achieve sufficient market acceptance, it will be difficult for us to achieve profitability.

The Corporation's revenue is derived almost exclusively from sales of mushroom-based and related products, and the Corporation expects that such products will account for substantially all of its revenue for the foreseeable future. If the mushroom-based and related products market declines or fails to achieve substantially greater market acceptance than it currently enjoys, the Corporation will not be able to grow its revenues sufficiently for it to achieve consistent profitability.

Even if products to be distributed by the Corporation conform to international safety and quality standards, sales could be adversely affected if consumers in target markets lose confidence in the safety, efficacy, and quality of mushrooms. Adverse publicity about mushroom-based products that the Corporation sells may discourage consumers from buying products distributed by the Corporation.

Development of New Products

The Corporation's success will depend, in part, on its ability to develop, introduce and market new and innovative products. If there is a shift in consumer demand, the Corporation must meet such demand through new and innovative products or else its business will fail. The Corporation's ability to develop, market and produce new products is subject to it having substantial capital. There is no assurance that the Corporation will be able to develop new and innovative products or have the capital necessary to develop such products.

Dependence on Management Team

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

Reliance on Third Party Manufacturers

The Corporation relies on outside sources to manufacture its products. The failure of such third-party packagers to deliver either components or finished goods on a timely basis could have a material adverse effect on the business. The Corporation does not intend to develop its own packaging capacity in the short term. As these are third parties over which the Corporation will have little or no control, the failure of such third parties to provide components or finished goods on a timely basis could have a material adverse effect on the business, financial condition and operating results.

Reliance on Marketing Partners and Future Distributors

The Corporation will sell its products online directly to end customers and it will rely on third parties for the sale and marketing of its products at retail locations. The Corporation plans to engage a distribution company to permit the Corporation to develop an extensive regional sales and distribution network throughout Canada and other jurisdictions where the Corporation's product is lawful. To the extent that marketing partners and distributors are distracted from selling the Corporation's products or do not expend sufficient efforts in managing and selling its products, the Corporation's future sales will be adversely affected. The Corporation's ability to grow our distribution network and attract additional distributors will depend on several factors, many of which are outside of its control. Some of these factors include: (i) the level of demand for the Corporation's brand and products in a particular distribution area; (ii) our ability to price our products at levels competitive with those offered by competing products and (iii) the Corporation's ability to deliver products in the quantity and at the time ordered by distributors.

Product Liability Insurance

The Corporation currently does not carry any product liability insurance coverage. Even though the Corporation is not aware of any product liability claims at this time, its business exposes itself to potential product liability, recalls and other liability risks that are inherent in the sale of food and other ingestible products. The Corporation can provide no assurance that such potential claims will not be asserted against it. A successful liability claim or series of claims brought against the Corporation could have a material adverse effect on its business, financial condition and results of operations.

Although the Corporation intends to obtain adequate product liability insurance, it cannot provide any assurances that it will be able to obtain or maintain adequate product liability insurance of on acceptable terms, if at all, or that such insurance will provide adequate coverage against potential liabilities. Claims or losses in excess of any product liability cover that may be obtained by the Corporation could have a material adverse effect on its business, financial conditional and results of operations.

Product Liability Claims

The Corporation may be required to pay for losses or injuries purportedly or actually caused by its products. Historically, there have been no product liability claims; however, there is no assurance that this trend will continue in the future. In the event that the Corporation's products are found to cause any injury or damage, the Corporation will be subject to substantial liability. This liability may exceed the funds available by the Corporation and result in the failure of its business.

Product Recall

The sale of products for human consumption involves inherent risks. The Corporation could decide to, or be required to, recall products due to suspected or confirmed contamination or product tampering. A product recall could adversely affect product sales financial condition and results of operation as well as the Corporation's general reputation in the industry.

Trademark Protection

The Corporation currently has not obtained any trademarks. Failure to register trademarks for the Corporation or its products could require the Corporation to rebrand its products resulting in a material adverse impact on its business.

Government Regulation

The processing, manufacturing, packaging, labeling, advertising and distribution of the Corporation's products is subject to regulation by one or more federal agencies, and various agencies of the provinces and localities in which our products are sold. These government regulatory agencies may attempt to regulate any of our products that fall within their jurisdiction. Such regulatory agencies may not accept the evidence of safety for any new ingredients that the Corporation may want to market, may determine that a particular product or product ingredient presents an unacceptable health risk and may determine that a particular statement of nutritional support that we want to use is an unacceptable claim. Such a determination would prevent the Corporation from marketing particular products or using certain statements of nutritional support on its products. The Corporation also may be unable to disseminate third-party literature that supports its products if the third-party literature fails to satisfy certain requirements.

In addition, a government regulatory agency could require the Corporation to remove a particular product from the market. Any future recall or removal would result in additional costs to the Corporation, including lost revenues from any products that we are required to remove from the market, any of which could be material. Any such product recalls or removals could lead to liability, substantial costs and reduced growth prospects.

Competition

The Corporation faces competition in the markets in which it operates. Some of the Corporation's competitors may also be better positioned to develop superior product features and technological innovations and able to better adapt to market trends than the Corporation. The Corporation's ability to compete depends on, among other things, high product quality, short lead-time, timely delivery, competitive pricing, range of product offerings and superior customer service and support. Increased competition may require the Corporation to reduce prices or increase costs and may have a material adverse effect on its financial condition and results of operations. Any decrease in the quality of the Corporation's products or level of service to customers or any occurrence of a price war among the Corporation's competitors and the Corporation may adversely affect the business and results of operations.

Junior Companies

Market perception of junior companies may change, potentially affecting the value of investors' holdings and the ability of the Corporation to raise further funds through the issue of further common shares or otherwise. The share price of publicly traded smaller companies can be highly volatile. The value of the common shares may go down as well as up and, in particular, the share price may be subject to sudden and large falls in value given the restricted marketability of the common shares.

Current Market Volatility

The securities markets in the United States and Canada have recently experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any market for the common shares will be subject to market trends generally, notwithstanding any potential success of the Corporation. The value of the common shares distributed hereunder will be affected by such volatility.

Use of Funds

The Corporation has prepared a budget setting out the way in which it proposes to expend its available funds. However, the quantum and timing of expenditure will necessarily be dependent upon receiving positive results from the Corporation's product development and marketing initiatives. As the Corporation further expands its business, it is possible that results and circumstances may dictate a departure from the pre-existing budget. Further, the Corporation may, from time to time as opportunities arise, utilize part of its financial resources to participate in additional opportunities that arise and fit within the Corporation's broader objectives, as a means of advancing shareholder value.

Conflicts of Interest

Some or all of the Corporation's Directors and officers may act as directors and/or officers of other health and wellness companies. As such, the Corporation's Directors and officers may be faced with conflicts of interests when evaluating alternative health and wellness opportunities. In addition, the Corporation's Directors and officers may prioritize the business affairs of another company over the affairs of the Corporation.

Personnel

The Corporation has a small management team and the loss of any key individual could affect the Corporation's business. Additionally, the Corporation will be required to secure other personnel to facilitate its marketing and product development initiatives. Any inability to secure and/or retain appropriate personnel may have a materially adverse impact on the business and operations of the Corporation.

Tax Issues

Income tax consequences in relation to the securities offered will vary according to the circumstances of each purchaser. Prospective purchasers should seek independent advice from their own tax and legal advisers prior to subscribing for the securities.

Liquidity of the common shares

Listing on the Exchange should not be taken as implying that there will be a liquid market for the common shares. Thus an investment in the common shares may be difficult to realize. Investors should be aware that the value of the common shares may be volatile. Investors may, on disposing of common shares, realize less than their original investment, or may lose their entire investment. The common shares, therefore, may not be suitable as a short-term investment.

The market price of the common shares may not reflect the underlying value of the Corporation's net assets. The price at which the common shares will be traded, and the price at which investors may realize their common shares, will be influenced by a large number of factors, some specific to the Corporation and its proposed operations, and some which may affect the sectors in which the Corporation operates. Such factors could include the performance of the Corporation's operations, large purchases or sales of the common shares, liquidity or the absence of liquidity in the common shares, legislative or regulatory changes relating to the business of the Corporation, and general market and economic conditions.

No Dividends

The Corporation has not declared or paid any cash dividends on the common shares to date. The payment of dividends in the future, if any, is dependent on the Corporation's earnings, financial condition, capital requirements, business conditions, corporate law requirements and on such other factors as the Board considers appropriate. Unless and until the Corporation pays dividends, shareholders' ability to achieve a return on their investment will depend upon an appreciation in the price of the common shares.

General

Although management believes that the above risks fairly and comprehensibly illustrate all material risks facing the Corporation, the risks noted above do not necessarily comprise all those potentially faced by the Corporation as it is impossible to foresee all possible risks. Although the Directors will seek to minimize the impact of the risk factors, an investment in the Corporation should only be made by investors able to sustain a total loss of their investment. Investors are strongly recommended to consult a person who specializes in investments of this nature before making any decision to invest.

Related Party Transactions

(a) Compensation of key management personnel

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors, and corporate officers. The remuneration of key management personnel were as follows:

	Year ended September 30, 2020	**Period from date of incorporation on January 23, 2019 to September 30, 2019**
Consulting fees	$ 333,375	$ 123,500
Prepaid expense	23,625	

The Company prepaid the consulting fees to the related parties for October, November and December 2020.

(b) Transactions with related parties

	Year ended September 30, 2020	**Period from date of incorporation on January 23, 2019 to September 30, 2019**
Rent	$ 4,725	$ 9,575
Amounts owing from related parties	-	1,000

(c) Loans with related parties

On June 10, 2019, the Company entered into an agreement to lend $50,000 to two companies owned by directors of the Company for $25,000 each. Both companies are controlled by a common controlling team. The loan agreement states that the loan is unsecured, non-interest bearing, and repayable on demand. On August 31, 2020 these loans were settled in exchange for amounts owing to the two parties for consulting services settled by offset with trade payables related to the consulting services provided by the same companies.

(d) Services provided by related parties settled with shares

The company has settled some of its consulting expenses with the related parties with shares. For the year ended September 30, 2020 the total number of shares and value for debt settlement are 1,128,000 shares and $211,500 respectively (period ended September 30, 2019 - 616,000 shares and $115,500).

	For the year ended September 30, 2020		Period from date of incorporation on January 23, 2019 to September 30, 2019	
Name of Related Party	**Number of shares**	**Total Value**	**Number of shares**	**Total Value**
Company owned by the Chief Executive Officer	200,000	$ 37,500	280,000	$ 52,500
Chief Operating Officer	-	-	56,000	10,500
Company owned by the Head of Mergers & Acquisitions	728,000	136,500	280,000	52,500
Company owned by the Chief Operating Officer	200,000	37,500	-	-
Total	**1,128,000**	**$ 211,500**	**616,000**	**$ 115,600**

Critical accounting estimates and judgements

In the application of the Company's accounting policies, which are described within this note, the management of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying accounting policies

(i) Going concern - Management has applied judgements in the assessment of the Company's ability to continue as a going concern when preparing its financial statements. Management prepares the financial statements on a going concern basis unless management either intends to liquidate the entity or to cease trading or has no realistic alternative to do so. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period.

Key sources of estimation uncertainty

(i) Current and deferred taxes - The estimation of income tax expense and the composition of deferred tax assets and liabilities involves judgment and estimates as to the future taxable earnings, expected timing of reversal of deferred tax assets and liabilities, and interpretations of tax laws. The Company is subject to assessments by tax authorities who may interpret the tax law differently. Changes in these interpretation, judgments and estimates may materially affect the final amount of current and deferred tax provisions, deferred income tax assets and liabilities, and results of operations. While the precise impact of the recent novel coronavirus ("COVID-19") outbreak remains unknown, it has introduced uncertainty and volatility in Canadian and global economies. The Company is monitoring developments and preparing for any impacts related to COVID-19. The Company has business plans in place, that ensures its readiness to appropriately address and mitigate regulatory and business risks as they arise including, but not limited to, impacts on employees and other key resources in the business.

(ii) Fair value of financial instruments - the individual fair values attributable to the different components of a financing transaction, notably borrowing liabilities are determined using valuation techniques. The Company uses judgment to select the methods used to make certain assumptions and in performing the fair value calculations in order to determine the values attributable to each component of a transaction at the time of their issuance. These valuation estimates could be significantly different because of the use of judgment and the inherent uncertainty in estimating the fair value of these instruments that are not quoted in an active market.

Financial Instruments and Other Instruments

(a) Fair values of financial instruments

September 30, 2020	**Financial assets at amortized cost**	**Financial liabilities at amortized cost**	**Financial assets at fair value through profit or loss**
Cash and cash equivalents	$ 42,893	$ -	$ -
Marketable securities	-	-	78,660
Accounts payable and accrued liabilities	-	2,572	-
Total	**$ 42,893**	**$ 2,572**	**$ 78,660**

September 30, 2019	**Financial assets at amortized cost**	**Financial liabilities at amortized cost**	**Financial assets at fair value through profit or loss**
Cash and cash equivalents	$ 298,232	$ -	$ -
Loan receivable	50,000	-	-
Share subscriptions receivable	9,111		
Non-interest-bearing loans from subscribers		13,995	
Accounts payable and accrued liabilities	-	912	-
Total	**$ 357,434**	**$ 14,907**	**$ -**

Fair value measurements and disclosures use the following hierarchy definitions in determining its classifications:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 - Inputs other than quoted prices included with Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices)

Level 3 - Inputs for the asset or liability that are not based on observable market data (that is unobservable inputs

Cash, loans receivable, accounts payable and accrued liabilities approximate their fair value due to their short-term nature. The fair value of the marketable securities is determined using Level 1 as this consists of shares of a publicly traded company on in an active market.

(b) Credit risk

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. The following paragraphs describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

The risk exposure is limited to their carrying amounts at the statement of financial position date. The risk for cash is mitigated by holding these instruments with highly rated Canadian financial institutions. The Company does not invest in asset-backed deposits or investments and does not expect any credit losses. The Company periodically assesses the quality of its investments and is satisfied with the credit rating of the financial institutions.

The Company periodically lends funds to related parties for whom the risk of non-payment has been deemed sufficiently low.

There have been no substantive changes in the Company's exposure to financial instrument credit risks, its objectives, polices and processes for managing those risks or the methods used to measure them unless otherwise stated in the note, other than the significant change in the current year in relation to the marketable securities acquired during the year.

(c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The key to success in managing liquidity is the degree of certainty in the cash flow projections.

The Company monitors its cash flows to meet the Company's normal operating requirements on an ongoing basis and its planned capital expenditures. All of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. As at September 30, 2020, the Company had cash balance of $42,893 available to settle financial liabilities of $2,572.

(d) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Currently the Company does not charge or is charged floating interest rates on its loans receivable, payables or other loan. The Company is not exposed to significant interest rate risk.

(e) Price risk

Price risk is the risk that changes in the market related factors will affect the Company's (loss) income or the fair value of its financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

The Company has exposure to equity securities price risk through the marketable securities investment. The investment held by the Company and classified on the balance sheet as at fair value through profit or loss (FVTPL).

To manage its price risk arising from the marketable securities investment, the Company closely monitors the price and performance of the equity security held.

Subsequent Events

a. Amalgamation

1273586 B.C. Ltd. ("1273586"), was incorporated on November 6, 2020, to facilitate the three-cornered amalgamation to be completed among Fibonacci, 1273586 and Monk-E, whereby 1273586 and Monk-E would amalgamate under the Business Corporations Act (British Columbia) and become a wholly-owned subsidiary of Fibonacci. On November 30, 2020, Monk-e and 1273586, a wholly-owned subsidiary of Fibonacci, amalgamated under the Business Corporations Act (British Columbia). In connection therewith, Fibonacci changed its name to Levitee Labs Inc. and the entity resulting from the amalgamation of Monk-E and 1273586 changed its name to Levitee Labs Holdings Inc on December 01, 2020. As a result of these transactions, Levitee Labs Inc. now owns 100% of Levitee Labs Holdings Inc.

Fibonacci Capital Corp. consolidated its common shares at a ratio of 2.5:1 from 14,638,903 common shares to 5,855,561 common shares immediately prior to amalgamation. Monk-E shareholders were then issued 1 common share in Fibonacci in exchange for 1 common share in Monk-E. This amounted to a total addition of 21,928,050 common shares issued in Fibonacci. Post amalgamation, the combined entity changed name to Levitee Labs Inc (changed name from Fibonacci Capital Corp.) and it had 27,783,611 common shares outstanding at the amalgamation date. The total of 7,249,000 common outstanding shares of the Fibonacci were issued to the relate parties in addition to the 1,797,333 common outstanding shares previously issued as a result of the amalgamation.

b. Non-Offering Prospectus (NOP)

The Company is currently in the process of completing a non-offering prospectus on the CSE with expected completion in Q1 2021(Calendar year).

c. Debt Settlement Agreement in Shares

On December 15, 2020, the board of directors approved the settlement the amount of $1,050,000 indebted to an M&A consulting firm with 4,200,000 common shares of the Company at a deemed price of $0.25 per share.

d. Commitments and Contingent Liabilities

As at September 30, 2020, Monk-E had a number of contingent commitments as per agreements with some consultants. Subsequent to year end, all contingent commitments mentioned above were transferred from Monk-E to Fibonacci prior to amalgamation:

- $20,000 in free trading stock options contingent to initial public offering;
- In the event a consultant introduces the Company to an M&A target and the Company acquire the corporation, the Company will pay the consultant 5% of the transaction value in cash or shares, to be determined by the Company at the time of the acquisition;
- Grant of 500,000 stock options to purchase shares of the Company upon completion of the agreement and contingent to BOD approval;
- Grant of 500,000 restricted stock units of common shares contingent on the initial public offering, subject to requirements from Canadian Securities Exchange and the Company's employee restricted stock unit plan;
- Contingent on a number of milestones and achievements to grant up to a total of 11,400,000 stock options.

e. Private Placement

On January 20, 2021, the Company completed a private placement (the "First Subscription Receipts Private Placement") of 15,491,000 subscription receipts (each, a "Subscription Receipt") of the Company at a price of $0.50 per Subscription Receipt for gross proceeds of $7,745,500. With this private placement the Company paid finders commissions of $528,360 and issued 995,520 finders warrants with an exercise price of $0.75 and expiry of 24 months from the date of issuance. Upon satisfaction of the Escrow Release Conditions (defined below), each Subscription Receipt will be exercised or exchanged for one common share of the Company and one half of one common share purchase warrant of the Company (a "Subscription Receipt Warrant"). Each Subscription Receipt Warrant will be exercisable into one common share of the Company at price of $0.75 for 36 months from issuance. The "Escrow Release Conditions" are as follows:

(i) the shares of the Company will have been conditionally approved for listing on the Canadian Securities Exchange;

(ii) the Company will have obtained a final receipt for its long-form prospectus from the applicable regulatory authorities.

On February 4, 2021, the Company completed an additional private placement of 5,649,000 Subscription Receipts with the same terms above for gross proceeds of $2,824,500. With this private placement the Company paid finders commissions of $98,560 and issued 197,120 finders warrants with an exercise price of $0.75 and expiry of 24 months from the date of issuance.

Additional Information

Additional information relating to the Company can be found on SEDAR at www.sedar.com.

SCHEDULE "C"

FINANCIAL STATEMENTS OF LEVITEE LABS INC. FOR THE TWO MONTHS ENDED NOVEMBER 30, 2020

Condensed Interim Consolidated Financial Statements
LEVITEE LABS INC. (Formerly FIBONACCI CAPITAL CORP.)

For the two months ended November 30th, 2020 and 2019

(Expressed in Canadian Dollars)

(Unaudited)

LEVITEE LABS INC. (Formerly FIBONACCI CAPITAL CORP.)
Condensed Interim Consolidated Statements of Financial Position
As at November 30, 2020 September 30, 2020
(Unaudited)
(Expressed in Canadian dollars)

	November 30, 2020 (Unaudited)	September 30, 2020
Assets		
Current Assets		
Cash and cash equivalents	$ 674,038	$ 42,893
Amounts receivable (note 5)	23,536	-
Prepaid expenses	85,192	35,437
Marketable securities (notes 6)	202,860	78,660
Total Current Assets	**985,626**	**156,990**
Non-current Assets		
Equipment (note 7)	235,906	-
Right of use asset (note 8)	247,618	-
Total Assets	**$ 1,469,150**	**$ 156,990**
Liabilities		
Current Liabilities		
Accounts payable and accrued liabilities (note 9 and 12)	$ 74,150	$ 2,572
Current portion of lease liability (note 8)	31,132	-
Total Current Liabilities	**105,282**	**2,572**
Non-current liabilities		
Lease liability (note 8)	216,486	-
Total Liabilities	**321,768**	**2,572**
Shareholders' Equity		
Share capital (note 10)	6,388,466	906,453
Reserves	(4,587,301)	-
Accumulated deficit	(653,783)	(752,035)
Total Shareholders' Equity	**1,147,382**	**154,419**
Total Liabilities and Shareholders' Equity	**$ 1,469,150**	**$ 156,990**

Nature and continuance of operations (note 1)
Commitments and contingent liabilities (note 15)
Subsequent events (note 16)

Approved on behalf of the Board February 11, 2021
/s/ Mackenzie Osborne, Director

/s/ Pouya Farmand, Director

The accompanying notes are an integral part of the unaudited condensed interim consolidated financial statements.

LEVITEE LABS INC. (Formerly FIBONACCI CAPITAL CORP.)
Condensed Interim Consolidated
Statements of Income (Loss) and Comprehensive Income (Loss)
For two months ended November 30, 2020 and 2019
(Unaudited)
(Expressed in Canadian dollars)

		For the two months ended November 30, 2020		For the two months ended November 30, 2019
Expenses				
Consulting fees (note 12)	$	23,625	$	787
Professional fees		2,304		-
Rent expense (note 12)		-		3,150
Marketing expense		-		184
Office expense		-		376
Bank and financing charges		19		14
Total Expenses		25,948		4,511
Other Income				
Fair value gain on marketable securities (note 6)		124,200		-
Total Other Expenses		124,200		-
Net income (loss) and comprehensive income (loss) for the period	**$**	**98,252**	**$**	**(4,511)**
Basic and diluted loss per share (note 11)	$	0.02	$	(0.00)
Weighted average number of common shares outstanding – Basic and diluted (note 11)		6,215,037		6,101,361

The accompanying notes are an integral part of the unaudited condensed interim consolidated financial statements.

LEVITEE LABS INC. (Formerly FIBONACCI CAPITAL CORP.)
Condensed Interim Consolidated
Statements of Changes in Shareholders' Equity
For the year ended September 30, 2020 and the period from date of incorporation on January 23, 2019 to September 30, 2019
(Unaudited)
(Expressed in Canadian dollars)

	Number of shares	Shares Capital	Reserves	Warrants	Accumulated deficit	Total
Balance – September 30, 2019	4,495,695	$ 652,742	$ -	$ -	$ (310,306)	$ 342,436
Net loss and comprehensive loss	-	-	-		(4,511)	(4,511)
Balance - November 30, 2019	4,495,695	$ 652,742	$ -	$ -	$ (314,817)	$ 337,925
Balance - September 30, 2020	5,855,561	$ 906,453	$ -	$ -	$ (752,035)	$ 154,418
Issuance of common shares capital for acquisition of Monk-E, net of costs (note 4 and 10)	21,928,050	5,482,013	-		-	5,482,013
Reserve applied for acquisition of Monk-E (note 4)	-	-	(4,587,301)	-	-	(4,587,301)
Finder's warrants issued	-	-	(16,718)	16,718	-	-
Net income (loss) and comprehensive income (loss)	-	-	-	-	98,252	98,252
Balance - November 30, 2020	27,783,611	$ 6,388,466	$ (4,604,019)	$ 16,718	$ (653,783)	$ 1,147,382

The accompanying notes are an integral part of the unaudited condensed interim consolidated financial statements.

LEVITEE LABS INC. (Formerly FIBONACCI CAPITAL CORP.)
Condensed Interim Consolidated
Statements of Cash Flows
For the two months ended November 30, 2020 and 2019
(Unaudited)
(Expressed in Canadian dollars)

		Two months ended November 30, 2020		Two months ended November 30, 2019
Operating activities				
Net income (loss) and comprehensive income (loss)	$	98,252	$	(4,511)
Adjustments for items not affecting cash:				
Fair value (gain) loss on marketable securities (note 6)		(124,200)		-
		(25,948)		(4,511)
Changes in non-cash working capital balances:				
Accounts receivable		(107)		-
Prepaid expenses		23,624		(1,427)
Accounts payable and accrued liabilities		(2,572)		(788)
Cash used in operating activities		(5,003)		(6,726)
Investing activities				
Cash acquired in business combination under common control (note 4)		636,148		-
Cash provided by in investing activities		636,148		-
Change in cash and cash equivalents		**631,145**		**(6,726)**
Cash balance, beginning of the year		**42,893**		**298,232**
Cash balance, end of the year	**$**	**674,038**	**$**	**291,506**

The accompanying notes are an integral part of the unaudited condensed interim consolidated financial statements.

1. Nature and continuance of operations

Levitee Labs Inc. (name changed on November 30, 2020 from Fibonacci Capital Corp.) ("the Company" or "LLI") was incorporated on January 23, 2019 and is a company continued under the Business Corporations Act (British Columbia). The Company intends to identify and evaluate potential business opportunities in the psychedelics industry through the acquisitions of Monk-E Nutraceuticals Inc ("Monk-E"). The registered office of the Company is located at Suite 305 – 1068 Hornby Street, Vancouver, British Columbia, Canada.

The Company completed three-cornered amalgamation with Monk-E and its 100% owned subsidiary of 1273586 B.C. Ltd and is in the process of a direct listing via non-offering prospectus ("NOP"). LLI consolidated its common shares at a ratio of 2.5:1 from 14,638,903 common shares to 5,855,561 common shares immediately prior to amalgamation. Monk-E shareholders were then issued 1 common share in LLI in exchange for 1 common share in Monk-E. This amounted to a total addition of 21,928,050 common shares issued in LLI. (Note 4). Since the amalgamation has occurred on November 30, 2020, the interim statements of financial position is prepared at the consolidated level while the interim statements of income (loss) and comprehensive income (loss) are presented at a non-consolidated level and the respective statement for Monk-e is presented in the note to this financial statement (Supplemental information for Monk-e in Note 5).

The Company generated a net income of $98,252 for the 2 months period ended November 30, 2020 and a net loss of $4,511 for the similar period ended November 30, 2019 for a total accumulated deficit of $653,783. The Company had a net cash outflow of $5,003 from operating activities for the two month period ended November 30, 2020 and a cash balance of $674,038 as at November 30, 2020. To date, the Company's activities have been funded through financing activities. The Company will need to raise additional capital during the next twelve months and beyond to support current operations and planned development. These factors indicate the existence of a material uncertainty that may cast significant doubt as to the Company's ability to continue as a going concern. Management intends to finance operating costs over the next twelve months with cash on hand, private placements and through the direct listing via a non-offering prospectus. However, management has considered expectations for future profitability and believes that the Company will continue in operation for the foreseeable future and will be able to satisfy its liabilities and commitments in the normal course of business, and accordingly, it is appropriate to prepare these financial statements on a going concern basis.

As such, the accompanying condensed interim consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities in the normal course of business. The financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classifications of liabilities that could result should the Company be unable to continue as a going concern.

COVID-19 Impact Uncertainty

The impact of the COVID-19 pandemic, with its combined health toll and sharp decline in global economic output, is unprecedented and the full extent of the impact will depend on future developments. These developments are highly uncertain and cannot be accurately predicted, including new information which may emerge concerning its severity, its duration and actions by government authorities to contain the outbreak or manage its impact. As a result, it is not possible to determine the impact on the Company's ability to continue as a going concern at this time.

2. Summary of significant accounting policies

(a) Basis of presentation and statement of compliance

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34, "Interim Financial Reporting" and should be read in conjunction with the Company's audited consolidated financial statements as at and for the period ended September 30, 2020, as some disclosures normally included in the audited annual consolidated financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), have been condensed or omitted.

These condensed interim consolidated financial statements have been prepared on a historical cost basis except for certain financial instruments that have been measured at fair value. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

The policies applied are based on the IFRS issued and outstanding as at the date of these condensed interim consolidated financial statements.

These condensed interim consolidated financial statements were approved by the Company's Board of Directors on February 11, 2021.

(b) Basis of consolidation

These condensed interim consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary Monk-E Nutraceuticals Inc incorporated under Ontario Business Corporations Act on May 24th, 2020 ("Monk-e" and the name changed on December 1, 2020 to Levitee Labs Holdings Inc. upon amalgamation) and its 100% owned subsidiary of 1273586 B.C. Ltd. Monk-e is owned 100% by LLI which has a jurisdiction in British Columbia at November 30, 2020 and prior to that at September 30, 2020 its jurisdiction was in Ontario where it was incorporated.. All intercompany balances and transactions were eliminated on consolidation. The operating results of Monk-e are included from the date of acquisition on November 30, 2020. An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and can affect those returns through its power over the investee.

(c) Accounting policies

The principal accounting policies adopted in the preparation of these condensed interim consolidated financial statements are the same as those applied to the consolidated financial statements for the period ended September 30, 2020 with the addition of the following policies:

Adoption of New Accounting Policies

i) Business combinations under common control

Where business combinations include transactions among entities under common control and outside the scope of IFRS 3 – Business Combinations, the Company considered the guidance provided by IFRS 10 – Consolidated Financial Statements and IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors and applied predecessor accounting.

Assets acquired or liabilities assumed are not restated to their fair values. Instead, the acquirer incorporates the carrying amounts of assets and liabilities of the acquired entity and no new goodwill arises.

The difference between the consideration given and the aggregate carrying value of the assets and liabilities of the acquired entity as of the date of acquisition is included as acquisition reserve in equity.

ii) Equipment

Equipment is stated at historical cost less accumulated depreciation and accumulated impairment losses.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the statement of comprehensive loss during the financial period in which they are incurred.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in the statement of comprehensive loss.

Depreciation is calculated on a declining balance method to write off the cost of the assets to their residual values over their estimated useful lives. The annual depreciation rate applicable to the current category of equipment is as follows:

Class of Equipment	**Depreciation Rate**
Computer	30%
Machinery and equipment	20%

New and amended standards adopted

A number of new or amended standards became applicable for the current reporting period. The Company did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards.

i) Lease accounting

This is the first period for which the Company has applied IFRS 16. The Company has adopted IFRS 16 on a modified retrospective approach. This new standard replaces IAS 17 Leases and the related interpretive guidance. IFRS 16 applies a control model to the identification of leases, distinguishing between a lease and a service contract on the basis of whether the customer controls the asset being leased. For those assets determined to meet the definition of a lease, IFRS 16 introduces significant changes to the accounting by lessees, introducing a single, on-balance sheet accounting model that is similar to current finance lease accounting, with limited exceptions for short-term leases or leases of low value assets. Lessor accounting is not substantially changed.

As a result of adopting IFRS 16, the Company updated its lease accounting policies as follows:

The Company assesses whether a contract is or contains a lease at inception of the contract. A lease is recognized as a right-of-use asset and corresponding liability at the commencement date. Each lease payment included in the lease liability is apportioned between the repayment of the liability and a finance cost. Lease liabilities represent the net present value of fixed lease payments (including in-substance fixed payments); variable lease payments based on an index, rate, or subject to a fair market value renewal condition; amounts expected to be payable by the lessee under residual value guarantees, the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and payments of penalties for terminating the lease, if it is probable that the lessee will exercise that option.

The lease payments are discounted using the interest rate implicit in the lease or, if that rate cannot be determined, the lessee's incremental borrowing rate. The period over which the lease payments are discounted is the expected lease term, including renewal and termination options that the Company is reasonably certain to exercise.

Payments associated with short-term leases and leases of low-value assets are recognized as an expense on a straight-line basis in general and administration and sales and marketing expense in the consolidated statement of comprehensive loss. Short term leases are defined as leases with a lease term of 12 months or less. Right-of-use assets are measured at cost, which is calculated as the amount of the initial measurement of lease liability plus any lease payments made at or before the commencement date, any initial direct costs and related restoration costs. The right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the useful life of the underlying asset (Note 8).

3. Critical accounting estimates and judgements

The preparation of these condensed interim consolidated financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies, the reported amounts of assets, liabilities and expenses, as well as the Company's ability to continue as a going concern. The estimates and assumptions made are continually evaluated and have been based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Such estimates and assumptions are inherently uncertain. Actual results could differ materially from these estimates and assumptions. Revisions to estimates are recognized in the period in which the estimate is revised and may impact future periods.

In preparation of the condensed interim consolidated financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the period ended November 30, 2020, with the addition of the following judgements:

i) Determination of an acquisition as a business or as assets

Classification of an acquisition as a business combination or an asset acquisition depends on whether the assets acquired constitute a business, which can be a complex judgment. Whether an acquisition is classified as a business combination or an asset acquisition can have a significant impact on the entries made at and after acquisition. Acquisitions that do not meet the definition of a business combination are accounted for as asset acquisitions. Consideration paid for an asset acquisition is allocated to the individual identifiable assets acquired and liabilities assumed based on their relative fair values. Asset acquisitions do not give rise to goodwill.

ii) Assessment of control in a business acquisition

The date on which the acquirer obtains control of the acquiree is generally the date on which the acquirer legally transfers the consideration, acquires the assets and assumes the liabilities of the acquiree - the closing date. However, the acquirer might obtain control on a date that is either earlier or later than the closing date, or it might be determined that the businesses were under common control. Management exercises judgment in considering all pertinent facts and circumstances in assessing the control of a business and the acquisition date.

The Company examines three elements to determine whether control exists.

- power over the investee, such as the ability to direct relevant activities of the investee;
- exposure, or rights, to variable returns from its involvement with the investee, such as returns that are not fixed and have the potential to vary with performance of the investee;
- the ability to use its power over the investee to affect the amount of the investor's returns, such as identifying the link between power and returns.

When all of these three elements of control are present, then an investor is considered to control an investee and consolidation is required. When one or more of the elements is not present, an investor will not consolidate but instead be required to determine the nature of its relationship with the investee.

iii) Estimated useful lives, depreciation of equipment

Depreciation of equipment is dependent upon estimates of useful lives which are determined through the exercise of judgment. The assessment of any impairment of these assets is dependent upon estimates of recoverable amounts which consider factors such as economic conditions, market conditions and the useful lives of assets.

(Expressed in Canadian Dollars)

iv) Incremental borrowing rate for leases under IFRS 16

IFRS 16 requires lessees to discount lease payments using the rate implicit in the lease if that rate is readily available. If that rate cannot be readily determined, the lessee is required to use its incremental borrowing rate. As information from the lessor regarding the fair value of underlying assets and initial direct costs incurred by the lessor related to the leased assets is generally not available, the Company uses its incremental borrowing rate when initially recording real estate leases. The Company determines the incremental borrowing rate as the interest rate the Company would pay to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, in a similar economic environment over a similar term.

v) Valuation of stock-based payments

The Company measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for stock-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected: option life, volatility, risk-free interest rate, forfeiture rates, stock option exercise behaviours, dividend yield and corporate performance. Changes in these assumptions affect the fair value estimate for stock-based payments.

4. Acquisition of Monk-E

a. Business acquisition under common control

On November 30, 2020, Monk-e and 1273586 B.C. Ltd. (“1273586”), a wholly-owned subsidiary of LLI, amalgamated under the Business Corporations Act (British Columbia).

LLI consolidated its common shares at a ratio of 2.5:1 from 14,638,903 common shares to 5,855,561 common shares immediately prior to amalgamation. Monk-E shareholders were then issued 1 common share in LLI in exchange for 1 common share in Monk-E. This amounted to a total addition of 21,928,050 common shares issued in LLI. In addition Monk-E had 95,360 outstanding warrants issued to brokers on November 24, 2020 for commissions related to equity sales of Monk-E. These warrants were exchanged for warrants to purchase LLI shares (note 10c).

Post amalgamation, the combined entity had 27,783,611 common shares outstanding at the amalgamation date. Management has concluded Monk-E’s share value of $0.25 is the best indicator of the fair value of this transaction due to recent fund raising on November 24, 2020 at this price.

The transaction was determined to be a business combination under common control and the Company has applied the accounting method described in note 2c.

The following table summarizes the carrying value of the assets acquired and liabilities assumed on the date of acquisition.

Total consideration	
Shares issued	21,928,050
Share value	$0.25
Total consideration	**5,482,013**
Net identifiable assets acquired	
Cash and cash equivalents	636,148
Amounts receivable	23,428
Prepaid expenses	73,379
Equipment	235,906

(Expressed in Canadian Dollars)

Right of use asset	247,618
Accounts payable and accrued liabilities	(74,150)
Lease liability	(247,618)
Total net identifiable assets	894,711
Acquisition reserve	4,587,301
Total net assets and equity recognized	**5,482,013**

b. Supplemental information for Monk-e

As a result of the amalgamation and common control acquisition of Monk-E, the results of operations for the two-month period ended November 30, 2020 were not included in the condensed interim consolidated statement of profit and loss. Those results are as follows:

Expenses		
Payroll expense	$	88,251
Consulting fees		58,614
Professional fees		45,040
Marketing expense		9,710
Rent expense		6,600
Office expense		6,445
Travel expense		4,963
Bank charges		203
Computer expense		169
Total expenses		219,995
Total net loss	**$**	**219,995**

5. Amounts receivable

		November 30, 2020		**September 30, 2020**
Input tax credit receivable	$	15,286	$	-
Amounts receivable for shares issued		8,250		-
Total	$	23,536	$	-

6. Marketable securities

As at November 30, 2020 the company held 414,000 common shares of ESE Entertainment Inc. with fair value of $202,860 (September 30, 2020 – 414,000 shares with a fair value of $78,660). The investment is a public company listed on the TSX Venture Exchange and therefore quoted in active markets and classified as Level 1. For the two months ended November 30, 2020 the Company recognized a fair value gain of $124,200 (two months ended November 30, 2019 - $nil) in the statement of income (loss) and comprehensive income (loss).

(Expressed in Canadian Dollars)

7. Equipment

Equipment acquired has the following balances as at November 30, 2020:

	Computer	Machinery and equipment	Total
Balance – September 30, 2020	$ -	$ -	$ -
Acquired in business combination	9,471	226,997	236,468
Balance – November 30, 2020	9,471	226,997	236,468
Accumulated depreciation – September 30, 2020	-	-	-
Accumulated depreciation acquired in business combination	562	-	562
Accumulated depreciation – November 30, 2020	562	-	562
Equipment – September 30, 2020	-	-	-
Equipment – November 30, 2020	$ 8,909	$ 226,997	$ 235,906

8. Right of use asset and lease liabilities

November 30, 2020 the Company commenced a five-year warehouse lease agreement at 104 – 1533 Broadway Street, Port Coquitlam with monthly lease payments starting at $5,353 and expiring on November 20, 2025.

The Company's incremental borrowing rate at the inception of the lease of 12% has been used to determine the present value of the minimum lease payments which was determined to be $247,618 as of November 30, 2020. A right of use asset and corresponding lease liability was recognized for the same amount. As of November 30, 2020, no interest expense has been incurred and no payments have been made.

Right of use asset

Balance as at September 30, 2020	$ -
Additions	247,618
Balance as at November 30, 2020	$ 247,618

Lease liability

Balance as at September 30, 2020	$ -
Additions	247,618
Balance as at November 30, 2020	247,618
Current portion	31,132
Long term	$ 216,486

The maturity of contractual undiscounted lease obligation payments are as follows:

Due within 1 year	48,176
Due within 1 to five years	283,565
	$ 331,741

(Expressed in Canadian Dollars)

9. Accounts payable and accrued liabilities

		November 30, 2020		September 30, 2020
Trade payables	$	57,603	$	2,572
Payroll liabilities		16,547		-
Total	$	74,150	$	2,572

10. Share capital

(a) Share issuances

The authorized capital of the Company consists of an unlimited number of common shares without par value. All shares are Class A common shares with voting rights.

From the year ended date September 30, 2020 and the two months period ended November 30, 2020 the Company had the following share issuances:

Date	Number of Shares		Price Per Share		Proceeds
Balance as at September 30, 2019	4,495,695			$	652,742
September 17, 2020(2)	1,328,000	$	0.1875		249,000
September 17, 2020(1)	31,866	$	0.1875		5,975
Total	5,855,561				907,717
Share issuance costs					(1,264)
Balance as at September 30, 2020	**5,855,561**			**$**	**906,453**
November 30, 2020(3)	21,928,050	$	0.2500	$	5,482,013
Total	27,783,611				6,388,466
Share issuance costs					-
Balance as at November 30, 2020	**27,783,611**			**$**	**6,388,466**

(1) *Shares issued for cash*
(2) *Shares issued as payments for consulting services*
(3) *Shares issued in business combination (note 4)*

The Company incurred share issuance costs such as legal costs and finder's fees of $nil as at November 30, 2020 (September 30, 2020 - $1,264).

(b) Escrow Shares

On February 7, 2019, the Company issued 480,000 shares which, pursuant to the subscription agreements providing for their issuance, will be subject to resale restrictions for two (2) years starting from the date on which the Company's shares commence trading on the CSE (the "Listing Date"). In addition, pursuant to National Policy 46-201 and the rules and policies of the CSE, any securities held by principals of the issuer (subject to a de minimis threshold) will become subject to escrow at the time of the Listing Date. Such escrow will provide for release as follows: (i) 10% of the securities will be released on the Listing Date; (ii) 15% of the securities will be released 6 months from the Listing Date; (iii) 15% of the securities will be released 12 months from the Listing Date; (iv) 15% of the securities will be released 18 months from the Listing Date; (v) 15% of the securities will be released 24 months from the Listing Date; (vi) 15% of the securities will be released 30 months from the Listing Date; and (vii) 15% of the securities will be released 36 months from the Listing Date.

(Expressed in Canadian Dollars)

(c) Share purchase warrants

In connection with the share issuances of Monk-E on November 24, 2020, the Company issued 95,360 share purchase warrants as payment for brokers' commission. These warrants had an exercise price of $0.25 and an expiry date of November 24, 2023. On the amalgamation date of November 30, 2020 these share purchase warrants were exchanged for warrants of Levitee Labs Inc. with the same terms. The Company has determined the fair value of these warrants using Black-Scholes Option pricing model on the acquisition date to be $16,718 using the following terms:

Expected life	3 years
Risk-free interest rate	0.29%
Expected volatility	120%
Expected dividends yield	0%
Forfeiture rate	0%

The value of these warrants were included in the consideration transferred in on the acquisition of Monk-E.

11. Loss per share

	For the two months ended November 30, 2020	For the two months ended November 30, 2019
Loss attributable to shareholders	$ 98,252	$ (4,511)
Weighted average number of shares	6,215,037	6,101,361
Basic and diluted loss per share	$ 0.02	$ -

12. Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. Some of the consulting expenses included in related party were outside of the scope of written consulting agreements and were agreed discretionally by the Company's management and the consultants verbally.

(a) Compensation of key management personnel

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors, and corporate officers. The remuneration of key management personnel including consulting fees paid through companies owned by directors during the year ended was as follows:

(Expressed in Canadian Dollars)

	For the two months ended November 30, 2020	For the two months ended November 30, 2019
Consulting fee	$ 15,750	$ -

(b) Transactions with related parties

	For the two months ended November 30, 2020	For the two months ended November 30, 2019
Amount owed from related parties	$ 2,000	$ -
Amount owed to related parties	$ 4,561	$ -

(c) Loans with related parties

On June 10, 2019, the Company entered into an agreement to lend $50,000 to two companies for $25,000 each. These companies are each controlled a common director to the Company. The loan agreement states that the loan is unsecured, non-interest bearing, and repayable on demand. On August 31, 2020 these loans were settled in exchange for amounts owing to the two parties for consulting services.

(d) Services provided by related parties settled with shares

The company has settled some of its consulting expenses with the related parties with shares. For period ended November 30th, 2020 there were nil shares issued for debt settlement (the year ended September 30, 2020 - 1,128,000 shares and $211,500).

13. Financial instruments and risk management

(a) Fair values of financial instruments

November 30, 2020	**Financial assets at amortized cost**	**Financial liabilities at amortized cost**	**Financial assets at fair value through profit or loss**
Cash and cash equivalents	$ 674,038	$ -	$ -
Amounts receivable	23,536		
Marketable securities	-	-	202,860
Accounts payable and accrued liabilities	-	74,150	-
Total	**$ 697,574**	**$ 74,150**	**$ 202,860**

(Expressed in Canadian Dollars)

September 30, 2020	Financial assets at amortized cost	Financial liabilities at amortized cost	Financial assets at fair value through profit or loss
Cash and cash equivalents	$ 42,893	$ -	$ -
Marketable securities	-	-	78,660
Accounts payable and accrued liabilities	-	2,572	-
Total	**$ 42,893**	**$ 2,572**	**$ 78,660**

Fair value measurements and disclosures use the following hierarchy definitions in determining its classifications:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 - Inputs other than quoted prices included with Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices)

Level 3 - Inputs for the asset or liability that are not based on observable market data (that is unobservable inputs

Cash, loans receivable, accounts payable and accrued liabilities approximate their fair value due to their short-term nature. The carrying value of lease liabilities where a discount rate is used is not significantly different than fair value. The fair value of the marketable securities is determined using Level 1 as this consists of shares of a publicly traded company on in an active market.

(b) Credit risk

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. The following note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, polices and processes for managing those risks or the methods used to measure them unless otherwise stated in the note.

(c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The key to success in managing liquidity is the degree of certainty in the cash flow projections.

The Company monitors its cash flows to meet the Company's normal operating requirements on an ongoing basis and its planned capital expenditures. All of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. As at November 30, 2020, the Company had a cash balance of $674,038 (September 30, 2020 - $42,983) available to settle current liabilities of $105,282 (September 30, 2020 - $2,572).

(d) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Currently the Company does not charge or is charged floating interest rates on its loans receivable, payables or other loan. The Company is not exposed to significant interest rate risk.

(e) Market risk

The Company has exposure to equity securities price risk through the marketable securities investment described in note 6. The investment held by the Company and classified on the balance sheet as at fair value through other comprehensive income (loss) (FVOCI).

To manage its price risk arising from the marketable securities investment, the Company closely monitors the price and performance of the equity security held.

14. Capital management

The Company's objectives when managing capital are to identify, pursue and complete the acquisition of companies and strategic assets in the psychedelics industry. The goal of the Company is to maintain financial strength, to protect its ability to meet its on-going liabilities, to continue as a going concern, to maintain credit worthiness and to maximize returns for shareholders over the long term. The Company does not have any externally imposed capital requirements to which it is subject. Capital of the Company comprises of cash and cash equivalents and shareholders' equity. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares. The Company's investment policy is to invest its cash in financial instruments in high credit quality financial institutions with terms to maturity selected with regards to the expected timing of expenditures from continuing operations.

There were no changes to the Company's approach to capital management during the period.

15. Commitments and Contingent Liabilities

As at September 30, 2020, Monk-E had a number of contingent commitments as per agreements with some consultants. Subsequent to year end, all contingent commitments mentioned above were transferred from Monk-E to Fibonacci prior to amalgamation:

- $20,000 in free trading stock options contingent to initial public offering;
- In the event a consultant introduces the Company to an M&A target and the Company acquire the corporation, the Company will pay the consultant 5% of the transaction value in cash or shares, to be determined by the Company at the time of the acquisition;
- Grant of 500,000 stock options to purchase shares of the Company upon completion of the agreement and contingent to BOD approval;
- Grant of 500,000 restricted stock units of common shares contingent on the initial public offering, subject to requirements from Canadian Securities Exchange and the Company's employee restricted stock unit plan;
- Contingent on a number of milestones and achievements to grant up to a total of 11,400,000 stock options.

16. Subsequent events

a. Non-Offering Prospectus (NOP)

The Company is currently in the process of completing a non-offering prospectus on the CSE with expected completion in Q1 2021 (calendar year).

b. Stock Options

On December 15, 2020, the board of directors approved granting the 250,000 stock options with an exercise price of $0.10, an expiry date of December 15, 2023 and a vesting period of 12 quarters with the 1/12th vesting at the grant date and 1/12th vesting in each quarter thereafter.

c. Letters of Intent Signed

On October 16th, 2020, the Company signed a Letter of Intent to acquire Earth Circle Organics. On October 23rd, 2020, the Company entered into a Letter of Intent to acquire Brain Forza Labs Inc. On December 1st, 2020, Levitee Labs signed a Memorandum of Understanding to collaborate and construct a framework for the potential future investment or acquisition of BODE Nutraceuticals Inc. On December 29th, 2020, the company has entered into a distribution agreement with Green Planet Wholesale Ltd. ("Green Planet"), pursuant to which Green Planet will distribute Sporeo grow kits through Green Planet's distribution channels.

d. Debt Settlement Agreement in Shares

On December 15, 2020, the board of directors approved the settlement the amount of $1,050,000 indebted to an M&A consulting firm with 4,200,000 common shares of the Company at a deemed price of $0.25 per share.

e. Private Placement

On January 20, 2021, the Company completed a private placement (the "First Subscription Receipts Private Placement") of 15,491,000 subscription receipts (each, a "Subscription Receipt") of the Company at a price of $0.50 per Subscription Receipt for gross proceeds of $7,745,500. With this private placement the Company paid finders commissions of $528,360 and issued 995,520 finders warrants with an exercise price of $0.75 and expiry of 24 months from the date of issuance. Upon satisfaction of the Escrow Release Conditions (defined below), each Subscription Receipt will be exercised or exchanged for one common share of the Company and one half of one common share purchase warrant of the Company (a "Subscription Receipt Warrant"). Each Subscription Receipt Warrant will be exercisable into one common share of the Company at price of $0.75 for 36 months from issuance. The "Escrow Release Conditions" are as follows:

(i) the shares of the Company will have been conditionally approved for listing on the Canadian Securities Exchange;

(ii) the Company will have obtained a final receipt for its long-form prospectus from the applicable regulatory authorities.

On February 4, 2021, the Company completed an additional private placement of 5,649,000 Subscription Receipts with the same terms above for gross proceeds of $2,824,500. With this private placement the Company paid finders commissions of $98,560 and issued 197,120 finders warrants with an exercise price of $0.75 and expiry of 24 months from the date of issuance.

SCHEDULE “D”

MANAGEMENT’S DISCUSSION AND ANALYSIS OF LEVITEE LABS INC. FOR THE TWO MONTHS ENDED NOVEMBER 30, 2020

LEVITEE LABS INC. (Formerly FIBONACCI CAPITAL CORP.)

MANAGEMENT DISCUSSION AND ANALYSIS

For the two months ended November 30th, 2020 and 2019

As of February 11, 2021

About the Company

Levitee Labs Inc. (name changed on November 30, 2020 from Fibonacci Capital Corp.) ("the Company", "the Corporation" or "LLI") was incorporated on January 23, 2019 and is a company continued under the Business Corporations Act (British Columbia). The Company intends to identify and evaluate potential business opportunities in the psychedelics industry through the acquisitions of Monk-E Nutraceuticals Inc ("Monk-E"). The registered office of the Company is located at Suite 305 – 1068 Hornby Street, Vancouver, British Columbia, Canada.

The Company completed a three-cornered amalgamation with Monk-E and its 100% owned subsidiary of 1273586 B.C. Ltd and a direct listing via non-offering prospectus ("NOP"). LLI consolidated its common shares at a ratio of 2.5:1 from 14,638,903 common shares to 5,855,561 common shares immediately prior to amalgamation. Monk-E shareholders were then issued 1 common share in LLI in exchange for 1 common share in Monk-E. This amounted to a total addition of 21,928,050 common shares issued in Fibonacci.

The Company generated a net income of $98,252 for the 2 months period ended November 30, 2020 and a net loss of $4,511 for the similar period ended November 30, 2019 for a total accumulated deficit of $653,783. The Company had a net cash inflow of $631,145 for the two month period ended November 30, 2020 and a cash balance of $674,038 as at November 30, 2020. To date, the Company's activities have been funded through financing activities.

Basis of Discussion and Analysis

This Management Discussion and Analysis ("MD&A") of the financial condition for the two months ended to November 30th, 2020 and the same period in 2019 was prepared as of January 21, 2021. This MD&A should be read in conjunction with the Company's unaudited financial statements and accompanying notes for the two months period ended November 30, 2020 and the audited financial statements for the year end September 30, 2020.

The Company prepares its condensed interim consolidated financial statements in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"). IFRS comprises IFRS, International Accounting Standards ("IAS") and interpretations issued by the IFRS Interpretations Committee ("IFRIC") and the former Standing Interpretations Committee ("SIC").

All dollar amounts are expressed in Canadian dollars unless otherwise indicated.

Forward-Looking Statements

Certain statements contained in this MD&A and in certain documents incorporated by reference into this MD&A, constitute forward-looking statements, within the meaning of applicable securities laws ("forward-looking statements"). Such statements relate to future events or the Company's future performance. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "potential", "targeting", "intend", "could", "might", "should", "believe", "prospect", "future", "possible", "can", "speculative", "perhaps" and similar expressions.

Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits we will obtain from them. These forward-looking statements reflect management's current views and are based on certain assumptions and speak only as of the date of this report. These assumptions, which include management's current expectations, estimates and assumptions about the global economic environment, the market price and demand for products and our ability to manage our operating costs, may prove to be incorrect. A number of risks and uncertainties could cause our actual results to differ materially from those expressed or implied by the forward-looking statements, including: (1) a downturn in general economic conditions, (2) the uncertainty of government regulation and politics (3) potential negative financial impact from regulatory investigations, claims, lawsuits and other legal proceedings and challenges, (4) other factors beyond our control, and (5) the risk factors set out in the Prospectus (as defined below). There is a significant risk that such forward-looking statements will not prove to be accurate. Investors are cautioned not to place undue reliance on these forward-looking statements. No forward-looking statement is a guarantee of future results. We disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. Additional information about these and other assumptions, risks and uncertainties are set out in the section entitled "Risk Factors" below as well as in the Prospectus as set out in the section entitled "Risk Factors".

With respect to forward-looking statements contained in this prospectus, the Company has made assumptions regarding, among other things:

- the Company's ability to generate revenue while controlling costs and expenses;
- the impact of increasing competition;
- the absence of material adverse changes in the industry or regulatory regimes;
- the Company's ability to attract and retain key personnel;
- the Company's ability to manage its growth effectively;
- trends in the Company's industry and markets;
- the Company's ability to keep pace with technological developments;
- the Company's ability to protect its intellectual property rights;
- the Company's continued compliance with relevant regulatory regimes;
- the Company's ability to raise sufficient financing to support continued growth; and
- the Company's ability to obtain additional financing on satisfactory terms.
- the impact of COVID-19 on the market demand

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

- The Company's limited history of operations
- There is currently no market through which any of the Company's securities may be sold
- Substantial additional financing may be required if the Company is to successfully develop its business
- The Company has had negative cash flow from operating activities since inception
- The Company's products are subject to extensive regulation
- The Company may be subject to growth-related risks
- The success of the Company's products are dependent on pronounced and rapidly changing public tastes
- The Company is dependent on the reliable supply of its raw materials
- The Company is heavily reliant on a limited number of products
- The Company is highly dependent on consumer perception of mushrooms
- The Company has not achieved, and there is no assurance that it will be able to achieve brand awareness
- The Company's success may be dependent on its ability to develop, market and produce new products, which may require substantial capital
- The Company is heavily dependent on certain key senior managers
- The Company relies on third parties to manufacture and package its products
- The Company may be subject to product liability claims
- The Company may be required to recall its products

- The Company faces significant competition

Forward looking information and statements included throughout this MD&A include, but are not limited to, statements pertaining to the following:

- Monk-E will launch its Sporeo ecommerce platform at URL: www.sporeogrow.com.
- Monk-E will launch its new business line called Sporeo Supply, and began selling Sporeo Supply products through Sporeo's ecommerce platform. See *Description of Business – Sporeo Supply*".
- On August 10, 2020, the Company has signed a LOI with PharmaCosta Medicinal Corp., which set out the parties' intentions to jointly develop a mushroom infused coffee product for consumers.
- The Company, Amalgamation SubCo, and Monk-E Nutraceuticals Inc. ("Monk-E") entered into an amalgamation agreement (the "Amalgamation Agreement"). Pursuant to Amalgamation Agreement: (i) Monk-E and Amalgamation Subco amalgamated under Division 3 of Part 9 of the BCBCA and continued as one corporation, Levitee Holdings Inc OpCo; and (ii) the Corporation changed its name from "Fibonacci Capital Corp." to "Levitee Labs Inc. " Fibonacci Capital Corp. consolidated its shares 2.5x (September 30, 2020 - 14,638,903 shares) and immediately prior to amalgamation had 5,855,561 shares outstanding. Monk-E shareholders were then issued shares in Fibonacci 1 for 1 in exchange for their Monk-E shares. This amounted to 21,928,050 shares. In post amalgamation, the combined entity changed name to Levitee Labs Inc (changed name from Fibonacci Capital Corp.) and it had 27,783,611 at the amalgamation date.
- Levitee Labs is planning on a public listing in Q1 2021 (calendar year). It has plans to use the capital raised to acquire established businesses in the nutraceutical and supplement space, as well as in areas of pain and addiction treatment. Capital raised as part of the listing is expected to be used on M&A opportunities, as well as general working and growth capital. On November 30, 2020, the company raised $855,762 at $0.25 per share, equating to 3,423,048 shares sold. These funds will be used as working capital to support operations and the public listing.

Current Year Activities and Corporate Developments

The Company is establishing itself as a leader in the alternative medicine space. The Company has been active in establishing strategic relationships and operations towards executing the goal of acquiring and creating cash-flowing assets directly in or ancillary to the psychopharmacological industry. The Company is now actively engaged in creating mushroom infused products and manufacturing for traditional mushroom cultivators through the trade names Monk-E nutraceuticals and Sporeo Supply.

The Company will pursue a going-public transaction and list its shares on the Canadian Securities Exchange (CSE). The Company will focus its business on pursuing further opportunities in the biotechnology and psychopharmacology industry.

RELATIONSHIPS WITH THIRD PARTIES

My Green Planet
Monk-E has established a strategic alliance and exclusive distribution agreement with My Green Planet. My Green Planet is a British Columbia based company specializing in the wholesale distribution of quality impact products for the indoor gardening, hydroponic, and hobby greenhouse market. They have been successfully active in this market for over 20 years, with millions of dollars in sales each year. My Green Planet is one of the largest distributors of cannabis cultivation equipment globally. Levitee Labs' brand Sporeo will initially be launching with two SKU's, Sporeo substrate and spawn. My Green Planet's distribution channels reach thousands of stores located in Canada, the United States, Europe, and Australia.

Selected Financial Information

Selected financial information from the statement of loss for the Company:

Discussion of Operations

For a discussion of current year operations see “Selected Financial Information” in this MD&A.

The Company is currently focused on raising equity financing in order to acquire additional acquisition targets in order to generate additional revenue and gains through capital appreciation of these investments.

	For the two months ended November 30, 2020	For the two months ended November 30, 2019
Expenses		
Consulting fees	$ 23,625	$ 787
Professional fees	2,304	-
Rent expense	-	3,150
Office expense	-	376
Marketing expense	-	184
Bank and financing charges	19	14
Total Expenses	25,948	4,511

Consulting fees mainly consist of consulting expenses by related parties, Chief Executive Officer, other executive team members, finance and accounting related expenses. The increase in consulting fees during the period ended November 30, 2020 as compared to November 30, 2019 was a result of the Company’s overall increased business activity due to the go-public plans.

Professional fees mainly consist of fees paid to lawyers for other professional services.

Acquisition of Monk-E

Business acquisition under common control

On November 30, 2020, Monk-e and 1273586 B.C. Ltd. ("1273586"), a wholly-owned subsidiary of LLI, amalgamated under the Business Corporations Act (British Columbia).

LLI consolidated its common shares at a ratio of 2.5:1 from 14,638,903 common shares to 5,855,561 common shares immediately prior to amalgamation. Monk-E shareholders were then issued 1 common share in LLI in exchange for 1 common share in Monk-E. This amounted to a total addition of 21,928,050 common shares issued in LLI. In addition Monk-E had 95,360 outstanding warrants issued to brokers on November 24, 2020 for commissions related to equity sales of Monk-E. These warrants were exchanged for warrants to purchase LLI shares (financial statement note 10c).

Post amalgamation, the combined entity had 27,783,611 common shares outstanding at the amalgamation date. Management has concluded Monk-E's share value of $0.25 is the best indicator of the fair value of this transaction due to recent fund raising on November 24, 2020 at this price.

The transaction was determined to be a business combination under common control and the Company has applied the accounting method described in financial statement note 2c.

The following table summarizes the carrying value of the assets acquired and liabilities assumed on the date of acquisition.

Total consideration	
Shares issued	21,928,050
Share value	$0.25
Total consideration	**5,482,013**
Net identifiable assets acquired	
Cash and cash equivalents	636,148
Amounts receivable	23,428
Prepaid expenses	73,379
Equipment	235,906
Right of use asset	247,618
Accounts payable and accrued liabilities	(74,150)
Lease liability	(247,618)
Total net identifiable assets	894,711
Acquisition reserve	4,587,301
Total net assets and equity recognized	**5,482,013**

Supplemental information for Monk-E

As a result of the amalgamation and common control acquisition of Monk-E, the results of operations for the two-month period ended November 30, 2020 were not included in the condensed interim consolidated statement of profit and loss. Those results are as follows:

Expenses		
Payroll expense	$	88,251
Consulting fees		58,614
Professional fees		45,040
Marketing expense		9,710
Rent expense		6,600
Office expense		6,445
Travel expense		4,963
Bank charges		203
Computer expense		169
Total expenses		219,995
Total net loss	**$**	**219,995**

Consulting fees mainly consist of consulting expenses by related parties, Chief Executive Officer, other executive team members, finance and accounting related expenses. The increase in consulting fees during the period ended November 30, 2020 as compared to November 30, 2019 was a result of the Company's overall increased business activity due to the go-public plans.

Payroll expenses fees mainly consist of payroll expenses to the Chief Executive Officer, other executive team members. The increase in payroll expenses during the period ended November 30, 2020 as compared to November 30, 2019 was a result of the Company's overall increased business activity due to the go-public plans.

Professional fees mainly consist of fees paid to lawyers for other professional services.

Rent and office expense related to office space the Company leased during the period.

Selected financial information from the statement of financial position:

	November 30, 2020 (Unaudited)	September 30, 2020
Total Current Assets	985,626	156,990
Total Current Liabilities	105,282	2,572
Total Shareholders' Equity	1,147,382	154,419
Total Liabilities and Shareholders' Equity	$ 1,469,150	$ 156,990

Cash and cash equivalents increased from September 30, 2020 to November 30, 2020 more funds raised through additional financing activities.

Prepaid assets balances at November 30, 2020 and September 30, 2020 relate to prepaid consulting fees paid to consultants and companies that will source acquisition targets and guide the Company through the due diligence and general deal process.

Marketable securities at November 30, 2020 consisted of shares in the public company ESE Entertainment Inc. The increase in marketable securities amount pertains to the increase in the fair-market-value of the investment. Management considers this investment as held for sale and short term in nature and intents to use any gains to fund operations of the Company.

Current and total liabilities consists solely of accounts payable due to vendors of the Company and the current portion of the lease commitment for the leased production plant.

Shareholders' equity from September 30, 2020 to November 30, 2020 increased due to new fund raising activities the operating loss during this period and share capital related to the issuances of the Company's stock.

<u>Significant Projects</u>

As of the date of this MD&A, the amalgamated Company has two significant projects which have not generated revenue, but are expected to generate revenue in the future. Each project is related to the mushroom industry as a whole. The following is a description of each such project, including a description of the Company's plan for such project, the status of the project relative to the Company's plan for such project, the expenditures made by the Company in respect of such project to date and how such expenditures relate to anticipated timing and costs to advance the project to the next stage of the Company's plan for the specific project.

Facility

The Company currently leases an approximately 4,300 sq ft facility which will be home to the manufacturing processes and fulfillment of all Canadian eCommerce business.

In November 2020, the company sourced all manufacturing equipment and engaged an independent consultant to determine the steps necessary to advance the facility to the operational stage. The Planning Stage involved a general assessment of the facility, during which, management of the Company and the consultant worked closely to plan the steps required to commence the manufacturing of non GMP certified Spawn and Substrate Facility (including, among other things, identifying appropriate ceiling, wall, and floor coating suitable for the proposed manufacturing processes).
To date the Company incurred approximately $200,000 in capital expenditures in connection with the planning stage (attributed to obtaining the lease, equipment purchases, consultants, etc.)

While assessing with the independent consultants, the Company has determined that the Company may be required to incur an additional estimated amount of up to $150,000 to build out the facility to have operations live which will require minor facility upgrades, installation of equipment and personnel (consultants, engineers).

The build-out plan is expected to be tailored to suit the Company's business objectives at the time of such consultation process, as the same may exist considering the impact of COVID-19 on, among other things, the Company's specific business objectives in respect of, and the reasons for, the certification for the Facility, as well as the then prevailing market and competitive conditions in respect of such objectives.

As part of this consultation process, the engineering firm is expected to draft a final construction plan covering each stage of the construction necessary to obtain certification for the Facility, in light of the then prevailing EU-GMP standards and certification requirements applicable to qualify the Company's cultivation and production process at the Facility, as well as the then present business objectives of the Company.

As of the date of this MD&A, the Company is further considering and evaluating the economic viability and benefits of proceeding with building-out the Facility. The Company's disclosure in the Listing Statement projected that construction of the Facility is expected to be completed over the course of a one (1) to three (3) month period following commencement.

The Company's ability to begin the build out of the facility in calendar Q1, 2020 is dependent on the following material factors and assumptions. (I) the Company having adequate financial resources to fund the build out of the facility, (II) the Company's ability to retain a consultant on the terms and conditions favorable to the Company; and (III) the favorability of the general market conditions with respect to the mushroom industry. In particular, the Company believes that the following events and circumstances may reasonably be likely to cause actual results with respect to the timing and commencement of the build out to differ materially from those anticipated by the Company and expressed in this MD&A.

- The impact of COVID-19 on general market conditions and particularly on regulating entities approving build outs in a timely fashion.
    - The ability for personnel to work safely and quickly to the Company's time schedules.
- Unanticipated setbacks which may materialize following the date of the MD&A, including, among other things, changes in regulations and the Company's inability to identify a cost-effective build out plan to operate.

eCommerce Platform

In September 2020, the Company launched their websites and eCommerce platforms under the domain names sporeogrow.com and monkenutra.com in order to promote and collect data regarding future consumers of products for sale.

To date, the company has incurred minimal capital expenditures in connection with the development and cost of the eCommerce platform. The company expects to incur more capital expenditures in the coming years to further build its eCommerce infrastructure.

As of the date of this MD&A, the Company's products are available for pre-sale. To date, the Company has not launched at material marketing, promotional or educational campaigns on the eCommerce platforms.

Except for updates and maintenance from time to time required in the ordinary course of business, the initial release of the eCommerce platform is complete. The Company anticipates some further platform development work as the Company adds new SKU's and design elements to the platform.

Nutraceuticals Industry Analysis

The global nutraceuticals market size is predicted to reach USD 486.36 billion by 2026, exhibiting a compound annual growth rate ("**CAGR**") of 8.14% between 2019 and 2016.[1] The growing demand for functional food and beverage will create new opportunities for the nutraceuticals market growth during that period. In recent years there has been a surge in product development and innovation activities, as well as rising availability of nutraceutical products, which has contributed and is expected to continue to contribute to this growth in the market.

Growing consumer interest in a healthy diet has led to a thriving food and beverage market in the recent past and the trend is expected to continue over the forecast period.[2] Demand for functional foods is on the rise as they believed to impart exceptional health benefits owing to their nutrient content. This is further expected to boost the growth of the market for nutraceuticals.

The global nutraceuticals industry has been witnessing key developments in terms of product innovation and portfolio expansion over the past few years. Companies, both private and publicly-traded, have been proactive in initiating strategies to gain a competitive advantage in the nutraceuticals industry.

Dietary Supplements Industry Analysis

A dietary supplement is a manufactured product intended to supplement the human diet when taken, typically orally as a pill, capsule, tablet, or liquid. The use of such supplements are typically to provide nutrients that the consumer may be unable to obtain by other sources, or normal diet. Dietary supplements are either extracted from food sources or synthetic, individually or in combination, in order to increase and improve the quantity of their consumption. Common types of nutrient compounds that dietary supplements derive from includes vitamins, minerals, fiber, fatty acids and amino acids. Dietary supplements can also contain substances that have not been confirmed as being essential to life, but are marketed as having a beneficial biological effect. In the United States and Canada, dietary supplements are considered a subset of foods, and are regulated accordingly. The European Food Safety Authority has also established harmonized rules to help insure that food supplements are safe and

[1] Fortune Business Insights, "*Nutraceuticals Market Size, Share & Industry Analysis, By Product Type (Functional Foods, Functional Beverages, and Dietary Supplements), Distribution Channel (Supermarkets/ Hypermarkets, Convenience Stores, Online Retail and Others), and Regional Forecast, 2019 – 2026*" (March 2020).

[2] *Ibid.*

properly labeled.[3]

The global dietary supplements market size was estimated at USD 123.28 billion in 2019 and is projected to expand at a CAGR of 8.2% through 2027.[4]

Nootropics Industry Analysis

The global nootropics market size was valued at USD 2.17 billion in 2018 and is expected to grow at a CAGR of 12.5% between 2019 and 2025.[4] An increasing demand for brain boosters and "smart drugs" is anticipated to drive the growth. A growing number of students and professionals consume these products for their ability to improve focus and memory. Continued product development using both synthetic and natural raw materials is projected to further fuel the demand.[5]

Mushroom Grow Kits

Mushroom grow kits are a nascent market, and currently there are few statistics on market size. The sector is based on consumers who would like to grow their own mushrooms, but have not because they are unfamiliar with the process. When it comes to growing mushrooms, consumers are unsure of where to purchase equipment and material required, or how to access a safe, reliable supply in the wild. Growing mushrooms at home can be an appealing option, but one that comes with its own set of challenges. Mushroom grow kits solve these problems by providing all the required resources and equipment in one single package, and allowing consumers to safely and successfully grow mushrooms.

Levitee Labs believes that this market will see high growth in the coming years, and has therefore built the brand Sporeo to capitalize on this.

Marketing Plans

The Company plans on launching marketing initiatives in Q1, 2020 for both brands, Monk-E and Sporeo.

Competitive Conditions

The number of competitors and the degree of competition within the North American food industry varies greatly by product segment and region. In the nutraceutical space, the market is highly fragmented, with many companies owning small market share. In the functional mushrooms space, our competitors offer products such as mushroom extracts, powders, teas and other wellness products. Some of the Corporation's competitors include:

- **Four Sigmatic:** Four Sigmatic is a US company specialized in superfoods, functional mushrooms and adaptogenic herbs.
- **Mud Water:** MUD\WTR™ is a coffee alternative consisting of natural ingredients, including mushrooms, which is marketed for its health and performance benefits, including natural energy and focus.

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[3] https://www.efsa.europa.eu/en/topics/topic/food-supplements
4 Dietary Supplements Market Size, Share & Trends Analysis Report By Ingredient (Vitamins, Minerals), By Form, By Application, By End User, By Distribution Channel, By Region, And Segment Forecasts, 2020 - 2027

[4] Grand View Research, "*Nootropics Market Size, Share & Trends Analysis Report By Application (Memory Enhancement, Mood & Depression, Attention & Focus, Anxiety), By Distribution Channel, And Segment Forecasts, 2019 – 2025*" (September 2019).
[5] *Ibid.*

- **Purica:** Purica is a Canadian wellness company which sells products designed to address arthritis, pain relief, post-surgical recovery, cardiovascular health, stress relief, immune support, digestive support, including some mushroom-based products.

Regulatory Environment

The Corporation is focused on developing and commercializing plant-based health and wellness products. In order to develop such products, the Corporation's business and processes must be conducted in strict compliance with the regulations of federal, provincial, state, local and regulatory agencies locally and internationally, in the jurisdictions in which the Corporation operates.

Some of the Corporation's products are considered "food" and, as such, are principally regulated under the *Food and Drugs Act* (Canada) and the *Consumer Packaging and Labelling Act* (Canada) as well as the *Federal Food, Drug, and Cosmetic Act* (USA) and the *Nutrition Labeling and Education Act* (USA).

The *Food and Drugs Act* ("**FDA**") regulates food and drugs in Canada and provides requirements on composition (including without limitation food additives, fortification, and food standards), packaging, and licensing requirements. The Corporation is not required to obtain any pre-approvals and/or licenses for its products, but must ensure that the labelling, marketing and selling of any of its products comply with the FDA, including by ensuring that the Corporation's products are not packaged or marketed in a manner that is misleading or deceptive to a consumer.

The *Consumer Packaging and Labelling Act* ("**CPLA**") provides for a uniform method of labelling and packaging of prepackaged consumer goods in Canada. The relevant provisions include the prevention of fraudulent statements and providing for mandatory label information in which consumers may make informed decisions.

The United States Food and Drug Administration ("**US-FDA**") is responsible for assuring that foods sold in the United States are safe, wholesome and properly labeled. This applies to foods produced domestically, as well as foods from foreign countries. The *Federal Food, Drug, and Cosmetic Act* ("**FD&C Act**") and the *Fair Packaging and Labeling Act* are the Federal laws governing food products under US-FDA's jurisdiction.

The *Nutrition Labeling and Education Act* ("**NLEA**"), which amended the FD&C Act, requires most foods to bear nutrition labeling and requires food labels that bear nutrient content claims and certain health messages to comply with specific requirements.

Monk-E does not have any direct or indirect involvement with the illegal selling, production or distribution of any psychedelic substances in the jurisdictions in which it operates. The Corporation is a health and wellness product company and does not advocate for the legalization of any psychedelic substances and does not deal with psychedelic substances. The Corporation's products will not be commercialized in any given jurisdiction prior to applicable regulatory approval in that jurisdiction, which may only be granted if evidence of safety and efficacy for the intended uses is successfully developed.

<u>Foreign Operations</u>

The Corporation currently plans to launch sales of its products across Canada and the United States, focusing initially on the United States market. The Corporation is developing third-party logistics relationships in California, New York, and Arizona.

Summary of Quarterly Results

The following summarizes the selected quarterly results for the Company:

	Period from the date of incorporation on Jan 23, 2019 to Mar 31, 2019	Three months ended Jun 30, 2019	Three months ended Sep 30, 2019	Three months ended Dec 31, 2019	Three months ended Mar 31, 2020	Three months ended Jun 30, 2020	Three months ended Sep 30, 2020	For the two months ended November 30, 2020
Total revenue	-	-	-	-	-	-	-	
Gain (Loss) from continuing operations	(9,908)	(251,948)	(48,450)	(15,840)	(37,913)	(79,762)	(308,213)	98,252
Loss per share (diluted and non-diluted)	$ (0.02)	$ (0.14)	$ (0.01)	$ (0.00)	$ (0.01)	$ (0.02)	$ (0.06)	$ 0.03

During the period from the date of incorporation on January 23, 2019 to March 31, 2019 expenses consisted mainly of consulting fees and rent expense.

During the three months ended June 30, 2019 expenses consisted mainly of consulting fees for set up of the business and share structure and rent expense.

During the three months ended September 30, 2019 expenses consisted mainly of consulting fees and rent expense.

During the three months ended December 31, 2019 expenses consisted mainly of consulting fees, accounting fees and rent expense.

During the three months ended March 31, 2020 expenses consisted mainly of consulting fees.

During the three months ended June 30, 2020 expenses consisted mainly of consulting fees.

During the three months ended September 30, 2020 expenses consisted mainly of consulting fees and unrealized loss from fair value adjustments on short-term investments.

During the period for the two months ended November 30, 2020 expenses consisted mainly of consulting fees and rent expense and unrealized gain from fair value adjustments on short-term investments.

Liquidity and Capital Resources

The Company manages its capital structure and adjusts based on the funds available to the Company in order to facilitate the liquidity needs of its operations. The Board does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company defines capital to include its working capital position, capital stock and accumulated deficit. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the period ended November 30, 2020

As at November 30, 2020, the Company had cash and cash equivalent balance of $674,038 (September 30, 2020 - $42,893) available to settle financial liabilities of $105,282 (September 30, 2020 - $2,572).

Risks and Uncertainties

Due to the nature of the Company's business, its limited operating history, and its stage of development, an investment in the securities of the Company is highly speculative and involves significant risks and uncertainties. As the Company continues to develop its business, the Company will face numerous challenges, and additional risks and uncertainties not presently known to the Company, or which the Company believes to be immaterial. In the event that such risks and uncertainties materialize, the Company's business, financial condition, and results of operations could be materially adversely affected, and shareholders of the Company could lose all or part of their investment in the Company. Such risks and uncertainties could also cause actual events to differ materially from those described in forward looking statements relating to the Company described in this MD&A and in certain documents incorporated by reference into this MD&A.

The following section summarizes certain of the risks and uncertainties relating to the business of the Company as of the date of this MD&A. The summary of such risks and uncertainties is not intended to be exhaustive, and such risks are in addition to the usual risks associated with investment in a business. Investors should carefully consider the following risks and uncertainties as well as the risk factors set out in the Listing Statement.

Introduction of, or Changes in, Laws, Regulations and Guidelines

In order to develop regulated medicines, Levitee Discovery's process must be conducted in strict compliance with the regulations of federal, state, local and regulatory agencies in Canada and the United States, and the equivalent regulatory agencies in the other jurisdictions in which Levitee may operate.

These regulatory authorities regulate, among other things, the research, manufacture, promotion and distribution of drugs in specific jurisdictions under applicable laws and regulations.

Canada
The process required before a prescription drug product candidate may be marketed in Canada generally involves:

- *Chemical and Biological Research* - Laboratory tests are carried out on tissue cultures and with a variety of small animals to determine the effects of the drug. If the results are promising, the manufacturer will proceed to the next step of development.
- *Pre-Clinical Development* – Animals are given the drug in varying amounts over differing periods of time. If it can be shown that the drug causes no serious or unexpected harm at the doses required to have an effect, the manufacturer will proceed to clinical trials.
- *Clinical Trials — Phase 1* - The first administration in humans is to test if people can tolerate the drug. If this testing is to take place in Canada, the manufacturer must prepare a clinical trial application for the Therapeutic Products Directorate of Health Canada (the "TPD"). This includes the results of the first two steps and a proposal for testing in humans. If the information is sufficient, the Health Products and Food Branch of Health Canada (the "HPFB") grants permission to start testing the drug, generally first on healthy volunteers.
- *Clinical Trials — Phase 2* - Phase 2 trials are carried out on people with the target condition, who are usually otherwise healthy, with no other medical condition. Trials carried out in Canada must be approved by the TPD. In Phase 2, the objective of the trials is to continue to gather information on the safety of the drug and begin to determine its effectiveness.

- *Clinical Trials — Phase 3* - If the results from Phase 2 show promise, the manufacturer provides an updated clinical trial application to the TPD for Phase 3 trials. The objectives of Phase 3 include determining whether the drug can be shown to be effective, and have an acceptable side effect profile, in people who better represent the general population. Further information will also be obtained on how the drug should be used, the optimal dosage regimen and the possible side effects.
- *New Drug Submission* - If the results from Phase 3 continue to be favourable, the drug manufacturer can submit a new drug submission ("NDS") to the TPD. A drug manufacturer can submit an NDS regardless of whether the clinical trials were carried out in Canada. The TPD reviews all the information gathered during the development of the drug and assesses the risks and benefits of the drug. If it is judged that, for a specific patient population and specific conditions of use, the benefits of the drug outweigh the known risks, the HPFB will approve the drug by issuing a notice of compliance.

United States

Our development and commercialization activities and product candidates are significantly regulated by a number of governmental entities, including the FDA, HC, and comparable authorities in other countries. Regulatory approvals are required prior to each clinical trial and we may fail to obtain the necessary approvals to commence or continue clinical testing. We must comply with regulations concerning the manufacture, testing, safety, effectiveness, labeling, documentation, advertising, and sale of products and product candidates and ultimately must obtain regulatory approval before we can commercialize a product candidate.

The time required to obtain approval by such regulatory authorities is unpredictable but typically takes many years following the commencement of preclinical studies and clinical trials. Any analysis of data from clinical activities we perform is subject to confirmation and interpretation by regulatory authorities, which could delay, limit or prevent regulatory approval. Even if we believe results from our clinical trials are favorable to support the marketing of our product candidates, the FDA or other regulatory authorities may disagree. In addition, approval policies, regulations, or the type and amount of clinical data necessary to gain approval may change during the course of a product candidate's clinical development and may vary among jurisdictions. We have not obtained regulatory approval for any product candidate and it is possible that none of our existing product candidates or any future product candidates will ever obtain regulatory approval.

We could fail to receive regulatory approval for our product candidates for many reasons, including, but not limited

to:

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

A regulatory authority may require more information, including additional preclinical or clinical data to support approval, which may delay or prevent approval and our commercialization plans, or we may decide to abandon the development program. If we were to obtain approval, regulatory authorities may approve any of our product candidates

for fewer or more limited indications than we request, may grant approval contingent on the performance of costly post-marketing clinical trials, or may approve a product candidate with a label that does not include the labeling claims necessary or desirable for the successful commercialization of that product candidate. Moreover, depending on any safety issues associated with our product candidates that garner approval, the FDA may impose a risk evaluation and mitigation strategy, thereby imposing certain restrictions on the sale and marketability of such products.

Technology and information security
The Company is also subject to technology and information security risk, including the risk that confidential information held by the Company is stolen or accessed causing financial or personal harm to the affected individual(s) or the Company's business. The Company reduces this risk through enhancement of policies and procedures, and monitoring and auditing to ensure compliance related to information technology, safety of data, and secure storage of physical files. The Company is also subject to risks related to reliance on key personnel and catastrophic and general uninsured loss.

COVID-19

The impact of the COVID-19 pandemic, with its combined health toll and sharp decline in global economic output, is unprecedented and the full extent of the impact will depend on future developments. These developments are highly uncertain and cannot be accurately predicted, including new information which may emerge concerning its severity, its duration and actions by government authorities to contain the outbreak or manage its impact. As a result, it is not possible to determine the impact on the going concern of the Company at this time.

The following are certain risk factors relating to an investment in Shares which prospective investors should carefully consider before deciding whether to purchase common shares. The following information must be read in conjunction with the detailed information appearing elsewhere in this prospectus. Such risk factors may have a material adverse effect on the financial position or results of operations of the Corporation or the value of the common shares.

Limited History of Operations

The Corporation is in the early stage of development and must be considered a start-up. As such, the Corporation is subject to many risks common to such enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources and the lack of revenues. There is no assurance that the Corporation will be successful in achieving a return on Shareholders' investment and the likelihood of success must be considered in light of its early stage of operations. The Corporation has no intention of paying any dividends in the near future.

The Corporation has limited financial resources, has not earned any significant revenue since commencing operations has no source of operating cash flow and there is no assurance that additional funding will be available to it for further development of the Corporation's business or to fulfill its obligations under any applicable agreements. There can be no assurance that the Corporation will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in delay or indefinite postponement of further development of the Corporation's business.

No Market for Securities

There is currently no market through which the common shares may be sold and there is no assurance that such securities of the Corporation will be listed for trading on a stock exchange, or if listed, will provide a liquid market for such securities. Until the common shares are listed on a stock exchange, holders of the common shares may not be able to sell their common shares. Even if a listing is obtained, there can be no assurance that an active public market for the common shares will develop or be sustained after listing. The holding of common shares involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. common shares should not be purchased by persons who cannot afford the possibility of the loss of their entire investment.

Additional Requirements for Capital

Substantial additional financing may be required if the Corporation is to successfully develop its business. No assurances can be given that the Corporation will be able to raise the additional capital that it may require for its anticipated future development. Any additional equity financing may be dilutive to investors and debt financing, if available, may involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the Corporation, if at all. If the Corporation is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated expansion.

Negative Cash Flow from Operating Activities

The Corporation has had negative cash flow from operating activities since inception. Significant capital investment will be required to achieve the Corporation's existing plans. There is no assurance that the Corporation's business will generate earnings, operate profitably or provide a return on investment in the near future. Accordingly, the Corporation may be required to obtain additional financing in order to meet its future cash commitments.

Regulatory Environment

The Corporation's operations are subject to regulation by government agencies including, among others, Health Canada and the CFIA. These agencies regulate the processing, packaging, storage, distribution, advertising, and labeling of the Corporation's products, including food safety standards. The Corporation's products may be subject to inspection by federal, provincial, state and local authorities. The Corporation strives to maintain compliance with all laws and regulations and maintain all permits and licenses relating to our operations. Nevertheless, there can be no assurance that the Corporation is in compliance with all such laws and regulations, has all necessary permits and licenses, and will be able to comply with such laws and regulations, or obtain such permits and licenses in the future. Failure by the Corporation to comply with applicable laws and regulations and permits and licenses could subject the Corporation to civil remedies, including fines, injunctions, recalls or seizures, as well as potential criminal sanctions, which could have a material adverse effect on our financial condition and results of operations. In addition, enforcement of existing laws and regulations, changes in legal requirements and/or evolving interpretations of existing regulatory requirements may result in increased compliance costs and create other obligations, financial or otherwise, that could adversely affect the Corporation's business, financial condition or results of operations.

Management of Growth

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

Success is Dependent on Public Taste for Levitee's Products

The Corporation's revenues are substantially dependent on the success of its products, which depends upon, among other matters, pronounced and rapidly changing public tastes, factors which are difficult to predict and over which the Corporation has little, if any, control. A significant shift in consumer demand away from the Corporation's products or its failure to expand its current market position will harm its business. Consumer trends change based on several possible factors, including nutritional values, a change in consumer preferences or general economic conditions. Additionally, there is a growing movement among some consumers to buy local food products in an attempt to reduce the carbon footprint associated with transporting food products from longer distances, and this could result in a decrease in the demand for food products and ingredients that the Corporation imports. These changes could lead to, among other things, reduced demand and price decreases, which could have a material adverse effect on the Corporation's business.

Raw Materials

The Corporation's products are derived from mushrooms. Accordingly, the Corporation and/or its manufacturers must acquire enough mushrooms so that the products can be produced to meet the demand of its customers. A mushroom shortage could result in loss of sales and damage to the Corporation. If the Corporation and/or its manufacturers become unable to acquire commercial quality mushrooms on a timely basis and at commercially reasonable prices, and are unable to find one or more replacement suppliers with the regulatory approvals to produce mushrooms at a substantially equivalent cost, in substantially equivalent volumes and quality, and on a timely basis, the Corporation will likely be unable to meet customer demand.

Consumer Perception of Mushrooms

The Corporation is highly dependent upon consumer perception of mushrooms and mushroom based products. The public may associate its mushrooms with illegal psychoactive mushrooms, which are prohibited substances. The Corporation's revenues may be negatively impacted due to the fact the market does not fully accept the mushrooms as a food product.

Brand Awareness

Brand awareness has not been achieved inside or outside of the Corporation's target markets. There is no assurance that the Corporation will be able to achieve brand awareness in any of its target markets. In addition, the Corporation must develop successful marketing, promotional and sales programs in order to sell its products. If the Corporation is not able to develop successful marketing, promotional and sales programs, then such failure will have a material adverse effect on the business, financial condition and operating results.

Limited Number of Products

The Corporation is heavily reliant on the production and distribution of mushroom-based and related products. If they do not achieve sufficient market acceptance, it will be difficult for us to achieve profitability.

The Corporation's revenue is derived almost exclusively from sales of mushroom-based and related products, and the Corporation expects that such products will account for substantially all of its revenue for the foreseeable future. If the mushroom-based and related products market declines or fails to achieve substantially greater market acceptance than it currently enjoys, the Corporation will not be able to grow its revenues sufficiently for it to achieve consistent profitability.

Even if products to be distributed by the Corporation conform to international safety and quality standards, sales could be adversely affected if consumers in target markets lose confidence in the safety, efficacy, and quality of mushrooms. Adverse publicity about mushroom-based products that the Corporation sells may discourage consumers from buying products distributed by the Corporation.

Development of New Products

The Corporation's success will depend, in part, on its ability to develop, introduce and market new and innovative products. If there is a shift in consumer demand, the Corporation must meet such demand through new and innovative products or else its business will fail. The Corporation's ability to develop, market and produce new products is subject to it having substantial capital. There is no assurance that the Corporation will be able to develop new and innovative products or have the capital necessary to develop such products.

Dependence on Management Team

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

Reliance on Third Party Manufacturers

The Corporation relies on outside sources to manufacture its products. The failure of such third-party packagers to deliver either components or finished goods on a timely basis could have a material adverse effect on the business. The Corporation does not intend to develop its own packaging capacity in the short term. As these are third parties over which the Corporation will have little or no control, the failure of such third parties to provide components or finished goods on a timely basis could have a material adverse effect on the business, financial condition and operating results.

Reliance on Marketing Partners and Future Distributors

The Corporation will sell its products online directly to end customers and it will rely on third parties for the sale and marketing of its products at retail locations. The Corporation plans to engage a distribution company to permit the Corporation to develop an extensive regional sales and distribution network throughout Canada and other jurisdictions where the Corporation's product is lawful. To the extent that marketing partners and distributors are distracted from selling the Corporation's products or do not expend sufficient efforts in managing and selling its products, the Corporation's future sales will be adversely affected. The Corporation's ability to grow our distribution network and attract additional distributors will depend on several factors, many of which are outside of its control. Some of these factors include: (i) the level of demand for the Corporation's brand and products in a particular distribution area; (ii) our ability to price our products at levels competitive with those offered by competing products and (iii) the Corporation's ability to deliver products in the quantity and at the time ordered by distributors.

Product Liability Insurance

The Corporation currently does not carry any product liability insurance coverage. Even though the Corporation is not aware of any product liability claims at this time, its business exposes itself to potential product liability, recalls and other liability risks that are inherent in the sale of food and other ingestible products. The Corporation can provide no assurance that such potential claims will not be asserted against it. A successful liability claim or series of claims brought against the Corporation could have a material adverse effect on its business, financial condition and results of operations.

Although the Corporation intends to obtain adequate product liability insurance, it cannot provide any assurances that it will be able to obtain or maintain adequate product liability insurance of on acceptable terms, if at all, or that such insurance will provide adequate coverage against potential liabilities. Claims or losses in excess of any product liability cover that may be obtained by the Corporation could have a material adverse effect on its business, financial conditional and results of operations.

Product Liability Claims

The Corporation may be required to pay for losses or injuries purportedly or actually caused by its products. Historically, there have been no product liability claims; however, there is no assurance that this trend will continue in the future. In the event that the Corporation's products are found to cause any injury or damage, the Corporation will be subject to substantial liability. This liability may exceed the funds available by the Corporation and result in the failure of its business.

Product Recall

The sale of products for human consumption involves inherent risks. The Corporation could decide to, or be required to, recall products due to suspected or confirmed contamination or product tampering. A product recall could adversely affect product sales financial condition and results of operation as well as the Corporation's general reputation in the industry.

Trademark Protection

The Corporation currently has not obtained any trademarks. Failure to register trademarks for the Corporation or its products could require the Corporation to rebrand its products resulting in a material adverse impact on its business.

Government Regulation

The processing, manufacturing, packaging, labeling, advertising and distribution of the Corporation's products is subject to regulation by one or more federal agencies, and various agencies of the provinces and localities in which our products are sold. These government regulatory agencies may attempt to regulate any of our products that fall within their jurisdiction. Such regulatory agencies may not accept the evidence of safety for any new ingredients that the Corporation may want to market, may determine that a particular product or product ingredient presents an unacceptable health risk and may determine that a particular statement of nutritional support that we want to use is an unacceptable claim. Such a determination would prevent the Corporation from marketing particular products or using certain statements of nutritional support on its products. The Corporation also may be unable to disseminate third-party literature that supports its products if the third-party literature fails to satisfy certain requirements.

In addition, a government regulatory agency could require the Corporation to remove a particular product from the market. Any future recall or removal would result in additional costs to the Corporation, including lost revenues from any products that we are required to remove from the market, any of which could be material. Any such product recalls or removals could lead to liability, substantial costs and reduced growth prospects.

Competition

The Corporation faces competition in the markets in which it operates. Some of the Corporation's competitors may also be better positioned to develop superior product features and technological innovations and able to better adapt to market trends than the Corporation. The Corporation's ability to compete depends on, among other things, high product quality, short lead-time, timely delivery, competitive pricing, range of product offerings and superior customer service and support. Increased competition may require the Corporation to reduce prices or increase costs and may have a material adverse effect on its financial condition and results of operations. Any decrease in the quality of the Corporation's products or level of service to customers or any occurrence of a price war among the Corporation's competitors and the Corporation may adversely affect the business and results of operations.

Junior Companies

Market perception of junior companies may change, potentially affecting the value of investors' holdings and the ability of the Corporation to raise further funds through the issue of further common shares or otherwise. The share price of publicly traded smaller companies can be highly volatile. The value of the common shares may go down as well as up and, in particular, the share price may be subject to sudden and large falls in value given the restricted marketability of the common shares.

Current Market Volatility

The securities markets in the United States and Canada have recently experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any market for the common shares will be subject to market trends generally, notwithstanding any potential success of the Corporation. The value of the common shares distributed hereunder will be affected by such volatility.

Use of Funds

The Corporation has prepared a budget setting out the way in which it proposes to expend its available funds. However, the quantum and timing of expenditure will necessarily be dependent upon receiving positive results from the Corporation's product development and marketing initiatives. As the Corporation further expands its business, it is possible that results and circumstances may dictate a departure from the pre-existing budget. Further, the Corporation may, from time to time as opportunities arise, utilize part of its financial resources to participate in additional opportunities that arise and fit within the Corporation's broader objectives, as a means of advancing shareholder value.

Conflicts of Interest

Some or all of the Corporation's Directors and officers may act as directors and/or officers of other health and wellness companies. As such, the Corporation's Directors and officers may be faced with conflicts of interests when evaluating alternative health and wellness opportunities. In addition, the Corporation's Directors and officers may prioritize the business affairs of another company over the affairs of the Corporation.

Personnel

The Corporation has a small management team and the loss of any key individual could affect the

Corporation's business. Additionally, the Corporation will be required to secure other personnel to facilitate its marketing and product development initiatives. Any inability to secure and/or retain appropriate personnel may have a materially adverse impact on the business and operations of the Corporation.

Tax Issues

Income tax consequences in relation to the securities offered will vary according to the circumstances of each purchaser. Prospective purchasers should seek independent advice from their own tax and legal advisers prior to subscribing for the securities.

Liquidity of the common shares

Listing on the Exchange should not be taken as implying that there will be a liquid market for the common shares. Thus an investment in the common shares may be difficult to realize. Investors should be aware that the value of the common shares may be volatile. Investors may, on disposing of common shares, realize less than their original investment, or may lose their entire investment. The common shares, therefore, may not be suitable as a short-term investment.

The market price of the common shares may not reflect the underlying value of the Corporation's net assets. The price at which the common shares will be traded, and the price at which investors may realize their common shares, will be influenced by a large number of factors, some specific to the Corporation and its proposed operations, and some which may affect the sectors in which the Corporation operates. Such factors could include the performance of the Corporation's operations, large purchases or sales of the common shares, liquidity or the absence of liquidity in the common shares, legislative or regulatory changes relating to the business of the Corporation, and general market and economic conditions.

No Dividends

The Corporation has not declared or paid any cash dividends on the common shares to date. The payment of dividends in the future, if any, is dependent on the Corporation's earnings, financial condition, capital requirements, business conditions, corporate law requirements and on such other factors as the Board considers appropriate. Unless and until the Corporation pays dividends, shareholders' ability to achieve a return on their investment will depend upon an appreciation in the price of the common shares.

General

Although management believes that the above risks fairly and comprehensibly illustrate all material risks facing the Corporation, the risks noted above do not necessarily comprise all those potentially faced by the Corporation as it is impossible to foresee all possible risks. Although the Directors will seek to minimize the impact of the risk factors, an investment in the Corporation should only be made by investors able to sustain a total loss of their investment. Investors are strongly recommended to consult a person who specializes in investments of this nature before making any decision to invest.

Off Balance Sheet Arrangements

As of the date of the MD&A the Company does not have any off balance sheet arrangements.

Related Party Transactions

(a) Compensation of key management personnel

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors, and corporate officers. The remuneration of key management personnel including consulting fees paid through companies owned by directors during the year ended was as follows:

	For the two months ended November 30, 2020	For the two months ended November 30, 2019
Consulting fee	$ 15,750	$ -

(b) Transactions with related parties

	For the two months ended November 30, 2020	For the two months ended November 30, 2019
Amount owed from related parties	$ 2,000	$ -
Amount owed to related parties	$ 4,561	$ -

(c) Loans with related parties

On June 10, 2019, the Company entered into an agreement to lend $50,000 to two companies for $25,000 each. These companies are each controlled a common director to the Company. The loan agreement states that the loan is unsecured, non-interest bearing, and repayable on demand. On August 31, 2020 these loans were settled in exchange for amounts owing to the two parties for consulting services.

(d) Services provided by related parties settled with shares

The company has settled some of its consulting expenses with the related parties with shares. For period ended November 30th, 2020 there were nil shares issued for debt settlement (the year ended September 30, 2020 - 1,128,000 shares and $211,500).

Critical accounting estimates and judgements

The preparation of these condensed interim consolidated financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies, the reported amounts of assets, liabilities and expenses, as well as the Company's ability to continue as a going concern. The estimates and assumptions made are continually evaluated and have been based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Such estimates and assumptions are inherently uncertain. Actual results could differ materially from these estimates and assumptions. Revisions to estimates are recognized in the period in which the estimate is revised and may impact future periods.

In preparation of the condensed interim consolidated financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the period ended November 30, 2020, with the addition of the following judgements:

i) Determination of an acquisition as a business or as assets

Classification of an acquisition as a business combination or an asset acquisition depends on whether the assets acquired constitute a business, which can be a complex judgment. Whether an acquisition is classified as a business combination or an asset acquisition can have a significant impact on the entries made at and after acquisition. Acquisitions that do not meet the definition of a business combination are accounted for as asset acquisitions. Consideration paid for an asset acquisition is allocated to the individual identifiable assets acquired and liabilities assumed based on their relative fair values. Asset acquisitions do not give rise to goodwill.

ii) Assessment of control in a business acquisition

The date on which the acquirer obtains control of the acquiree is generally the date on which the acquirer legally transfers the consideration, acquires the assets and assumes the liabilities of the acquiree - the closing date. However, the acquirer might obtain control on a date that is either earlier or later than the closing date, or it might be determined that the businesses were under common control. Management exercises judgment in considering all pertinent facts and circumstances in assessing the control of a business and the acquisition date.

The Company examines three elements to determine whether control exists.

- power over the investee, such as the ability to direct relevant activities of the investee;
- exposure, or rights, to variable returns from its involvement with the investee, such as returns that are not fixed and have the potential to vary with performance of the investee;
- the ability to use its power over the investee to affect the amount of the investor's returns, such as identifying the link between power and returns.

When all of these three elements of control are present, then an investor is considered to control an investee and consolidation is required. When one or more of the elements is not present, an investor will not consolidate but instead be required to determine the nature of its relationship with the investee.

iii) Estimated useful lives, depreciation of equipment

Depreciation of equipment is dependent upon estimates of useful lives which are determined through the exercise of judgment. The assessment of any impairment of these assets is dependent upon estimates of recoverable amounts which consider factors such as economic conditions, market conditions and the useful lives of assets.

iv) Incremental borrowing rate for leases under IFRS 16

IFRS 16 requires lessees to discount lease payments using the rate implicit in the lease if that rate is readily available. If that rate cannot be readily determined, the lessee is required to use its incremental borrowing rate. As information from the lessor regarding the fair value of underlying assets and initial direct costs incurred by the lessor related to the leased assets is generally not available, the Company uses its incremental borrowing rate when initially recording real estate leases. The Company determines the incremental borrowing rate as the interest rate the Company would pay to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, in a similar economic environment over a similar term.

Financial Instruments and Other Instruments

(a) Fair values of financial instruments

November 30, 2020	Financial assets at amortized cost	Financial liabilities at amortized cost	Financial assets at fair value through profit or loss
Cash and cash equivalents	$ 674,038	$ -	$ -
Amounts receivable	23,536	-	-
Marketable securities	-	-	202,860
Accounts payable and accrued liabilities	-	74,150	-
Total	**$ 697,574**	**$ 74,150**	**$ 202,860**

September 30, 2020	Financial assets at amortized cost	Financial liabilities at amortized cost	Financial assets at fair value through profit or loss
Cash and cash equivalents	$ 42,893	$ -	$ -
Marketable securities	-	-	78,660
Accounts payable and accrued liabilities	-	2,572	-
Total	**$ 42,893**	**$ 2,572**	**$ 78,660**

Fair value measurements and disclosures use the following hierarchy definitions in determining its classifications:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 - Inputs other than quoted prices included with Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices)

Level 3 - Inputs for the asset or liability that are not based on observable market data (that is unobservable inputs

Cash, loans receivable, accounts payable and accrued liabilities approximate their fair value due to their short-term nature. The carrying value of lease liabilities where a discount rate is used is not significantly different than fair value. The fair value of the marketable securities is determined using Level 1 as this consists of shares of a publicly traded company on in an active market.

(b) Credit risk

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. The following note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, polices and processes for managing those risks or the methods used to measure them unless otherwise stated in the note.

(c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The key to success in managing liquidity is the degree of certainty in the cash flow projections.

The Company monitors its cash flows to meet the Company's normal operating requirements on an ongoing basis and its planned capital expenditures. All of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms.

As at November 30, 2020, the Company had cash and cash equivalent balance of $674,038 (September 30, 2020 - $42,893) available to settle current liabilities of $105,282 (September 30, 2020 - $2,572).

(d) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Currently the Company does not charge or is charged floating interest rates on its loans receivable, payables or other loan. The Company is not exposed to significant interest rate risk.

(e) Market risk

The Company has exposure to equity securities price risk through the marketable securities investment described in financial statement note 5. The investment held by the Company and classified on the balance sheet as at fair value through other comprehensive income (loss) (FVOCI).

To manage its price risk arising from the marketable securities investment, the Company closely monitors the price and performance of the equity security held.

Subsequent Events

a. Non-Offering Prospectus (NOP)

The Company is currently in the process of completing a non-offering prospectus on the CSE with expected completion in Q1 2021 (calendar year).

b. Stock Options

On December 15, 2020, the board of directors approved granting the 250,000 stock options with an exercise price of $0.10, an expiry date of December 15, 2023 and a vesting period of 12 quarters with the 1/12th vesting at the grant date and 1/12th vesting in each quarter thereafter.

c. Letters of Intent Signed

On October 16th, 2020, the Company signed a Letter of Intent to acquire Earth Circle Organics. On October 23rd, 2020, the Company entered into a Letter of Intent to acquire Brain Forza Labs Inc. On December 1st, 2020, Levitee Labs signed a Memorandum of Understanding to collaborate and construct a framework for the potential future investment or acquisition of BODE Nutraceuticals Inc. On December 29th, 2020, the company has entered into a distribution agreement with Green Planet Wholesale Ltd. ("Green Planet"), pursuant to which Green Planet will distribute Sporeo grow kits through Green Planet's distribution channels.

d. Debt Settlement Agreement in Shares

On December 15, 2020, the board of directors approved the settlement the amount of $1,050,000 indebted to an M&A consulting firm with 4,200,000 common shares of the Company at a deemed price of $0.25 per share.

e. Private Placement

On January 20, 2021, the Company completed a private placement (the "First Subscription Receipts Private Placement") of 15,491,000 subscription receipts (each, a "Subscription Receipt") of the Company at a price of $0.50 per Subscription Receipt for gross proceeds of $7,745,500. With this private placement the Company paid finders commissions of $528,360 and issued 995,520 finders warrants with an exercise price of $0.75 and expiry of 24 months from the date of issuance. Upon satisfaction of the Escrow Release Conditions (defined below), each Subscription Receipt will be exercised or exchanged for one common share of the Company and one half of one common share purchase warrant of the Company (a "Subscription Receipt Warrant"). Each Subscription Receipt Warrant will be exercisable into one common share of the Company at price of $0.75 for 36 months from issuance. The "Escrow Release Conditions" are as follows:

(i) the shares of the Company will have been conditionally approved for listing on the Canadian Securities Exchange;

(ii) the Company will have obtained a final receipt for its long-form prospectus from the applicable regulatory authorities.

On February 4, 2021, the Company completed an additional private placement of 5,649,000 Subscription Receipts with the same terms above for gross proceeds of $2,824,500. With this private placement the Company paid finders commissions of $98,560 and issued 197,120 finders warrants with an exercise price of $0.75 and expiry of 24 months from the date of issuance.

Additional Information

Additional information relating to the Company can be found on SEDAR at www.sedar.com.

SCHEDULE "E"

FINANCIAL STATEMENTS OF MONK-E NUTRACEUTICALS INC. FOR THE PERIOD FROM MAY 24, 2020 (INCORPORATION) TO SEPTEMBER 30, 2020

Financial Statements
Monk-E Nutraceuticals Inc.

For the period from date of incorporation on May 24, 2020 to September 30, 2020

(Expressed in Canadian Dollars)

Independent Auditor's Report

To the Shareholders of Monk-e Nutraceuticals Inc.

Opinion

We have audited the financial statements of Monk-e Nutraceuticals Inc. (the "Company"), which comprise the statement of financial position as at September 30, 2020, and the statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the period from May 24, 2020 (date of incorporation) to September 30, 2020, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at September 30, 2020, and its financial performance and its cash flows for the period from May 24, 2020 to September 30, 2020 in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial statements, which indicates that the Company incurred a net loss of $240,208 and had net cash inflows of $407,303 during the period from May 24, 2020 to September 30, 2020. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Vancouver, British Columbia
February 11, 2021

Chartered Professional Accountants

Monk-E Nutraceuticals Inc.
Statement of Financial Position
As at September 30, 2020

(Expressed in Canadian dollars)

		September 30, 2020
Assets		
Current Assets		
Cash	$	407,303
Prepaid expenses and deposits		2,000
Total Current Assets		**409,303**
Non-current Assets		
Equipment (note 4)		1,088
Total Non-current Assets		**1,088**
Total Assets	**$**	**410,391**
Liabilities		
Current Liabilities		
Accounts payable and accrued liabilities (note 7)	$	91,517
Non-interest-bearing loans from subscribers (note 5)		28,000
Total Current Liabilities		**119,517**
Shareholders' Equity		
Share capital (note 5)		531,082
Accumulated deficit		(240,208)
Total Shareholders' Equity		**290,874**
Total Liabilities and Shareholders' Equity	**$**	**410,391**

Nature and continuance of operations (note 1)
Commitments and contingencies (note 11)
Subsequent events (note 12)

Approved on behalf of the Board on February 11, 2021
/s/ Pouya Farmand, Director

The accompanying notes are an integral part of the financial statements.

Monk-E Nutraceuticals Inc.
Statement of Loss and Comprehensive Loss
For the period from date of incorporation on May 24, 2020 to September 30, 2020

(Expressed in Canadian dollars)

		For the period from date of incorporation on May 24, 2020 to September 30, 2020
Expenses		
Consulting expenses (note 7)	$	178,272
Professional fees		37,280
Rent expense (note 7)		9,900
Travel expense		6,790
Marketing expenses		3,687
Office expenses		3,248
Computer expenses		482
Bank and financing charges		461
Depreciation		88
Total Expenses		240,208
Net loss and comprehensive loss for the period	**$**	**(240,208)**
Basic and diluted loss per share (note 6)	$	(0.02)
Weighted average number of common shares outstanding – Basic and diluted (note 6)		9,730,504

The accompanying notes are an integral part of the financial statements.

Monk-E Nutraceuticals Inc.
Statement of Changes in Shareholders' Equity
For the period from date of incorporation on May 24, 2020 to September 30, 2020

(Expressed in Canadian dollars)

	Number of Shares	Share Capital	Accumulated Deficit	Total
Total shareholders' equity as at May 24, 2020	-	$ -	$ -	$ -
Issuance of common shares for cash, net of issuance costs (note 5)	17,240,000	509,082	-	509,082
Shares issuance for service (note 5,7c)	1,265,000	22,000		22,000
Net loss and comprehensive loss	-	-	(240,208)	(240,208)
Total shareholders' equity as at September 30, 2020	18,505,000	$ 531,082	$ (240,208)	$ 290,874

The accompanying notes are an integral part of the financial statements.

Monk-E Nutraceuticals Inc.
Statement of Cash Flows
For the period from date of incorporation on May 24, 2020 to September 30, 2020

(Expressed in Canadian dollars)

	For the period from date of incorporation on May 24, 2020 to September 30, 2020
Operating activities	
Net loss and comprehensive loss	$ (240,208)
Adjustments for items not affecting cash:	
Amortization and depreciation (note 4)	88
Expenses paid by shares (note 5)	22,000
	(218,120)
Changes in non-cash working capital balances:	
Prepaid expenses and deposits	(2,000)
Accounts payable and accrued liabilities	91,517
Cash used in operating activities	(128,603)
Investing activities	
Acquisition of equipment (note 4)	(1,176)
Cash used in investing activities	(1,176)
Financing activities	
Cash from issuance of common shares (note 5)	517,500
Cash received from shares not yet issued (note 5)	28,000
Cost of share issuance (note 5)	(8,418)
Cash provided by financing activities	537,082
Change in cash	407,303
Cash balance, beginning of the period	**-**
Cash balance, end of the period	**$ 407,303**

The accompanying notes are an integral part of the financial statements.

1. Nature and continuance of operations

Monk-E Nutraceuticals Inc. (the "Company" or "Monk-E") was incorporated under Ontario Business Corporations Act on May 24th, 2020. Its principal business activity is the development, acquisition of assets within psychedelics industry. With the initial focus on creating cash flowing assets, the Company will engage in the exploration of alternative medicines primarily aimed at psychopharmacological research and development. It's registered and records office at 405-1477 West Pender Street, Vancouver, British Columbia, Canada, V6G 2T1.

The Company is in the process of completing an amalgamation with a wholly owned subsidiary of Fibonacci Capital Corp. ("Fibonacci") and a direct listing via non-offering prospectus ("NOP"). for common shares to be determined and list on the Canadian Securities Exchange ("CSE") (Note 12).

The Company has not generated any revenues from operations and has incurred losses since inception. The Company incurred a net loss of $240,208 for the period from date of incorporation on May 24, 2020 to September 30, 2020. The Company had a net cash inflow of $407,303 for the period from date of incorporation on May 24, 2020 to September 30, 2020. To date, the Company's activities have been funded through financing activities. The Company will need to raise additional capital during the next twelve months and beyond to support current operations and planned development. These factors indicate the existence of a material uncertainty that may cast significant doubt as to the Company's ability to continue as a going concern. Management intends to finance operating costs over the next twelve months with cash on hand, private placements and a NOP. However, management has considered expectations for future profitability and believes that the Company will continue in operation for the foreseeable future and will be able to satisfy its liabilities and commitments in the normal course of business, and accordingly, it is appropriate to prepare these financial statements on a going concern basis.

As such, the accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities in the normal course of business. The financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classifications of liabilities that could result should the Company be unable to continue as a going concern.

The impact of the COVID-19 pandemic, with its combined health toll and sharp decline in global economic output, is unprecedented and the full extent of the impact will depend on future developments. These developments are highly uncertain and cannot be accurately predicted, including new information which may emerge concerning its severity, its duration and actions by government authorities to contain the outbreak or manage its impact. As a result, it is not possible to determine the impact on the Company's ability to continue as a going concern at this time.

2. Summary of significant accounting policies

(a) Basis of presentation and statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), and the interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

These financial statements for the period ended September 30, 2020 are the first financial statements the Company has prepared in accordance with IFRS, as such, no reconciliation between previous GAAP and IFRS is applicable. All IFRS applicable as at September 30, 2020 have been applied.

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

These financial statements were approved by the Company's Board of Directors on February 11, 2021.

(b) **Functional currency**

The functional currency of the Company is measured using the currency of the primary economic environment in which the Company operates. The functional and presentation currency used to prepare the Company's financial statements is Canadian dollars.

(c) **Cash**

Cash consist of cash and demand deposits with maturities of 90 days or less and they are readily convertible to known amounts of cash and subject to an insignificant risk of change in value.

(d) **Equipment**

Equipment is stated at historical cost less accumulated depreciation and accumulated impairment losses.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the statement of comprehensive loss during the financial period in which they are incurred.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in the statement of comprehensive loss.

Depreciation is calculated on a declining balance method to write off the cost of the assets to their residual values over their estimated useful lives. The annual depreciation rate applicable to the current category of equipment is as follows:

Class of Equipment	Depreciation Rate
Computer equipment	30%

(e) **Loss per share**

Basic earnings per share is computed by dividing the net loss attributable to common shares of the Company by the weighted average number of common shares outstanding for the relevant period.

Diluted earnings per share is computed by dividing the net loss attributable to common shares by the sum of the weighted average number of common shares issued and outstanding and all additional common shares that would have been outstanding, if potentially dilutive instruments were converted. The Company's instruments are not dilutive due to the loss in the period.

(f) **Share capital**

Share capital issued for non-monetary consideration is recorded at an amount based on the fair market value of these shares.

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

(g) **Financial instruments**

Financial Assets

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, the transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit and loss are expensed in profit or loss. Financial assets are considered in the entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of financial assets depends on their classification. The classification depends on the Company's business model for managing the financial assets and contractual terms of the cash flows. These are the measurement categories under which the Company classifies its financial assets:

- Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measures at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- Fair value through OCI ("FVOCI"): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains and losses, interest revenue, and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains (losses). Interest income from these financial assets is included as finance income using the effective interest rate method.
- Fair value through profit or loss: Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on an investment that is subsequently measured at FVTPL is recognized in profit or loss and presented net as revenue in the statement of loss and comprehensive income in the period which it arises.

The Company financial instruments are measured as follows:

	Amortized Cost	**FVTPL - Mandatory**
Cash and cash equivalents	X	

	Amortized Cost (Other FL)
Accounts payable and accrued liabilities	X

Impairment of Financial Assets at Amortized Cost:

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses of the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the statements of loss and comprehensive income, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

Financial Liabilities

The Company classifies its financial liabilities into the following categories: financial liabilities at FVTPL and amortized cost.

A financial liability is classified as FVTPL if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognized in profit or loss as incurred. The fair value changes to financial liabilities at FVTPL are presented as follows: the amount of change in fair value that is attributable to changes in the credit risk of the liability is presented in OCI; and the remaining amount of the change in the fair value is presented in profit or loss. The Company does not designate any financial liabilities at FVTPL.

Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest rate method. The Company classifies its accounts payable and accrued liabilities, as financial liabilities held at amortized cost.

(h) **Income taxes**

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when the related asset is realized or liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are to the extent that it is no longer probable that the related tax benefit will be realized. Deferred income tax assets and liabilities are presented as non-current.

(i) **Right-of-use assets and lease liability**

The Company has applied IFRS 16, Leases since its inception. The Company assesses whether a contract is or contains a lease at inception of a contract. The Company recognizes a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term unless another systematic basis is more representative of the usage of the economic benefits from the leased asset.

The lease liability is initially measured at the present value of the future lease payments at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrow rate. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, payments made on or before the lease commencement and any direct costs. They are subsequently measured at cost less depreciation and any impairment losses. Right-of-use assets are depreciated over the shorter period of the lease term and useful life of the underlying asset.

The Company does not currently have any leases that satisfy the conditions under IFRS 16 to record a right-of-use asset and lease liability.

Future accounting pronouncements

Certain new and revised accounting standards and new International Financial Reporting Interpretations Committee ('IFRIC') interpretations have been issued during year, but do not have a material effect on the results or the financial position of the Company.

There are currently no new accounting standards the Company is evaluating.

3. Critical accounting estimates and judgements

In the application of the Company's accounting policies, which are described within this note, the management of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying accounting policies

(i) Going concern - Management has applied judgements in the assessment of the Company's ability to continue as a going concern when preparing its financial statements. Management prepares the financial statements on a going concern basis unless management either intends to liquidate the entity or to cease trading or has no realistic alternative to do so. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period.

Key sources of estimation uncertainty

(i) Current and deferred taxes - The estimation of income tax expense and the composition of deferred tax assets and liabilities involves judgment and estimates as to the future taxable earnings, expected timing of reversal of deferred tax assets and liabilities, and interpretations of tax laws. The Company is subject to assessments by tax authorities who may interpret the tax law differently. Changes in these interpretation, judgments and estimates may materially affect the final amount of current and deferred tax provisions, deferred income tax assets and liabilities, and results of operations. While the precise impact of the recent novel coronavirus ("COVID-19") outbreak remains unknown, it has introduced uncertainty and volatility in Canadian and global economies. The Company is monitoring developments and preparing for any impacts related to COVID-19. The Company has business plans in place, that ensures its readiness to appropriately address and mitigate regulatory and business risks as they arise including, but not limited to, impacts on employees and other key resources in the business.

(Expressed in Canadian Dollars)

4. Equipment

		For the period from date of incorporation on May 24, 2020 to September 30, 2020
Balance – May 24, 2020	$	-
Additions		1,176
Balance – September 30, 2020	**$**	**1,176**
Accumulated Depreciation – May 24, 2020	$	-
Depreciation		88
Accumulated Depreciation – September 30, 2020	**$**	**88**
Net Equipment – September 30, 2020	**$**	**1,088**

Depreciation expense of $88 was recorded for the period from the date of incorporation on May 24, 2020 to September 30, 2020.

5. Share capital

(a) Share issuances

The authorized capital of the Company consists of an unlimited number of common shares without par value. All shares are Class A common shares with voting rights.

Date	Number of Shares	Price Per Share		Proceeds
July 15, 2020(1)	12,700,000	$0.005	$	63,500
July 15, 2020(2)	1,100,000	$0.005		5,500
September 3, 2020(1)	4,540,000	$0.10		454,000
September 3, 2020(2)	165,000	$0.10		16,500
Total	18,505,000			539,500
Share issuance cost				(8,418)
As at September 30, 2020	**18,505,000**		**$**	**531,082**

(1) *Shares issued for cash*
(2) *Shares issued as payments for consulting services*

The Company paid a cash finder's fee and other share issuance costs of $8,418 during the period from date of incorporation on May 24, 2020 to September 30, 2020. As at September

(Expressed in Canadian Dollars)

30, 2020 the Company had a balance of $28,000 for Non-interest-bearing loans from subscribers for cash received for common shares yet to be issued.

(b) Escrow Shares

On July 15, 2020, the Company issued 12,700,000 shares which, pursuant to the subscription agreements providing for their issuance, will be subject to resale restrictions for two (2) years starting from the date on which the Company's shares commence trading on the CSE (the "Listing Date"). In addition, pursuant to National Policy 46-201 and the rules and policies of the CSE, any securities held by principals of the issuer (subject to a de minimis threshold) will become subject to escrow at the time of the Listing Date. Such escrow will provide for release as follows: (i) 10% of the securities will be released on the Listing Date; (ii) 15% of the securities will be released 6 months from the Listing Date; (iii) 15% of the securities will be released 12 months from the Listing Date; (iv) 15% of the securities will be released 18 months from the Listing Date; (v) 15% of the securities will be released 24 months from the Listing Date; (vi) 15% of the securities will be released 30 months from the Listing Date; and (vii) 15% of the securities will be released 36 months from the Listing Date.

6. Loss per share

		For the period from date of incorporation May 24, 2020 to September 30, 2020
Loss	$	240,208
Weighted average number of shares		9,730,504
Basic and diluted loss per share	$	0.02

7. Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. Some of the consulting expenses included in related party were outside of the scope of written consulting agreements and were agreed discretionally by the Company's management and the consultants verbally.

(a) Compensation of key management personnel

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors, and corporate officers. The remuneration of key management personnel including consulting fees paid through companies owned by directors during the year ended was as follows:

(Expressed in Canadian Dollars)

		Period from date of incorporation on May 24, 2020 to September 30, 2020
Consulting fees	$	82,957
Accounting fees		6,899
Total		**89,856**
Amount due to related parties	$	29,098

(b) Transactions with related parties

		Period from date of incorporation on May 24, 2020 to September 30, 2020
Rent expense paid to a director of the Company		9,900
Amount due from related parties	$	2,000

(c) Services provided by related parties settled with shares

The company has settled some of its consulting expenses with the related parties with shares. For the period ended September 30, 2020 the total number of shares and value of the shares are 800,000 shares and $4,000 respectively.

8. Financial instruments and risk management

(a) Fair values of financial instruments

September 30, 2020	Financial assets at amortized cost	Financial liabilities at amortized cost	Financial assets at fair value through profit or loss
	$	**$**	**$**
Cash	407,303	-	-
Accounts payable and accrued liabilities	-	91,517	-
Total	**407,303**	**91,517**	**-**

Fair value measurements and disclosures use the following hierarchy definitions in determining its classifications:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 - Inputs other than quoted prices included with Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices)

Level 3 - Inputs for the asset or liability that are not based on observable market data (that is unobservable inputs

Cash and cash equivalents and accounts payable and accrued liabilities approximate their fair value due to their short-term nature.

(a) Credit risk

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. The following paragraph describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

The risk exposure is limited to their carrying amounts at the statement of financial position date. The risk for cash is mitigated by holding these instruments with highly rated Canadian financial institutions. The Company does not invest in asset-backed deposits or investments and does not expect any credit losses. The Company periodically assesses the quality of its investments and is satisfied with the credit rating of the financial institutions.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, polices and processes for managing those risks or the methods used to measure them unless otherwise stated in the note.

(b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The key to success in managing liquidity is the degree of certainty in the cash flow projections.

The Company monitors its cash flows to meet the Company's normal operating requirements on an ongoing basis and its planned capital expenditures. All of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. As at September 30, 2020, the Company had a cash balance of $407,303 available to settle current financial liabilities of $119,517.

(c) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Currently the Company does not charge or is charged floating interest rates on its loans receivable, payables or other loan. The Company is not exposed to significant interest rate risk.

9. Capital management

The Company's objectives when managing capital are to identify, pursue and complete the acquisition of companies and strategic assets in the psychedelics industry. The goal of the Company is to maintain financial strength, to protect its ability to meet its on-going liabilities, to continue as a going concern, to maintain credit worthiness and to maximize returns for shareholders over the long term. The Company does not have any externally imposed capital requirements to which it is subject. Capital of the Company comprises of cash and shareholders' equity. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares. The Company's investment policy is to invest its cash in financial instruments in high credit quality financial institutions with terms to maturity selected with regards to the expected timing of expenditures from continuing operations.

There were no changes to the Company's approach to capital management during the period.

(Expressed in Canadian Dollars)

10. Income tax

The Company's tax charge, which relates fully to deferred taxes, differs from the amount obtained by applying the Canadian statutory tax rate due to the following:

		Period from date of incorporation on May 24, 2020 to September 30, 2020
Loss before taxes	$	(240,208)
Canadian statutory tax rate		27.00%
Expected income tax (recovery)		(64,856)
Non-deductible items		483
Share issuance cost		(2,273)
Change in deferred tax asset not recognized		66,646
Total income tax expense (recovery)	$	-

The Company has non-capital loss carryforwards of approximately $240,191 which may be carried forward to apply against future income for Canadian income tax purposes, subject to final determination by taxation authorities expiring in 2040. The Company also has unrecognized deductible temporary differences related to share issuance of $6,734 which do not expire.

11. Commitments and contingencies

As at September 30, 2020, the Company had a number of contingent commitments as per agreements with some consultants:

- $20,000 in free trading stock options contingent to initial public offering;
- In the event a consultant introduces the Company to an M&A target and the Company acquire the corporation, the Company will pay the consultant 5% of the transaction value in cash or shares, to be determined by the Company at the time of the acquisition;
- Grant of 500,000 stock options to purchase shares of the Company upon completion of the agreement and contingent to BOD approval;
- Grant of 500,000 restricted stock units of common shares contingent on the initial public offering, subject to requirements from Canadian Securities Exchange and the Company's employee restricted stock unit plan;
- Contingent on a number of milestones and achievements to grant up to a total of 11,400,000 stock options.

Subsequent to year end, all contingent commitments mentioned above were transferred from Monk-E to Fibonacci prior to amalgamation.

12. Subsequent events

(a) Amalgamation

1273586 B.C. Ltd. ("1273586"), was incorporated on November 6, 2020, to facilitate the three-cornered amalgamation to be completed among Fibonacci, 1273586 and Monk-E, whereby 1273586 and Monk-E would amalgamate under the Business Corporations Act (British Columbia) and become a wholly-owned subsidiary of Fibonacci. On November 30, 2020, Monk-e and 1273586, a wholly-owned subsidiary of Fibonacci, amalgamated under the Business Corporations Act (British Columbia). In connection therewith, Fibonacci changed its name to Levitee Labs Inc. and the entity resulting from the amalgamation of Monk-E and 1273586 changed its name to Levitee Labs Holdings Inc on December 1, 2020. As a result of these transactions, Levitee Labs Inc. now owns 100% of Levitee Labs Holdings Inc.

(Expressed in Canadian Dollars)

Fibonacci Capital Corp. consolidated its common shares at a ratio of 2.5:1 from 14,638,903 common shares to 5,855,561 common shares immediately prior to amalgamation. Monk-E shareholders were then issued 1 common share in Fibonacci in exchange for 1 common share in Monk-E. This amounted to a total addition of 21,928,050 common shares issued in Fibonacci. Post amalgamation, the combined entity changed name to Levitee Labs Inc (changed name from Fibonacci Capital Corp.) and it had 27,783,611 common shares outstanding at the amalgamation date. The total of 7,249,000 common outstanding shares of the Fibonacci were issued to the relate parties in addition to the 1,797,333 common outstanding shares previously issued as a result of the amalgamation.

(b) **Manufacturing plant lease agreement**

On November 20, 2020, the Company has entered into a lease agreement for a factory in Port Coquitlam BC. Initial monthly lease costs are $5,353 and these monthly lease commitments expire on December 31, 2025. Future lease payments during each financial year of the Company for the remaining lease are as follows:

2021		48,176
2022		65,028
2023		66,084
2024		67,141
2025		68,197
2026		17,115
	$	**331,741**

(c) **Equity Raise**

On November 24th, 2020, the Company issued 3,423,050 shares at a price of $0.25 per share to raise $840,762, net of issuance costs. These funds will be used as working capital to support operations and costs involved in the non-offering prospectus. The cash compensation of $23,840 payable to the finders and the issuance of 95,360 finder's warrant be, and is hereby, authorized and approved by the board of directors.

(d) **Stock Options**

Per consulting agreement entered by the company on July 15, 2020, part of consultant's remuneration includes granting stock options contingent on future events. On December 15, 2020, the board of directors approved granting the 250,000 stock options with an exercise price of $0.10, an expiry date of December 15, 2023 and a vesting period of 12 quarters with the 1/12th vesting at the grant date and 1/12th vesting in each quarter thereafter.

(e) **Letters of Intent signed**

On October 16th, 2020, the Company signed a Letter of Intent to acquire Earth Circle Organics. On October 23rd, 2020, the Company entered into a Letter of Intent to acquire Brain Forza Labs Inc. On December 1st, 2020, Levitee Labs signed a Memorandum of Understanding to collaborate and construct a framework for the potential future investment or acquisition of BODE Nutraceuticals Inc. On December 29th, 2020, the company has entered into a distribution agreement with Green Planet Wholesale Ltd. ("Green Planet"), pursuant to which Green Planet will distribute Sporeo grow kits through Green Planet's distribution channels.

SCHEDULE “F”

MANAGEMENT’S DISCUSSION AND ANALYSIS OF MONK-E NUTRACEUTICALS INC. FOR THE PERIOD FROM MAY 24, 2020 (INCORPORATION) TO SEPTEMBER 30, 2020

Monk-E Nutraceuticals Inc.

MANAGEMENT DISCUSSION AND ANALYSIS

For the period from date of incorporation on May 24, 2020 to September 30, 2020

As of February 11, 2021

About the Company

Monk-E Nutraceuticals Inc. (the "Company" or "Monk-E") was incorporated under Ontario Business Corporations Act on May 24th, 2020. Its principal business activity is the development, acquisition of assets within psychedelics industry. With the initial focus on creating cash flowing assets, the Company will engage in the exploration of alternative medicines primarily aimed at psychopharmacological research and development. It's registered and records office at 405-1477 West Pender Street, Vancouver, British Columbia, Canada, V6G 2T1.

The Company is engaged in the development of a suite of mushroom-infused products in the health and wellness space, including through its Monk-E Nutraceuticals and Sporeo brands.

Basis of Discussion and Analysis

This Management Discussion and Analysis ("MD&A") of the financial condition as of September 30, 2020 and the results of its operations for the period from the date of incorporation on May 24, 2020 to September 30, 2020 which was prepared as of January 21, 2021. This MD&A should be read in conjunction with the Company's audited financial statements and accompanying notes for the period from the date of incorporation on May 24, 2020 to September 30, 2020.

The Company prepares its financial statements in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"). IFRS comprises IFRS, International Accounting Standards ("IAS") and interpretations issued by the IFRS Interpretations Committee ("IFRIC") and the former Standing Interpretations Committee ("SIC").

All dollar amounts are expressed in Canadian dollars unless otherwise indicated.

Forward-Looking Statements

Certain statements contained in this MD&A and in certain documents incorporated by reference into this MD&A, constitute forward-looking statements, within the meaning of applicable securities laws ("forward-looking statements"). Such statements relate to future events or the Company's future performance. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "potential", "targeting", "intend", "could", "might", "should", "believe", "prospect", "future", "possible", "can", "speculative", "perhaps" and similar expressions.

Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits we will obtain from them. These forward-looking statements reflect management's current views and are based on certain assumptions and speak only as of the date of this report. These assumptions, which include management's current expectations, estimates and assumptions about the global economic environment, the market price and demand for products and our ability to manage our operating costs, may prove to be incorrect. A number of risks and uncertainties could cause our actual results to differ materially from those expressed or implied by the forward-looking statements, including: (1) a downturn in general economic conditions, (2) the uncertainty of government regulation and politics (3) potential negative financial impact from regulatory investigations, claims, lawsuits and other legal proceedings and challenges, (4) other factors beyond our control, and (5) the risk factors set out in the Prospectus (as defined below). There is a significant risk that such forward-looking statements will not prove to be accurate. Investors are cautioned not to place undue reliance on these forward-looking statements. No forward-looking statement is a guarantee of future results. We disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. Additional information about these and other assumptions, risks and uncertainties are set out in the section entitled "Risk Factors" below as well as in the Prospectus as set out in the section entitled "Risk Factors".

With respect to forward-looking statements contained in this prospectus, the Company has made assumptions regarding, among other things:

- the Company's ability to generate revenue while controlling costs and expenses;
- the impact of increasing competition;
- the absence of material adverse changes in the industry or regulatory regimes;
- the Company's ability to attract and retain key personnel;
- the Company's ability to manage its growth effectively;
- trends in the Company's industry and markets;
- the Company's ability to keep pace with technological developments;
- the Company's ability to protect its intellectual property rights;
- the Company's continued compliance with relevant regulatory regimes;
- the Company's ability to raise sufficient financing to support continued growth; and
- the Company's ability to obtain additional financing on satisfactory terms.
- the impact of COVID-19 on the market demand

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

- The Company's limited history of operations
- There is currently no market through which any of the Company's securities may be sold
- Substantial additional financing may be required if the Company is to successfully develop its business
- The Company has had negative cash flow from operating activities since inception
- The Company's products are subject to extensive regulation
- The Company may be subject to growth-related risks
- The success of the Company's products are dependent on pronounced and rapidly changing public tastes
- The Company is dependent on the reliable supply of its raw materials
- The Company is heavily reliant on a limited number of products
- The Company is highly dependent on consumer perception of mushrooms
- The Company has not achieved, and there is no assurance that it will be able to achieve brand awareness
- The Company's success may be dependent on its ability to develop, market and produce new products, which may require substantial capital
- The Company is heavily dependent on certain key senior managers
- The Company relies on third parties to manufacture and package its products
- The Company may be subject to product liability claims
- The Company may be required to recall its products
- The Company faces significant competition

Forward looking information and statements included throughout this MD&A include, but are not limited to, statements pertaining to the following:

- The Company will launch its Monk-E Nutraceuticals ecommerce platform located at www.monkenutra.com.
- The Company will launch its Sporeo ecommerce platform at URL: www.sporeogrow.com.

- The Company will launch its new business line called Sporeo Supply, and began selling Sporeo Supply products through Sporeo's ecommerce platform. See *Description of Business – Sporeo Supply*".
- On August 10, 2020, the Company has signed a LOI with PharmaCosta Medicinal Corp., which set out the parties' intentions to jointly develop a mushroom infused coffee product for consumers.
- Fibonacci Capital Corp.("Fibonacci"), Amalgamation SubCo, and Monk-E Nutraceuticals Inc. ("Monk-E") entered into an amalgamation agreement (the "Amalgamation Agreement"). Pursuant to Amalgamation Agreement: (i) Monk-E and Amalgamation Subco amalgamated under Division 3 of Part 9 of the BCBCA and continued as one corporation, Levitee Holdings Inc OpCo; and (ii) the Corporation changed its name from "Fibonacci Capital Corp." to "Levitee Labs Inc. " Fibonacci Capital Corp. consolidated its shares 2.5x (September 30, 2020 - 14,638,903 shares) and immediately prior to amalgamation had 5,855,561 shares outstanding. Monk-E shareholders were then issued shares in Fibonacci 1 for 1 in exchange for their Monk-E shares. This amounted to 21,928,050 shares. In post amalgamation, the combined entity changed name to Levitee Labs Inc (changed name from Fibonacci Capital Corp.) and it had 27,783,611 at the amalgamation date.
- Levitee Labs Inc (the "Corporation" or "Levitee Labs") is planning on a public listing in Q1 2021 (calendar year). It has plans to use the capital raised to acquire established businesses in the nutraceutical and supplement space, as well as in areas of pain and addiction treatment. Capital raised as part of the listing is expected to be used on M&A opportunities, as well as general working and growth capital. On November 30, 2020, the company raised $855,762 at $0.25 per share, equating to 3,423,048 shares sold. These funds will be used as working capital to support operations and the public listing.

Current Year Activities and Corporate Developments

The Company is establishing itself as a leader in the alternative medicine space. The Company has been active in establishing strategic relationships and operations towards executing the goal of acquiring and creating cash-flowing assets directly in or ancillary to the psychopharmacological industry. The Company is now actively engaged in creating mushroom infused products and manufacturing for traditional mushroom cultivators through the trade names Monk-E nutraceuticals and Sporeo Supply.

The Company will pursue a going-public transaction and list its shares on the Canadian Securities Exchange (CSE). The Company will focus its business on pursuing further opportunities in the biotechnology and psychopharmacology industry.

<u>RELATIONSHIPS WITH THIRD PARTIES</u>

My Green Planet
Monk-E has established a strategic alliance and exclusive distribution agreement with My Green Planet. My Green Planet is a British Columbia based company specializing in the wholesale distribution of quality impact products for the indoor gardening, hydroponic, and hobby greenhouse market. They have been successfully active in this market for over 20 years, with millions of dollars in sales each year. My Green Planet is one of the largest distributors of cannabis cultivation equipment globally. Levitee Labs' brand Sporeo will initially be launching with two SKU's, Sporeo substrate and spawn. My Green Planet's distribution channels reach thousands of stores located in Canada, the United States, Europe, and Australia.

Selected Annual Information

Selected financial information from the statement of loss for the Company:

		For the period from date of incorporation on May 24, 2020 to September 30, 2020
Expenses		
Consulting fees	$	178,272
Professional fees		37,280
Rent expense		9,900
Travel expense		6,790
Marketing expenses		3,687
Office expenses		3,248
Computer expenses		482
Bank and financing charges		461
Depreciation		88
Total Expenses		240,208
Net loss and comprehensive loss for the period	**$**	**(240,208)**

Consulting fees mainly consist of consulting expenses by related parties, the Chief Executive Officer, other executive team members, finance and accounting related expenses.

Professional fees mainly consist of fees paid to lawyers for other professional services.

Rent expense related to office space the Company leased during the period.

Selected financial information from the statement of financial position:

		September 30, 2020
Current assets	$	409,303
Total assets		410,391
Current and total liabilities		119,517
Shareholders' equity		290,874
Total liabilities and shareholders' equity	$	**410,391**

Current assets mainly consist of cash. The Company is holding the cash to fund Company operations and to fund the exploration of potential acquisition after the initial public offering.

Current and total liabilities consists solely of accounts payable due to vendors of the Company and non-interest-bearing loans from subscribers.

Shareholders' equity consists of Share capital and the deficit of the Company from the past operating period.

Outstanding Share Data
As at the date of this document, the Company has the following number of securities outstanding:

- 21,928,050 common shares issued and outstanding
- 250,000 stock options outstanding;

Discussion of Operations

For a discussion of current year operations see “Selected Annual Information” in this MD&A.

The Company is currently focused on raising equity financing in order to acquire additional acquisition targets in order to generate additional revenue and gains through capital appreciation of these investments.

Significant Projects

As of the date of this MD&A, the amalgamated Company (see amalgamation note below) has two significant projects which have not generated revenue, but are expected to generate revenue in the future. Each project is related to the mushroom industry as a whole. The following is a description of each such project, including a description of the Company’s plan for such project, the status of the project relative to the Company’s plan for such project, the expenditures made by the Company in respect of such project to date and how such expenditures relate to anticipated timing and costs to advance the project to the next stage of the Company’s plan for the specific project.

Facility

The Company currently leases an approximately 4,300 sq ft facility which will be home to the manufacturing processes and fulfillment of all Canadian eCommerce business.

In November 2020, the company sourced all manufacturing equipment and engaged an independent consultant to determine the steps necessary to advance the facility to the operational stage. The Planning Stage involved a general assessment of the Facility, during which, management of the Company and the consultant worked closely to plan the steps required to commence the manufacturing of non GMP certified Spawn and Substrate Facility (including, among other things, identifying appropriate ceiling, wall, and floor coating suitable for the proposed manufacturing processes).
To date the Company incurred approximately $200,000 in capital expenditures in connection with the planning stage (attributed to obtaining the lease, equipment purchases, consultants, etc.)

While assessing with the independent consultants, the Company has determined that the Company may be required to incur an additional estimated amount of up to $150,000 to build out the facility to have operations live which will require minor facility upgrades, installation of equipment and personnel (consultants, engineers).

The build-out plan is expected to be tailored to suit the Company’s business objectives at the time of such consultation process, as the same may exist considering the impact of COVID-19 on, among other things, the Company’s specific business objectives in respect of, and the reasons for, the certification for the Facility, as well as the then prevailing market and competitive conditions in respect of such objectives.

As part of this consultation process, the engineering firm is expected to draft a final construction plan covering each stage of the construction necessary to obtain certification for the facility, in light of the then prevailing EU-GMP standards and certification requirements applicable to qualify the Company’s cultivation and production process at the Facility, as well as the then present business objectives of the Company.

As of the date of this MD&A, the Company is further considering and evaluating the economic viability and benefits of proceeding with building-out the Facility. The Company’s disclosure in the Listing Statement projected that construction of the Facility is expected to be completed over the course of a one (1) to three (3) month period following commencement.

The Company’s ability to begin the build out of the facility in calendar Q1, 2020 is dependent on the following material factors and assumptions. (I) the Company having adequate financial resources to fund the build out of the facility, (II) the Company's ability to retain a consultant on the terms and conditions favorable to the Company; and (III) the favorability of the general market conditions with respect to the mushroom industry. In particular, the Company believes that the following events and circumstances may reasonably be likely to cause actual results with respect to the timing and commencement of the build out to differ materially from those anticipated by the Company and expressed in this MD&A.

- The impact of COVID-19 on general market conditions and particularly on regulating entities approving build outs in a timely fashion.
    - The ability for personnel to work safely and quickly to the Company's time schedules.
- Unanticipated setbacks which may materialize following the date of the MD&A, including, among other things, changes in regulations and the Company's inability to identify a cost-effective build out plan to operate.

<u>eCommerce Platform</u>

In September 2020, the Company launched their websites and eCommerce platforms under the domain names sporeogrow.com and monkenutra.com in order to promote and collect data regarding future consumers of products for sale.

To date, the company has incurred minimal capital expenditures in connection with the development and cost of the eCommerce platform. The company expects to incur more capital expenditures in the coming years to further build its eCommerce infrastructure.

As of the date of this MD&A, the Company's products are available for pre-sale. To date, the Company has not launched at material marketing, promotional or educational campaigns on the eCommerce platforms.

Except for updates and maintenance from time to time required in the ordinary course of business, the initial release of the eCommerce platform is complete. The Company anticipates some further platform development work as the Company adds new SKU's and design elements to the platform.

<u>Nutraceuticals Industry Analysis</u>

The global nutraceuticals market size is predicted to reach USD 486.36 billion by 2026, exhibiting a compound annual growth rate ("**CAGR**") of 8.14% between 2019 and 2016.[1] The growing demand for functional food and beverage will create new opportunities for the nutraceuticals market growth during that period. In recent years there has been a surge in product development and innovation activities, as well as rising availability of nutraceutical products, which has contributed and is expected to continue to contribute to this growth in the market.

Growing consumer interest in a healthy diet has led to a thriving food and beverage market in the recent past and the trend is expected to continue over the forecast period.[2] Demand for functional foods is on the rise as they believed to impart exceptional health benefits owing to their nutrient content. This is further expected to boost the growth of the market for nutraceuticals.

The global nutraceuticals industry has been witnessing key developments in terms of product innovation and portfolio expansion over the past few years. Companies, both private and publicly-traded, have been proactive in initiating strategies to gain a competitive advantage in the nutraceuticals industry.

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[1] Fortune Business Insights, "*Nutraceuticals Market Size, Share & Industry Analysis, By Product Type (Functional Foods, Functional Beverages, and Dietary Supplements), Distribution Channel (Supermarkets/ Hypermarkets, Convenience Stores, Online Retail and Others), and Regional Forecast, 2019 – 2026*" (March 2020).

[2] *Ibid.*

<u>Dietary Supplements Industry Analysis</u>

A dietary supplement is a manufactured product intended to supplement the human diet when taken, typically orally as a pill, capsule, tablet, or liquid. The use of such supplements are typically to provide nutrients that the consumer may be unable to obtain by other sources, or normal diet. Dietary supplements are either extracted from food sources or synthetic, individually or in combination, in order to increase and improve the quantity of their consumption. Common types of nutrient compounds that dietary supplements derive from includes vitamins, minerals, fiber, fatty acids and amino acids. Dietary supplements can also contain substances that have not been confirmed as being essential to life, but are marketed as having a beneficial biological effect. In the United States and Canada, dietary supplements are considered a subset of foods, and are regulated accordingly. The European Food Safety Authority has also established harmonized rules to help insure that food supplements are safe and properly labeled.[3]

The global dietary supplements market size was estimated at USD 123.28 billion in 2019 and is projected to expand at a CAGR of 8.2% through 2027.[4]

<u>Nootropics Industry Analysis</u>

The global nootropics market size was valued at USD 2.17 billion in 2018 and is expected to grow at a CAGR of 12.5% between 2019 and 2025.[4] An increasing demand for brain boosters and "smart drugs" is anticipated to drive the growth. A growing number of students and professionals consume these products for their ability to improve focus and memory. Continued product development using both synthetic and natural raw materials is projected to further fuel the demand.[5]

<u>Mushroom Grow Kits</u>

Mushroom grow kits are a nascent market, and currently there are few statistics on market size. The sector is based on consumers who would like to grow their own mushrooms, but have not because they are unfamiliar with the process. When it comes to growing mushrooms, consumers are unsure of where to purchase equipment and material required, or how to access a safe, reliable supply in the wild. Growing mushrooms at home can be an appealing option, but one that comes with its own set of challenges. Mushroom grow kits solve these problems by providing all the required resources and equipment in one single package, and allowing consumers to safely and successfully grow mushrooms.

Levitee Labs believes that this market will see high growth in the coming years, and has therefore built the brand Sporeo to capitalize on this.

Marketing Plans

The Company plans on launching marketing initiatives in Q1 2021 (calendar year) for both brands, Monk-E and Sporeo.

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[3] https://www.efsa.europa.eu/en/topics/topic/food-supplements
4 Dietary Supplements Market Size, Share & Trends Analysis Report By Ingredient (Vitamins, Minerals), By Form, By Application, By End User, By Distribution Channel, By Region, And Segment Forecasts, 2020 - 2027

[4] Grand View Research, "*Nootropics Market Size, Share & Trends Analysis Report By Application (Memory Enhancement, Mood & Depression, Attention & Focus, Anxiety), By Distribution Channel, And Segment Forecasts, 2019 – 2025*" (September 2019).
[5] *Ibid.*

Competitive Conditions

The number of competitors and the degree of competition within the North American food industry varies greatly by product segment and region. In the nutraceutical space, the market is highly fragmented, with many companies owning small market share. In the functional mushrooms space, our competitors offer products such as mushroom extracts, powders, teas and other wellness products. Some of the Corporation's competitors include:

- **Four Sigmatic:** Four Sigmatic is a US company specialized in superfoods, functional mushrooms and adaptogenic herbs.

- **Mud Water:** MUD\WTR™ is a coffee alternative consisting of natural ingredients, including mushrooms, which is marketed for its health and performance benefits, including natural energy and focus.

- **Purica:** Purica is a Canadian wellness company which sells products designed to address arthritis, pain relief, post-surgical recovery, cardiovascular health, stress relief, immune support, digestive support, including some mushroom-based products.

Regulatory Environment

The Corporation is focused on developing and commercializing plant-based health and wellness products. In order to develop such products, the Corporation's business and processes must be conducted in strict compliance with the regulations of federal, provincial, state, local and regulatory agencies locally and internationally, in the jurisdictions in which the Corporation operates.

Some of the Corporation's products are considered "food" and, as such, are principally regulated under the *Food and Drugs Act* (Canada) and the *Consumer Packaging and Labelling Act* (Canada) as well as the *Federal Food, Drug, and Cosmetic Act* (USA) and the *Nutrition Labeling and Education Act* (USA).

The *Food and Drugs Act* ("**FDA**") regulates food and drugs in Canada and provides requirements on composition (including without limitation food additives, fortification, and food standards), packaging, and licensing requirements. The Corporation is not required to obtain any pre-approvals and/or licenses for its products, but must ensure that the labelling, marketing and selling of any of its products comply with the FDA, including by ensuring that the Corporation's products are not packaged or marketed in a manner that is misleading or deceptive to a consumer.

The *Consumer Packaging and Labelling Act* ("**CPLA**") provides for a uniform method of labelling and packaging of prepackaged consumer goods in Canada. The relevant provisions include the prevention of fraudulent statements and providing for mandatory label information in which consumers may make informed decisions.

The United States Food and Drug Administration ("**US-FDA**") is responsible for assuring that foods sold in the United States are safe, wholesome and properly labeled. This applies to foods produced domestically, as well as foods from foreign countries. The *Federal Food, Drug, and Cosmetic Act* ("**FD&C Act**") and the *Fair Packaging and Labeling Act* are the Federal laws governing food products under US-FDA's jurisdiction.

The *Nutrition Labeling and Education Act* ("**NLEA**"), which amended the FD&C Act, requires most foods to bear nutrition labeling and requires food labels that bear nutrient content claims and certain health messages to comply with specific requirements.

Monk-E does not have any direct or indirect involvement with the illegal selling, production or distribution of any psychedelic substances in the jurisdictions in which it operates. The Corporation is a health and wellness product company and does not advocate for the legalization of any psychedelic substances and does not deal with psychedelic substances. The Corporation's products will not be commercialized in any given jurisdiction prior to applicable regulatory approval in that jurisdiction, which may only be granted if evidence of safety and efficacy for the intended uses is successfully developed.

Foreign Operations

The Corporation currently plans to launch sales of its products across Canada and the United States, focusing initially on the United States market. The Corporation is developing third-party logistics relationships in California, New York, and Arizona.

Summary of Quarterly Results

The following summarizes the selected quarterly results for the Company:

	Period from the date of incorporation May 24, 2020 to June 30, 2020	Three months ended September 30, 2020
Total revenue	$ -	$ -
Loss from continuing operations	2,418	237,790
Loss per share (diluted and non-diluted)	$ -	$ (0.02)

During the period ended June 30, 2020 expenses consisted mainly of marketing fees and other office expenses.

During the three months ended September 30, 2020 expenses consisted mainly of consulting fees and other professional fees.

Liquidity and Capital Resources

The Company manages its capital structure and adjusts based on the funds available to the Company in order to facilitate the liquidity needs of its operations. The board does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company defines capital to include its working capital position, capital stock and accumulated deficit. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the period ended September 30, 2020

At September 30, 2020, the Company had a cash balance of $407,303 available to settle current financial liabilities of $119,517.

Risks and Uncertainties

Due to the nature of the Company's business, its limited operating history, and its stage of development, an investment in the securities of the Company is highly speculative and involves significant risks and uncertainties. As the Company continues to develop its business, the Company will face numerous challenges, and additional risks and uncertainties not presently known to the Company, or which the Company believes to be immaterial. In the event that such risks and uncertainties materialize, the Company's business, financial condition, and results of operations could be materially adversely affected, and shareholders of the Company could lose all or part of their investment in the Company. Such risks and uncertainties could also cause actual events to differ materially from those described in forward looking statements relating to the Company described in this MD&A and in certain documents incorporated by reference into this MD&A.

The following section summarizes certain of the risks and uncertainties relating to the business of the Company as of the date of this MD&A. The summary of such risks and uncertainties is not intended to be exhaustive, and such risks are in addition to the usual risks associated with investment in a business. Investors should carefully consider the following risks and uncertainties as well as the risk factors set out in the Listing Statement.

Introduction of, or Changes in, Laws, Regulations and Guidelines

In order to develop regulated medicines, Levitee's research and development process must be conducted in strict compliance with the regulations of federal, state, local and regulatory agencies in Canada and the United States, and the equivalent regulatory agencies in the other jurisdictions in which Levitee may operate.

These regulatory authorities regulate, among other things, the research, manufacture, promotion and distribution of drugs in specific jurisdictions under applicable laws and regulations.

Canada

The process required before a prescription drug product candidate may be marketed in Canada generally involves:

- *Chemical and Biological Research* - Laboratory tests are carried out on tissue cultures and with a variety of small animals to determine the effects of the drug. If the results are promising, the manufacturer will proceed to the next step of development.
- *Pre-Clinical Development* – Animals are given the drug in varying amounts over differing periods of time. If it can be shown that the drug causes no serious or unexpected harm at the doses required to have an effect, the manufacturer will proceed to clinical trials.
- *Clinical Trials — Phase 1* - The first administration in humans is to test if people can tolerate the drug. If this testing is to take place in Canada, the manufacturer must prepare a clinical trial application for the Therapeutic Products Directorate of Health Canada (the "TPD"). This includes the results of the first two steps and a proposal for testing in humans. If the information is sufficient, the Health Products and Food Branch of Health Canada (the "HPFB") grants permission to start testing the drug, generally first on healthy volunteers.
- *Clinical Trials — Phase 2* - Phase 2 trials are carried out on people with the target condition, who are usually otherwise healthy, with no other medical condition. Trials carried out in Canada must be approved by the TPD. In Phase 2, the objective of the trials is to continue to gather information on the safety of the drug and begin to determine its effectiveness.
- *Clinical Trials — Phase 3* - If the results from Phase 2 show promise, the manufacturer provides an updated clinical trial application to the TPD for Phase 3 trials. The objectives of Phase 3 include determining whether the drug can be shown to be effective, and have an acceptable side effect profile, in people who better represent the general population. Further information will also be obtained on how the drug should be used, the optimal dosage regimen and the possible side effects.
- *New Drug Submission* - If the results from Phase 3 continue to be favourable, the drug manufacturer can submit a new drug submission ("NDS") to the TPD. A drug manufacturer can submit an NDS regardless of whether the clinical trials were carried out in Canada. The TPD reviews all the information gathered during the development of the drug and assesses the risks and benefits of the drug. If it is judged that, for a specific patient population and specific conditions of use, the benefits of the drug outweigh the known risks, the HPFB will approve the drug by issuing a notice of compliance.

United States

Our development and commercialization activities and product candidates are significantly regulated by a number of governmental entities, including the FDA, HC, and comparable authorities in other countries. Regulatory approvals are required prior to each clinical trial and we may fail to obtain the necessary approvals to commence or continue clinical testing. We must comply with regulations concerning the manufacture, testing, safety, effectiveness, labeling, documentation, advertising, and sale of products and product candidates and ultimately must obtain regulatory approval before we can commercialize a product candidate.

The time required to obtain approval by such regulatory authorities is unpredictable but typically takes many years following the commencement of preclinical studies and clinical trials. Any analysis of data from clinical activities we perform is subject to confirmation and interpretation by regulatory authorities, which could delay, limit or prevent regulatory approval. Even if we believe results from our clinical trials are favorable to support the marketing of our product candidates, the FDA or other regulatory authorities may disagree. In addition, approval policies, regulations, or the type and amount of clinical data necessary to gain approval may change during the course of a product candidate's clinical development and may vary among jurisdictions. We have not obtained regulatory approval for any product candidate and it is possible that none of our existing product candidates or any future product candidates will ever obtain regulatory approval.

We could fail to receive regulatory approval for our product candidates for many reasons, including, but not limited

to:

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

A regulatory authority may require more information, including additional preclinical or clinical data to support approval, which may delay or prevent approval and our commercialization plans, or we may decide to abandon the development program. If we were to obtain approval, regulatory authorities may approve any of our product candidates

for fewer or more limited indications than we request, may grant approval contingent on the performance of costly post-marketing clinical trials, or may approve a product candidate with a label that does not include the labeling claims necessary or desirable for the successful commercialization of that product candidate. Moreover, depending on any safety issues associated with our product candidates that garner approval, the FDA may impose a risk evaluation and mitigation strategy, thereby imposing certain restrictions on the sale and marketability of such products.

Technology and information security
The Company is also subject to technology and information security risk, including the risk that confidential information held by the Company is stolen or accessed causing financial or personal harm to the affected individual(s) or the Company's business. The Company reduces this risk through

enhancement of policies and procedures, and monitoring and auditing to ensure compliance related to information technology, safety of data, and secure storage of physical files. The Company is also subject to risks related to reliance on key personnel and catastrophic and general uninsured loss.

COVID-19
The impact of the COVID-19 pandemic, with its combined health toll and sharp decline in global economic output, is unprecedented and the full extent of the impact will depend on future developments. These developments are highly uncertain and cannot be accurately predicted, including new information which may emerge concerning its severity, its duration and actions by government authorities to contain the outbreak or manage its impact. As a result, it is not possible to determine the impact on the going concern of the Company at this time.

The following are certain risk factors relating to an investment in Shares which prospective investors should carefully consider before deciding whether to purchase common shares. The following information must be read in conjunction with the detailed information appearing elsewhere in this prospectus. Such risk factors may have a material adverse effect on the financial position or results of operations of the Corporation or the value of the common shares.

Limited History of Operations

The Corporation is in the early stage of development and must be considered a start-up. As such, the Corporation is subject to many risks common to such enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources and the lack of revenues. There is no assurance that the Corporation will be successful in achieving a return on Shareholders' investment and the likelihood of success must be considered in light of its early stage of operations. The Corporation has no intention of paying any dividends in the near future.

The Corporation has limited financial resources, has not earned any significant revenue since commencing operations has no source of operating cash flow and there is no assurance that additional funding will be available to it for further development of the Corporation's business or to fulfill its obligations under any applicable agreements. There can be no assurance that the Corporation will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in delay or indefinite postponement of further development of the Corporation's business.

No Market for Securities

There is currently no market through which the common shares may be sold and there is no assurance that such securities of the Corporation will be listed for trading on a stock exchange, or if listed, will provide a liquid market for such securities. Until the common shares are listed on a stock exchange, holders of the common shares may not be able to sell their common shares. Even if a listing is obtained, there can be no assurance that an active public market for the common shares will develop or be sustained after listing. The holding of common shares involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. common shares should not be purchased by persons who cannot afford the possibility of the loss of their entire investment.

Additional Requirements for Capital

Substantial additional financing may be required if the Corporation is to successfully develop its business. No assurances can be given that the Corporation will be able to raise the additional capital that it may require for its anticipated future development. Any additional equity financing may be dilutive to investors and debt financing, if available, may involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the Corporation, if at all. If the Corporation is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated expansion.

Negative Cash Flow from Operating Activities

The Corporation has had negative cash flow from operating activities since inception. Significant capital investment will be required to achieve the Corporation's existing plans. There is no assurance that the Corporation's business will generate earnings, operate profitably or provide a return on investment in the near future. Accordingly, the Corporation may be required to obtain additional financing in order to meet its future cash commitments.

Regulatory Environment

The Corporation's operations are subject to regulation by government agencies including, among others, Health Canada and the CFIA. These agencies regulate the processing, packaging, storage, distribution, advertising, and labeling of the Corporation's products, including food safety standards. The Corporation's products may be subject to inspection by federal, provincial, state and local authorities. The Corporation strives to maintain compliance with all laws and regulations and maintain all permits and licenses relating to our operations. Nevertheless, there can be no assurance that the Corporation is in compliance with all such laws and regulations, has all necessary permits and licenses, and will be able to comply with such laws and regulations, or obtain such permits and licenses in the future. Failure by the Corporation to comply with applicable laws and regulations and permits and licenses could subject the Corporation to civil remedies, including fines, injunctions, recalls or seizures, as well as potential criminal sanctions, which could have a material adverse effect on our financial condition and results of operations. In addition, enforcement of existing laws and regulations, changes in legal requirements and/or evolving interpretations of existing regulatory requirements may result in increased compliance costs and create other obligations, financial or otherwise, that could adversely affect the Corporation's business, financial condition or results of operations.

Management of Growth

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

Success is Dependent on Public Taste for Levitee's Products

The Corporation's revenues are substantially dependent on the success of its products, which depends upon, among other matters, pronounced and rapidly changing public tastes, factors which are difficult to predict and over which the Corporation has little, if any, control. A significant shift in consumer demand away from the Corporation's products or its failure to expand its current market position will harm its business. Consumer trends change based on several possible factors, including nutritional values, a change in consumer preferences or general economic conditions. Additionally, there is a growing movement among some consumers to buy local food products in an attempt to reduce the carbon footprint associated with transporting food products from longer distances, and this could result in a decrease in the demand for food products and ingredients that the Corporation imports. These changes could lead to, among other things, reduced demand and price decreases, which could have a material adverse effect on the Corporation's business.

Raw Materials

The Corporation's products are derived from mushrooms. Accordingly, the Corporation and/or its manufacturers must acquire enough mushrooms so that the products can be produced to meet the demand of its customers. A mushroom shortage could result in loss of sales and damage to the Corporation. If the Corporation and/or its manufacturers become unable to acquire commercial quality mushrooms on a timely basis and at commercially reasonable prices, and are unable to find one or more replacement suppliers with the regulatory approvals to produce mushrooms at a substantially equivalent cost, in substantially equivalent volumes and quality, and on a timely basis, the Corporation will likely be unable to meet customer demand.

Consumer Perception of Mushrooms

The Corporation is highly dependent upon consumer perception of mushrooms and mushroom based products. The public may associate its mushrooms with illegal psychoactive mushrooms, which are prohibited substances. The Corporation's revenues may be negatively impacted due to the fact the market does not fully accept the mushrooms as a food product.

Brand Awareness

Brand awareness has not been achieved inside or outside of the Corporation's target markets. There is no assurance that the Corporation will be able to achieve brand awareness in any of its target markets. In addition, the Corporation must develop successful marketing, promotional and sales programs in order to sell its products. If the Corporation is not able to develop successful marketing, promotional and sales programs, then such failure will have a material adverse effect on the business, financial condition and operating results.

Limited Number of Products

The Corporation is heavily reliant on the production and distribution of mushroom-based and related products. If they do not achieve sufficient market acceptance, it will be difficult for us to achieve profitability.

The Corporation's revenue is derived almost exclusively from sales of mushroom-based and related products, and the Corporation expects that such products will account for substantially all of its revenue for the foreseeable future. If the mushroom-based and related products market declines or fails to achieve substantially greater market acceptance than it currently enjoys, the Corporation will not be able to grow its revenues sufficiently for it to achieve consistent profitability.

Even if products to be distributed by the Corporation conform to international safety and quality standards, sales could be adversely affected if consumers in target markets lose confidence in the safety, efficacy, and quality of mushrooms. Adverse publicity about mushroom-based products that the Corporation sells may discourage consumers from buying products distributed by the Corporation.

Development of New Products

The Corporation's success will depend, in part, on its ability to develop, introduce and market new and innovative products. If there is a shift in consumer demand, the Corporation must meet such demand through new and innovative products or else its business will fail. The Corporation's ability to develop, market and produce new products is subject to it having substantial capital. There is no assurance that the Corporation will be able to develop new and innovative products or have the capital necessary to develop such products.

Dependence on Management Team

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

Reliance on Third Party Manufacturers

The Corporation relies on outside sources to manufacture its products. The failure of such third-party packagers to deliver either components or finished goods on a timely basis could have a material adverse effect on the business. The Corporation does not intend to develop its own packaging capacity in the short term. As these are third parties over which the Corporation will have little or no control, the failure of such third parties to provide components or finished goods on a timely basis could have a material adverse effect on the business, financial condition and operating results.

Reliance on Marketing Partners and Future Distributors

The Corporation will sell its products online directly to end customers and it will rely on third parties for the sale and marketing of its products at retail locations. The Corporation plans to engage a distribution company to permit the Corporation to develop an extensive regional sales and distribution network throughout Canada and other jurisdictions where the Corporation's product is lawful. To the extent that marketing partners and distributors are distracted from selling the Corporation's products or do not expend sufficient efforts in managing and selling its products, the Corporation's future sales will be adversely affected. The Corporation's ability to grow our distribution network and attract additional distributors will depend on several factors, many of which are outside of its control. Some of these factors include: (i) the level of demand for the Corporation's brand and products in a particular distribution area; (ii) our ability to price our products at levels competitive with those offered by competing products and (iii) the Corporation's ability to deliver products in the quantity and at the time ordered by distributors.

Product Liability Insurance

The Corporation currently does not carry any product liability insurance coverage. Even though the Corporation is not aware of any product liability claims at this time, its business exposes itself to potential product liability, recalls and other liability risks that are inherent in the sale of food and other ingestible products. The Corporation can provide no assurance that such potential claims will not be asserted against it. A successful liability claim or series of claims brought against the Corporation could have a material adverse effect on its business, financial condition and results of operations.

Although the Corporation intends to obtain adequate product liability insurance, it cannot provide any assurances that it will be able to obtain or maintain adequate product liability insurance of on acceptable terms, if at all, or that such insurance will provide adequate coverage against potential liabilities. Claims or losses in excess of any product liability cover that may be obtained by the Corporation could have a material adverse effect on its business, financial conditional and results of operations.

Product Liability Claims

The Corporation may be required to pay for losses or injuries purportedly or actually caused by its products. Historically, there have been no product liability claims; however, there is no assurance that this trend will continue in the future. In the event that the Corporation's products are found to cause any injury or damage, the Corporation will be subject to substantial liability. This liability may exceed the funds available by the Corporation and result in the failure of its business.

Product Recall

The sale of products for human consumption involves inherent risks. The Corporation could decide to, or be required to, recall products due to suspected or confirmed contamination or product tampering. A product recall could adversely affect product sales financial condition and results of operation as well as the Corporation's general reputation in the industry.

Trademark Protection

The Corporation currently has not obtained any trademarks. Failure to register trademarks for the Corporation or its products could require the Corporation to rebrand its products resulting in a material adverse impact on its business.

Government Regulation

The processing, manufacturing, packaging, labeling, advertising and distribution of the Corporation's products is subject to regulation by one or more federal agencies, and various agencies of the provinces and localities in which our products are sold. These government regulatory agencies may attempt to regulate any of our products that fall within their jurisdiction. Such regulatory agencies may not accept the evidence of safety for any new ingredients that the Corporation may want to market, may determine that a particular product or product ingredient presents an unacceptable health risk and may determine that a particular statement of nutritional support that we want to use is an unacceptable claim. Such a determination would prevent the Corporation from marketing particular products or using certain statements of nutritional support on its products. The Corporation also may be unable to disseminate third-party literature that supports its products if the third-party literature fails to satisfy certain requirements.

In addition, a government regulatory agency could require the Corporation to remove a particular product from the market. Any future recall or removal would result in additional costs to the Corporation, including lost revenues from any products that we are required to remove from the market, any of which could be material. Any such product recalls or removals could lead to liability, substantial costs and reduced growth prospects.

Competition

The Corporation faces competition in the markets in which it operates. Some of the Corporation's competitors may also be better positioned to develop superior product features and technological innovations and able to better adapt to market trends than the Corporation. The Corporation's ability to compete depends on, among other things, high product quality, short lead-time, timely delivery, competitive pricing, range of product offerings and superior customer service and support. Increased competition may require the Corporation to reduce prices or increase costs and may have a material adverse effect on its financial condition and results of operations. Any decrease in the quality of the Corporation's products or level of service to customers or any occurrence of a price war among the Corporation's competitors and the Corporation may adversely affect the business and results of operations.

Junior Companies

Market perception of junior companies may change, potentially affecting the value of investors' holdings and the ability of the Corporation to raise further funds through the issue of further common shares or otherwise. The share price of publicly traded smaller companies can be highly volatile. The value of the common shares may go down as well as up and, in particular, the share price may be subject to sudden and large falls in value given the restricted marketability of the common shares.

Current Market Volatility

The securities markets in the United States and Canada have recently experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any market for the common shares will be subject to market trends generally, notwithstanding any potential success of the Corporation. The value of the common shares distributed hereunder will be affected by such volatility.

Use of Funds

The Corporation has prepared a budget setting out the way in which it proposes to expend its available funds. However, the quantum and timing of expenditure will necessarily be dependent upon receiving positive results from the Corporation's product development and marketing initiatives. As the Corporation further expands its business, it is possible that results and circumstances may dictate a departure from the pre-existing budget. Further, the Corporation may, from time to time as opportunities arise, utilize part of its financial resources to participate in additional opportunities that arise and fit within the Corporation's broader objectives, as a means of advancing shareholder value.

Conflicts of Interest

Some or all of the Corporation's Directors and officers may act as directors and/or officers of other health and wellness companies. As such, the Corporation's Directors and officers may be faced with conflicts of interests when evaluating alternative health and wellness opportunities. In addition, the Corporation's Directors and officers may prioritize the business affairs of another company over the affairs of the Corporation.

Personnel

The Corporation has a small management team and the loss of any key individual could affect the Corporation's business. Additionally, the Corporation will be required to secure other personnel to facilitate its marketing and product development initiatives. Any inability to secure and/or retain appropriate personnel may have a materially adverse impact on the business and operations of the Corporation.

Tax Issues

Income tax consequences in relation to the securities offered will vary according to the circumstances of each purchaser. Prospective purchasers should seek independent advice from their own tax and legal advisers prior to subscribing for the securities.

Liquidity of the common shares

Listing on the Exchange should not be taken as implying that there will be a liquid market for the common shares. Thus an investment in the common shares may be difficult to realize. Investors should be aware that the value of the common shares may be volatile. Investors may, on disposing of common shares, realize less than their original investment, or may lose their entire investment. The common shares, therefore, may not be suitable as a short-term investment.

The market price of the common shares may not reflect the underlying value of the Corporation's net assets. The price at which the common shares will be traded, and the price at which investors may realize their common shares, will be influenced by a large number of factors, some specific to the Corporation and its proposed operations, and some which may affect the sectors in which the Corporation operates. Such factors could include the performance of the Corporation's operations, large purchases or sales of the common shares, liquidity or the absence of liquidity in the common shares, legislative or regulatory changes relating to the business of the Corporation, and general market and economic conditions.

No Dividends

The Corporation has not declared or paid any cash dividends on the common shares to date. The payment of dividends in the future, if any, is dependent on the Corporation's earnings, financial condition, capital requirements, business conditions, corporate law requirements and on such other factors as the Board considers appropriate. Unless and until the Corporation pays dividends, shareholders' ability to achieve a return on their investment will depend upon an appreciation in the price of the common shares.

General

Although management believes that the above risks fairly and comprehensibly illustrate all material risks facing the Corporation, the risks noted above do not necessarily comprise all those potentially faced by the Corporation as it is impossible to foresee all possible risks. Although the Directors will seek to minimize the impact of the risk factors, an investment in the Corporation should only be made by investors able to sustain a total loss of their investment. Investors are strongly recommended to consult a person who specializes in investments of this nature before making any decision to invest.

Related Party Transactions

(a) Compensation of key management personnel

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors, and corporate officers. The remuneration of key management personnel including consulting fees paid through companies owned by directors during the year ended was as follows:

		Period from date of incorporation on May 24, 2020 to September 30, 2020
Consulting fees	$	82,957
Accounting fees		6,899
Total		**89,856**
Amount due to related parties	$	29,098

(b) Transactions with related parties

		Period from date of incorporation on May 24, 2020 to September 30, 2020
Rent expense paid to a director of the Company	$	9,900

Deposit for rent	$	2,000

(c) Services provided by related parties settled with shares

The company has settled some of its consulting expenses with the related parties with shares. For the period ended September 30, 2020 the total number of shares and value for debt settlement are 800,000 shares and $4,000 respectively.

Critical accounting estimates and judgements

In the application of the Company's accounting policies, which are described within this note, the management of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying accounting policies

(i) Going concern - Management has applied judgements in the assessment of the Company's ability to continue as a going concern when preparing its financial statements. Management prepares the financial statements on a going concern basis unless management either intends to liquidate the entity or to cease trading or has no realistic alternative to do so. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period.

Key sources of estimation uncertainty

(i) Current and deferred taxes - The estimation of income tax expense and the composition of deferred tax assets and liabilities involves judgment and estimates as to the future taxable earnings, expected timing of reversal of deferred tax assets and liabilities, and interpretations of tax laws. The Company is subject to assessments by tax authorities who may interpret the tax law differently. Changes in these interpretation, judgments and estimates may materially affect the final amount of current and deferred tax provisions, deferred income tax assets and liabilities, and results of operations. While the precise impact of the recent novel coronavirus ("COVID-19") outbreak remains unknown, it has introduced uncertainty and volatility in Canadian and global economies. The Company is monitoring developments and preparing for any impacts related to COVID-19. The Company has business plans in place, that ensures its readiness to appropriately address and mitigate regulatory and business risks as they arise including, but not limited to, impacts on employees and other key resources in the business.

Financial Instruments and Other Instruments

(a) Fair values of financial instruments

September 30, 2020	Financial assets at amortized cost	Financial liabilities at amortized cost	Financial assets at fair value through profit or loss
	$	$	$
Cash	407,303	-	-
Accounts payable and accrued liabilities	-	91,517	-
Total	**407,303**	**91,517**	**-**

Fair value measurements and disclosures use the following hierarchy definitions in determining its classifications:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 - Inputs other than quoted prices included with Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices)

Level 3 - Inputs for the asset or liability that are not based on observable market data (that is unobservable inputs

Cash and cash equivalents and accounts payable and accrued liabilities approximate their fair value due to their short-term nature.

(a) Credit risk

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. The following paragraph describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

The risk exposure is limited to their carrying amounts at the statement of financial position date. The risk for cash is mitigated by holding these instruments with highly rated Canadian financial institutions. The Company does not invest in asset-backed deposits or investments and does not expect any credit losses. The Company periodically assesses the quality of its investments and is satisfied with the credit rating of the financial institutions.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, polices and processes for managing those risks or the methods used to measure them unless otherwise stated in the note.

(b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The key to success in managing liquidity is the degree of certainty in the cash flow projections.

The Company monitors its cash flows to meet the Company's normal operating requirements on an ongoing basis and its planned capital expenditures. All of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. At September 30, 2020, the Company had a cash balance of $407,303 available to settle current financial liabilities of $119,517.

(c) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Currently the Company does not charge or is charged floating interest rates on its loans receivable, payables or other loan. The Company is not exposed to significant interest rate risk.

Commitments and contingencies

As at September 30, 2020, the Company had a number of contingent commitments as per agreements with some consultants:

- $20,000 in free trading stock options contingent to initial public offering;
- In the event a consultant introduces the Company to an M&A target and the Company acquire the corporation, the Company will pay the consultant 5% of the transaction value in cash or shares, to be determined by the Company at the time of the acquisition;
- Grant of 500,000 stock options to purchase shares of the Company upon completion of the agreement and contingent to BOD approval;
- Grant of 500,000 restricted stock units of common shares contingent on the initial public offering, subject to requirements from Canadian Securities Exchange and the Company's employee restricted stock unit plan;
- Contingent on a number of milestones and achievements to grant up to a total of 11,400,000 stock options.

Subsequent to year end, all contingent commitments mentioned above were transferred from Monk-E to Fibonacci prior to amalgamation.

Subsequent Events

(a) **Amalgamation**

1273586 B.C. Ltd. ("1273586"), was incorporated on November 6, 2020, to facilitate the three-cornered amalgamation to be completed among Fibonacci, 1273586 and Monk-E, whereby 1273586 and Monk-E would amalgamate under the Business Corporations Act (British Columbia) and become a wholly-owned subsidiary of Fibonacci. On November 30, 2020, Monk-e and 1273586, a wholly-owned subsidiary of Fibonacci, amalgamated under the Business Corporations Act (British Columbia). In connection therewith, Fibonacci changed its name to Levitee Labs Inc. and the entity resulting from the amalgamation of Monk-E and 1273586 changed its name to Levitee Labs Holdings Inc on December 1, 2020. As a result of these transactions, Levitee Labs Inc. now owns 100% of Levitee Labs Holdings Inc.

Fibonacci Capital Corp. consolidated its common shares at a ratio of 2.5:1 from 14,638,903 common shares to 5,855,561 common shares immediately prior to amalgamation. Monk-E shareholders were then issued 1 common share in Fibonacci in exchange for 1 common share in Monk-E. This amounted to a total addition of 21,928,050 common shares issued in Fibonacci. Post amalgamation, the combined entity changed name to Levitee Labs Inc (changed name from Fibonacci Capital Corp.) and it had 27,783,611 common shares outstanding at the amalgamation date. The total of 7,249,000 common outstanding shares of the Fibonacci were issued to the relate parties in addition to the 1,797,333 common outstanding shares previously issued as a result of the amalgamation.

(b) **Manufacturing plant lease agreement**

On November 20, 2020, the Company has entered into a lease agreement for a factory in Port Coquitlam BC. Initial monthly lease costs are $5,353 and these monthly lease commitments expire on December 31, 2025. Future undiscounted lease payments during each financial year of the Company for the remaining lease are as follows:

2021	48,176
2022	65,028
2023	66,084
2024	67,141
2025	68,197
2026	17,115
	$ 331,741

(c) **Equity Raise**

On November 30th, 2020, the Company issued 3,423,050 shares at a price of $0.25 per share to raise $840,762, net of issuance costs. These funds will be used as working capital to support operations and costs involved in the non-offering prospectus. The cash compensation of $23,840 payable to the finders and the issuance of 95,360 finder's warrant be, and is hereby, authorized and approved by the board of directors.

(d) **Stock Options**

Per consulting agreement entered by the company on July 15, 2020, part of consultant's remuneration includes granting stock options contingent on future events. On December 15, 2020, the board of directors approved granting the 250,000 stock options with an exercise price of $0.10, an expiry date of December 15, 2023 and a vesting period of 12 quarters with the 1/12th vesting at the grant date and 1/12th vesting in each quarter thereafter.

(e) **Letter of Intent signed for future acquisitions**

On October 16th, 2020, the Company signed a Letter of Intent to acquire Earth Circle Organics. On October 23rd, 2020, the Company entered into a Letter of Intent to acquire Brain Forza Labs Inc. On December 1st, 2020, Levitee Labs signed a Memorandum of Understanding to collaborate and construct a framework for the potential future investment or acquisition of BODE Nutraceuticals Inc.

Additional Information

Additional information relating to the Company can be found on SEDAR at www.sedar.com.

CERTIFICATE OF THE CORPORATION

February 11, 2021

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities previously issued by the issuer as required by the securities legislation of Alberta, British Columbia, Nova Scotia, Ontario and Saskatchewan.

ON BEHALF OF LEVITEE LABS INC.

/s/ Pouya Farmand
Pouya Farmand
Chief Executive Officer

/s/ Mason Darabi
Mason Darabi, CPA
Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

/s/ Justin Chorbajian
Justin Chorbajian
Director

/s/ Yarrow Willard
Yarrow Willard
Director

CERTIFICATE OF THE PROMOTER

February 11, 2021

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities previously issued by the issuer as required by the securities legislation of Alberta, British Columbia, Nova Scotia, Ontario and Saskatchewan.

/s/ Pouya Farmand

Pouya Farmand
Promoter